

AGENDA

POLICY AND RESOURCES COMMITTEE MEETING



Date: Wednesday 23 September 2015

Time: 6.30 pm

Venue: Town Hall, High Street,
Maidstone

Membership:

Councillors Mrs Blackmore, Brice, Chittenden,
Cox, Garland, Mrs Joy, McKay,
McLoughlin, Munford, Naghi, Ross,
Round, Sargeant, Mrs Stockell and
Mrs Wilson (Chairman)

Page No.

1. Apologies for Absence
2. Notification of Substitute Members
3. Urgent Items
4. Notification of Visiting Members
5. Date of Adjourned Meeting - 1 October 2015

Continued Over/:

Issued on Tuesday 15 September 2015

The reports included in Part I of this agenda can be made available in **alternative formats**. For further information about this service, or to arrange for special facilities to be provided at the meeting, **please contact Caroline Matthews on 01622 602743** . To find out more about the work of the Committee, please visit www.maidstone.gov.uk

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

6. Disclosures by Members and Officers
7. Disclosures of Lobbying
8. Exempt Items
9. Minutes (Part I) of the meeting held on 29 July 2015
10. Presentation of Petitions (if any)
11. Questions and Answer Session for members of the public (if any)
12. Report of the Head of Policy and Communications - Quarter 1 2015/16 Customer Feedback Report 1 - 23
13. Report of the Head of Policy and Communications - Corporate Improvement Plan - 2014/15 progress update 24 - 39
14. Report of the Head of Policy and Communications - Corporate Planning Timetable 40 - 44
15. Report of the Head of Policy and Communications - Strategic Plan Performance Update - Quarter 1 2015/16 45 - 70
16. Report of the Head of Finance and Resources - First Quarter Budget Monitoring 2015/16 71 - 90
17. Report of the Head of Finance and Resources - Review of Careers Guidance in Maidstone 91 - 118
18. Report of the Chief Executive - Creation of Policy and Resources Sub-Committee 119 - 125
19. Report of the Head of Mid Kent Revenues and Benefits - Fraud Investigation Team 126 - 140
20. Report of the Head of Policy and Communications - Resident Survey 2015
21. Report of the Head of Planning and Development - Urgent Decision Referral from Strategic Planning, Sustainability and Transportation Committee 8/9/15: Landscapes of Local Value
22. PART II

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

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

Minutes of the Meeting (Part II) held on
re an

Para 1 – Info

29 July 2015

individual

Info re financial/
affairs

Para 3 –
business

Report of the Director of Planning and
re financial/
Development - Property Acquisition
affairs

Para 3 – Info
business

Info which is
commercially sensitive

Para 7a –

- | | |
|---|-----------|
| 23. Minutes (Part II) of the meeting held on 29 July 2015 | 141 - 143 |
| 24. Report of the Director of Planning and Development - Property Acquisition | 144 - 166 |

IN ACCORDANCE WITH SECTION 17 OF THE LOCAL GOVERNMENT AND HOUSING ACT 1989 ALTERNATIVE ARRANGEMENTS FOR APPOINTMENTS TO COMMITTEES OUTSIDE THE USUAL POLITICAL BALANCE REQUIREMENTS MAY BE CONSIDERED IN RELATION TO AGENDA ITEM 17

Agenda Item 12

Policy and Resources Committee

23 September 2015

Is the final decision on the recommendations in this report to be made at this meeting?

Yes

Quarter 1 Customer Feedback Briefing

Final Decision-Maker	Policy and Resources Committee
Lead Head of Service	Head of Policy and Communications
Lead Officer and Report Author	Anna Collier Policy and Information Manager Sam Bailey Research and Information Officer
Classification	Public
Wards affected	All

This report makes the following recommendations to this Committee:

1. To note the Quarter 1 Customer Feedback Briefing.

This report relates to the following corporate priorities:

- Keeping Maidstone Borough an attractive place for all
- Securing a successful economy for Maidstone Borough

Complaints were received for many different service areas across the council so this report affects all of our corporate priorities.

Timetable

Meeting	Date
Policy and Resources Committee	23 September 2015

Quarter 1 Customer Feedback Briefing

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The attached report provides a summary of complaints and compliments received by the Council for quarter 1 of 2014/15 (Appendix A).
- 1.2 The following points should be noted as of particular interest for quarter 1:
- The proportion of complaints responded to on time (75.8%);
 - The high number of complaints received for Electoral Registration and Development Management;
 - The increased proportion of complaints made by email; and
 - The low percentage of stage 2 complaints that have been upheld.
- 1.3 The Policy and Information Team are near the end of their review of complaints at the council. The main finding of the review is that we process more complaints than any of the other councils we surveyed. However on further investigation it appears that we are not receiving more complaints, but we are being more open and transparent in dealing with them as complaints and logging them through the complaints process. Other councils either significantly restrict what they will take as a complaint, or tend not to consistently follow their complaints processes and deal with complaints outside their formal process. This means that it is possible that the learning from complaints may be lost within these organisations. However we have come up with a list of recommendations to improve the process and reduce the impact on staff in dealing with complaints. These recommendations include:
- Improving (or replacing) the complaints IT system;
 - Creating a new 'informal resolution' stage in the complaints process, allowing minor problems to be resolved by customer facing staff without requiring a formal response;
 - Better training and guidance for Customer Service Assistants (CSAs) in the contact centre to empower them to deal with complaints in the first instance;
 - Reviewing the complaints policy;
 - Improving the online complaints form; and
 - Better training, information and guidance across the council on dealing with complaints to improve responses and resolutions at stage 1.

2. INTRODUCTION AND BACKGROUND

- 2.1 The Council has a 2 stage process for dealing with complaints. At the first stage, the relevant Head of Service investigates and responds to the complaint. At the second stage the Head of Policy and Communications investigates the complaint. Once the complainant has exhausted this two stage process they may take their complaint to the Local Government Ombudsman.

- 2.2 Complaints are recorded on a complaints system which is administered by the Policy and Information Team. Reports from this system form the basis of the Customer Feedback Report attached as an appendix to this report.
- 2.3 The Policy and Information Team are also forwarded details of compliments received by other departments.
- 2.4 These elements are brought together in the Customer Feedback report to give an overall view of feedback received by the Council.
- 2.5 For the context of the report, it is important to distinguish between a complaint and a service request. The complaints policy states:

'A complaint is not a request for service or an enquiry about a service. A request for service may become a complaint if the council fails to meet our service standards after receiving the initial enquiry.'

3. AVAILABLE OPTIONS

- 3.1 Policy and Resources could choose not to receive a regular update on customer feedback. However these updates offer CLT the opportunity to have an ongoing view of the customer experience, emerging issues and areas for improvement.
- 3.2 Policy and Resources could choose not to monitor complaints and compliments at all. However this would mean that learning from complaints would not be captured, and an understanding of the customer experience would be lost.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 For Policy and Resources to continue receiving Customer Feedback Reports.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 None.

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 The Policy and Information Team will communicate any decisions taken by Policy and Resources to the relevant department for implementation and/or incorporate into future reports.
-

7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	Complaints were received for nearly all areas of service delivery so will have an impact on all corporate priorities.	Paul Riley
Risk Management	None	N/A
Financial	There are no significant financial implications arising from this report. At least £20 was offered as a financial remedy, although some of the other remedies would have had a financial cost, e.g. replanting areas that have been cut down.	Paul Holland
Staffing	Receiving a high number of complaints has an impact on staffing as staff have to dedicate more time to responding to them.	Dena Smart
Legal	Some of the complaints received may have future legal implications.	John Scarborough
Equality Impact Needs Assessment	There were three complaints received about discrimination. Two of these complaints were unjustified. One justified complaint was complaining about a homeless resident not being able to find where their polling station was which was upheld. However housing status is not a protected characteristic.	Anna Collier
Environmental/Sustainable Development	None	N/A
Community Safety	None	N/A
Human Rights Act	None	N/A
Procurement	None	N/A
Asset Management	None	N/A

8. REPORT APPENDICES

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

- Appendix A: Quarter 1 Customer Feedback Briefing

9. BACKGROUND PAPERS

None

2015/16

Quarter 1 Customer Feedback



For further information about
Customer Feedback at
Maidstone Borough Council,
please contact Sam Bailey,
Research and Information
Officer

OUR VISION

That our residents live in decent homes, enjoy good health and a pleasant environment, with a successful economy that is supported by reliable transport networks.

OUR MISSION

Putting People First.

PRIORITY 1

Keeping Maidstone Borough an attractive place for all

PRIORITY 2

Securing a successful economy for Maidstone Borough

Providing a clean and safe environment

Encouraging good health and wellbeing.

Respecting the character of our Borough

Ensuring there are good leisure and cultural attractions

Enhancing the appeal of the town centre for everyone

Securing improvements to the transport infrastructure of our Borough

Promoting a range of employment opportunities and skills required across our Borough

Planning for sufficient homes to meet our Borough's needs

OUR VALUES

Service

Everything we do impacts on our customers, both internal and external. We will listen to and understand their needs, then take action to provide the right service in a positive and professional manner.

Teamwork

Working together to achieve our objectives and goals in a way that utilises the talents and creativity of everyone in our organisation.

Responsibility

We work in an environment that encourages us to take ownership for our actions. Making the right choices and decisions that lead to a satisfactory outcome for all.

Integrity

We have the courage to act on our convictions to build trust and honesty. We work with our partners and customers to create a feeling of openness and transparency in everything we do.

Value

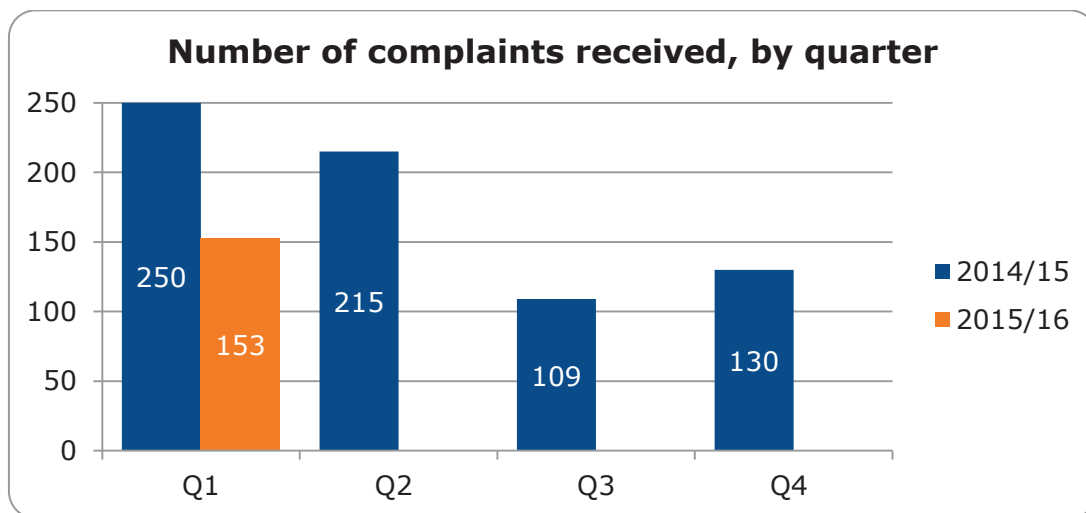
Taking care and weighing up our options, aiming to get the maximum effect for every penny of public money we spend.

Equality

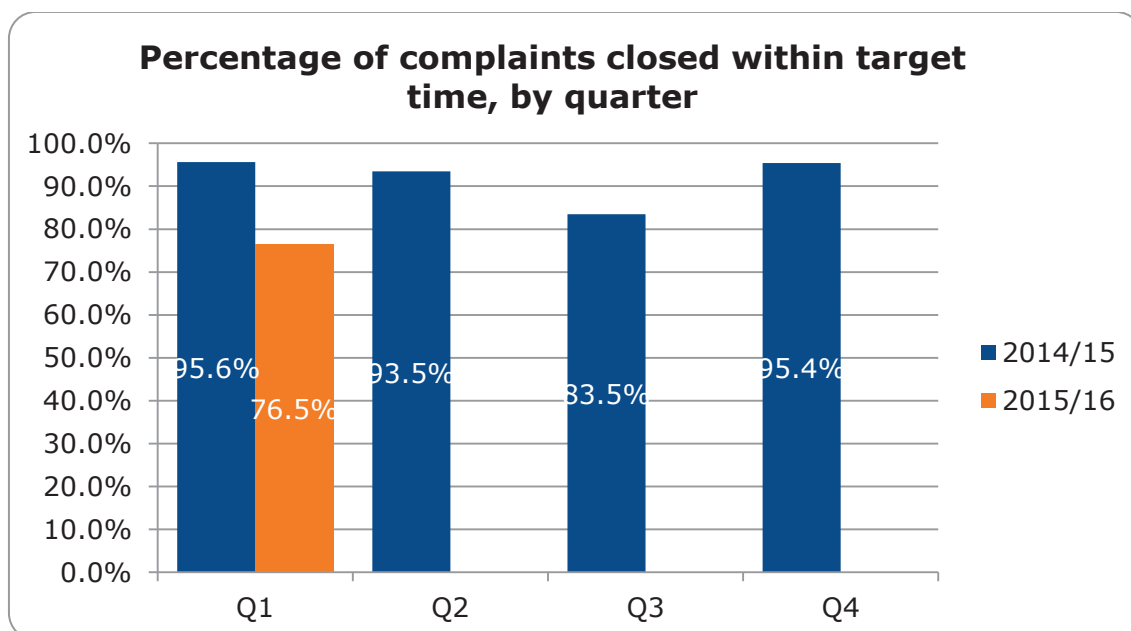
Valuing our differences and understanding how they can contribute to a better working environment and services that are fair and easy to access.

Overall Figures

In quarter 1 of 2015/16 the council received 153 complaints. This is an increase of 18% compared to quarter 4 of 2014/15, but a significant decrease of 63% compared to the same quarter of 2014/15. The graph below shows the volume of complaints received, by quarter, since quarter 1 of 2014/15.



76.5% of complaints were closed in time this quarter. This is the lowest result since we started reporting this data in 2009/10. The graph below shows the proportion of complaints closed within target time, by quarter, since quarter 1 of 2014/15. It should be noted that for a number of these complaints, complainants were contacted with expected dates for resolution.



The table below shows a full breakdown of complaints received, by service, whether they were late and what type of complaint they were. Complaints by service are discussed in detail later in the report.

Service	Number	On Time	Late	% on Time	Service	Policy	Staff	Time Taken	Lack of Contact	Discrimination
Benefits	5	5	0	100.0%	3	1	1	0	0	0
Bereavement Services	1	1	0	100.0%	0	0	1	0	0	0
Building Control	3	2	1	66.7%	1	1	1	0	0	0
Community Safety	2	1	1	50.0%	1	0	1	0	0	0
Corporate Property	1	1	0	100.0%	0	0	0	0	0	1
Customer Services	8	8	0	100.0%	7	0	1	0	0	0
Development Management	42	36	6	85.7%	7	31	3	1	0	0
Electoral Registration	25	4	21	16.0%	21	2	1	0	0	1
Environmental Enforcement	6	5	1	83.3%	3	0	3	0	0	0
Environmental Services	21	20	1	95.2%	13	0	8	0	0	0
Housing (Homelessness)	3	2	1	66.7%	0	2	1	0	0	0
Housing Register	7	6	1	85.7%	4	1	0	2	0	0
Legal Services	1	0	1	0.0%	0	1	0	0	0	0
Parking Services	9	9	0	100.0%	5	1	2	0	0	1
Parks and Leisure	4	4	0	100.0%	4	0	0	0	0	0
Planning Enforcement	2	1	1	50.0%	0	1	0	0	1	0
Planning Support	3	3	0	100.0%	0	2	1	0	0	0
Policy and Communications	1	1	0	100.0%	0	0	1	0	0	0
Private Sector Housing	3	2	1	66.7%	1	0	2	0	0	0
Revenues	5	5	0	100.0%	1	3	1	0	0	0
Spatial Planning	1	1	0	100.0%	0	1	0	0	0	0
Total	153	117	36	76.5%	71	47	28	3	1	3

Stage 2 Complaints

A table detailing the overall number of stage 2 complaints can be found below. The number of stage 2 complaints received for particular services is discussed later in the report.

Service	Stage 2 Complaints	Number Upheld	Number answered out of time
Benefits	1	0	0
Building Control	1	0	0
Development Management	13	0	0
Electoral Registration	6	2	1
Environmental Enforcement	1	0	0
Environmental Services	1	1	0
Parking Services	3	0	0
Parks and Leisure	1	0	0
Planning Support	3	1	0
Private Sector Housing	1	0	0
Revenues	1	0	0
Total	32	4	1

The table below shows the number of stage 2s received, the escalation rate and percentage of upheld complaints by quarter since quarter 1 of 2014/15.

	Year	Q1	Q2	Q3	Q4
Number of stage 2 complaints received	14/15	32	24	34	25
	15/16	32	-	-	-
% of complaints escalated to stage 2	14/15	12.8	11.1	31.1	19.2
	15/16	20.9	-	-	-
% upheld stage 2 complaints	14/15	31.3	33.3	35.3	16
	15/16	12.5	-	-	-

The table above shows that the escalation rate has increased slightly since the previous quarter. However the percentage of stage 2 complaints that are upheld has decreased again, and seem to be continuing on a downward trajectory.

This suggests that the conclusions of the complaint investigation at stage 1 are generally accurate. However there may be other reasons the complaints are being escalated, for example the tone of the letter or not addressing all issues

raised. These issues are being addressed by the complaints review that the Policy and Information Team are currently undertaking.

Compliments

Several teams across the council received compliments in quarter 1. Compliments for each team are also mentioned in their relevant section of the report later on. The number of compliments received by the council, sorted by team, can be found in the table below.

Team	Number of compliments
Street Cleansing	6
Inclusion	3
Waste Collection	3
Electoral Registration	1
Customer Services	1
Development Management	1
Communications	1
Parks and Leisure	1
Grounds Maintenance	1

Some of these compliments were showing appreciation for the work our teams carry out – e.g. litter picks and street cleansing. Others were regarding the swiftness of carrying out a service request – for example thanking us for how quickly we cleared some tree branches. There were other compliments about officers going ‘the extra mile’ for customers. The inclusion team received compliments about support offered to residents regarding flood grants.

Complaints by Directorate

The services that received complaints this quarter have been grouped together by director. Those services mentioned below are those that are of interest this quarter, rather than an exhaustive list. A table showing a full breakdown of complaint figures by service can be found at the end of this section.

Mid Kent Services

Other than the Revenues and Benefits service, none of the Mid Kent Services received complaints. This is mainly because these services tend to be back office services and not customer facing.

Revenues & Benefits

Revenues and Benefits received five complaints each this quarter.

One complaint to Benefits was about mistakes made when a customer made an enquiry about their benefits. The complainant was one of our first Universal Credit claimants and this highlighted an issue with staff training that has since been addressed. The fact that there was only 1 complaint now that Universal Credit has been launched locally is positive. Other than this complaint, there were no real complaints of note or trends in the complaints received by Benefits.

There were no trends or complaints of note that were received by Revenues.

Neither service closed any of their complaints late this quarter. The overall number received is low in relation to the number of residents claiming benefits and the number of residents and businesses that come into contact with the Revenues service across the borough.

Both of these services received one stage 2 complaint, and neither of these complaints were upheld at stage 2.

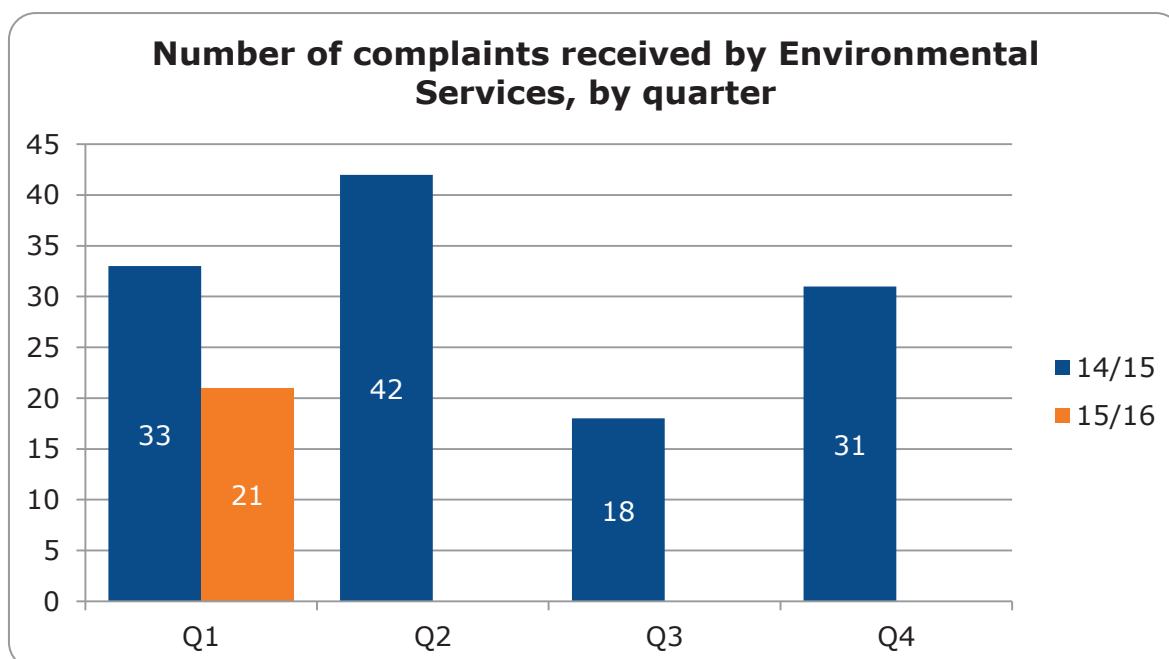
Environment and Shared Services

Environmental services consistently receive a number of complaints. This is to be expected as this service includes Waste Collection, a service delivered to every household and a number of businesses in the borough.

Parking Services and Environmental Enforcement also regularly receive a number of complaints, due to the nature of their work and both services issue fines which can leave customers feeling aggrieved.

Environmental Services

Environmental Services received 21 complaints this quarter. Of these, 18 were about Waste Collection. The graph below shows the number of complaints received by Environmental Services since quarter 1 of 2014/15.



The number of complaints received by Environmental Services in quarter 1 is lower than the previous quarter's results, as well as the corresponding quarter in 2014/15.

There were 2 common themes in the complaints received for this service.

The first was complaints about repeated missed collections. There were 5 complaints about this, this quarter, compared to six last quarter. In all of these cases the complainants' addresses were put on a 'hot spot' list and advised to log missed collections with us if they occur again.

The second was complaints about the way in which our officers were driving, or parking their vehicles. There were 4 complaints about this subject this quarter. This is an increase compared to the previous quarter when 2 complaints were received about this subject. To provide context it should be noted that we have a

fleet of 40 vehicles, as well as 15 MBC branded Biffa vehicles. The details of these complaints and action taken are outlined below:

- A resident had seen an MBC van mounting the pavement. The driver was identified and the issue was referred to their manager.
- A resident had seen a van being parked on double yellow lines. We were unable to identify who was driving the vehicle, but the problem was noted.
- A waste collection truck was driving too fast over speed bumps, making a mobile home shake and waking up the residents. As a result of this we asked the driver on this route to drive much slower on this road.
- A resident had noticed a truck was driving with an unsecured load. As a result of this complaint all our trucks were reviewed to make sure we had appropriate netting on the top to prevent debris falling onto the road in transit.

Other than this there were no other common themes or areas of concern within the complaints received for this service.

Environmental Services received one stage 2 complaint this quarter, which was upheld. This complaint was about repeated missed collections, but also questioned why the complainant couldn't raise missed bin reports on behalf of her neighbour. The stage 2 complaint response apologised and suggested ways in which the complainant could raise these missed bin reports on their neighbour's behalf.

Some compliments received for this team can be found below.

Would like to thank the refuse collection team for going the extra bit, we are expecting our first child and had a lot of cardboard boxes to dispose of, we left them outside the house before deciding best means to get rid of them and one of the men knocked on our front door and asked if we wanted them disposed of. It really helped not having to do lots of trip to the recycling centre so thank you very much.

I just wanted to record my thanks to the bin collection team on Friday 8th May. I was involved in election duties and failed to put my bins out in the right place that morning. Instead of just leaving them, your team very kindly found the right bins at the top of my drive and ensured they were all emptied. Much appreciated so please pass these thanks on to the team involved.

I just reported several broken tree branches and it was dealt with in a few hours.

Thank you for your prompt service!

I just reported several broken tree branches and it was dealt with in a few hours.

Thank you for your prompt service!

Environmental Enforcement

Environmental Enforcement received 6 complaints in total this quarter. Whilst this is not a particularly high number for this service there were 2 complaints about customers having problems making payment. One customer ended up making a payment twice as it was not clear whether a payment had already been made for the litter fine. As a result of the complaint the team will be exploring more bespoke solutions to paying litter fines so that customers can see whether the fine has been paid or not in real time. This should prevent double payments and make it easier for customers to pay online in the future.

This service received one stage 2 complaint this quarter which was not upheld and was responded to on time.

Parking Services

Parking Services received 9 complaints in total this quarter. This is not a particularly high number for this service. These complaints had the following themes:

- Complainants who had been issued Penalty Charge Notices (PCN), and were making a complaint as well as an appeal (2 regarding staff behaviour and one regarding the regulations at a particular location). None of these were upheld.
- Two complaints were requesting parking enforcement in their street. It was not possible for one of the complainants, as there was no Traffic Regulation Order in place and for the other complainant we assured them our Civil Enforcement Officers would continue to patrol their street.

In addition there was one complaint received about an ongoing issue with the timing of parking permit renewals. A resident had paid £25 for a parking permit for the year but it ran out in two months. As a result the customer had to buy a new one for the full £25. In this case the customer was initially not advised of the renewal date by Customer Services and a £20 goodwill payment was offered. However the problem of permits expiring after a few months, meaning customers have to then apply for a new one again at full price is a common complaint. Parking Services have committed to explore the possibility of introducing a virtual permit scheme that would eliminate this problem. As part of this visits have been made to Canterbury City Council, who are in the process of introducing virtual permits (although the system is not live yet), and there will be a further visit to Southwark to see a live virtual permit system in use.

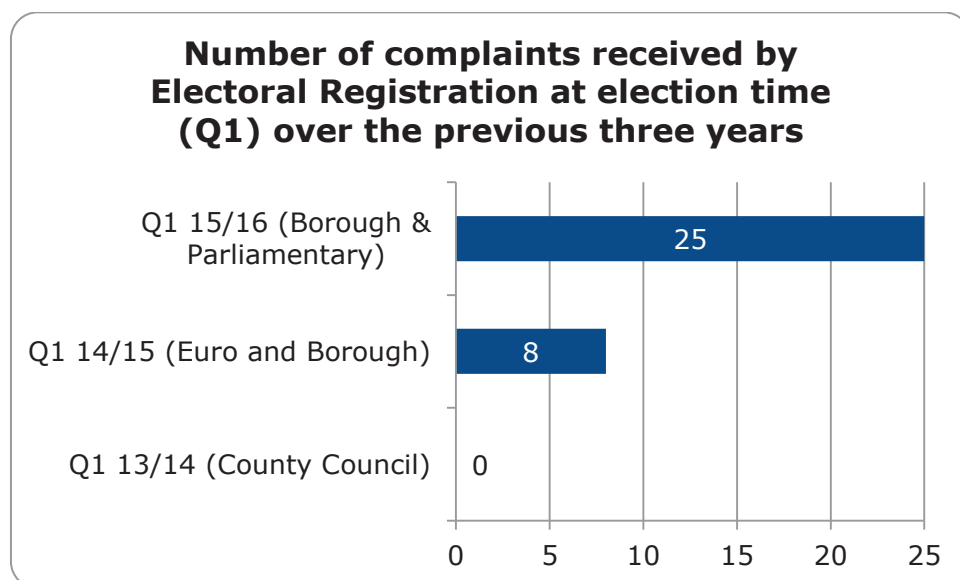
This service received 3 Stage 2 complaints this quarter, none of which were upheld.

Regeneration and Communities

The most common area of complaint for this directorate is usually the Housing Register and Homelessness services. However this quarter Electoral Registration received a higher than usual number of complaints. More detail on both of these services is provided below.

Electoral Registration

Electoral Registration received 25 complaints this quarter. This is a high number of complaints received for this service even during an election period. The graph below shows the number of complaints received about this service during quarter 1 for the last three years. There is a trend of an increasing number of complaints received for this service over the previous three years. It is important to bear in mind, however, that each year's election was more complicated than the last. Turnout was also higher in 2014/15 than 2013/14 and higher in 2015/16 than 2014/15 as it was an parliamentary election.



It was additionally complicated by the issue of postal votes for some wards in the Tunbridge Wells and Swale Borough Council areas, where Parliamentary constituencies crossed boundaries.

Due to the complexity of the election this year there were some problems that resulted in customers receiving postal votes late or not at all. This generated a large amount of contact around the time of the election, as people were asked to come to Maidstone House for a reissue.

The complaints received were a result of these problems faced, and the common themes of the complaints were:

- Postal votes not received;
- Postal votes received late (particularly from overseas voters); and
- Voters having to call up to ensure they got their postal votes.

To address some of the issues a review of elections is currently taking place and the results and recommendations of this review are expected to be ready by the end of September.

Five complaints received for this service were from complainants who were unhappy they were not on the electoral register at the time of the election. In each of these cases this was because of the introduction of Individual Electoral Registration. This was introduced in 2014, and has changed the way to register to vote so that it is the responsibility of the individual to register themselves, rather than one member of the household registering everyone. Inevitably there were some problems, with some customers being unaware of, or not understanding, the change that had happened or not filling out forms correctly. This resulted in these complainants being removed from the register and generated these complaints.

Out of the 25 complaints received, only 4 were responded to on time. This was partly because of the time the complaints were received. As many of the complaints were received at or immediately after the election the team were not able to spend the time investigating and responding to the complaints as they were carrying out post election duties which are time bound. Eight of the complainants who complained at this time were sent a letter explaining this and given a revised date for when to expect a response. Despite this, 6 of the complainants who were sent this letter had their complaint closed well past the extended deadline with no update letter. The complaints that were received just after the election were not sent update letters and the majority of these were closed late.

Electoral Registration received 6 stage 2 complaints this quarter, which is the second highest number after Development Management. Two of the stage 2 complaints for electoral registration were upheld- these were both about the way in which we had handled postal votes during the election.

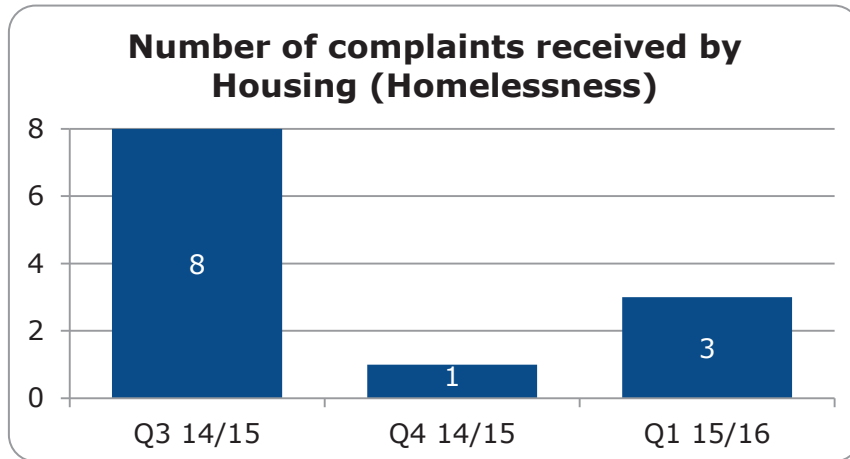
The one stage 2 complaint that was answered out of time was also an electoral registration complaint. The reason it was answered out of time was because the electoral registration team were still busy with post election paperwork. The complainant was kept up to date with the progress of their complaint by email.

This service received one compliment this quarter, which praised a member of staff in the team for their helpful attitude.

Housing (Homelessness) & Housing Register

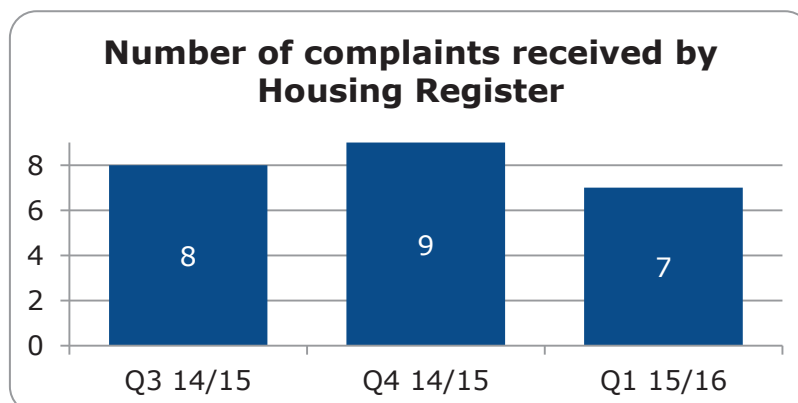
Historic data for these services is only available back to Q3 of 14/15 as before this time the 2 services were combined in the complaints report.

The number for Housing (Homelessness) has dropped dramatically since this time. This may be a seasonal pattern or something that is consistent across the year. None of the complaints made against this service were justified this quarter. The graph below shows the number of complaints received for this service since Q3 of 14/15.



The one complaint closed late for this service was a very complicated matter that had run of for several years and took longer to investigate than usual. The complainant was kept up to date with the progress of this complaint.

The number of complaints received for the Housing Register has remained stable over the previous 3 quarters. A graph showing the number of complaints received about the Housing Register can be found below.

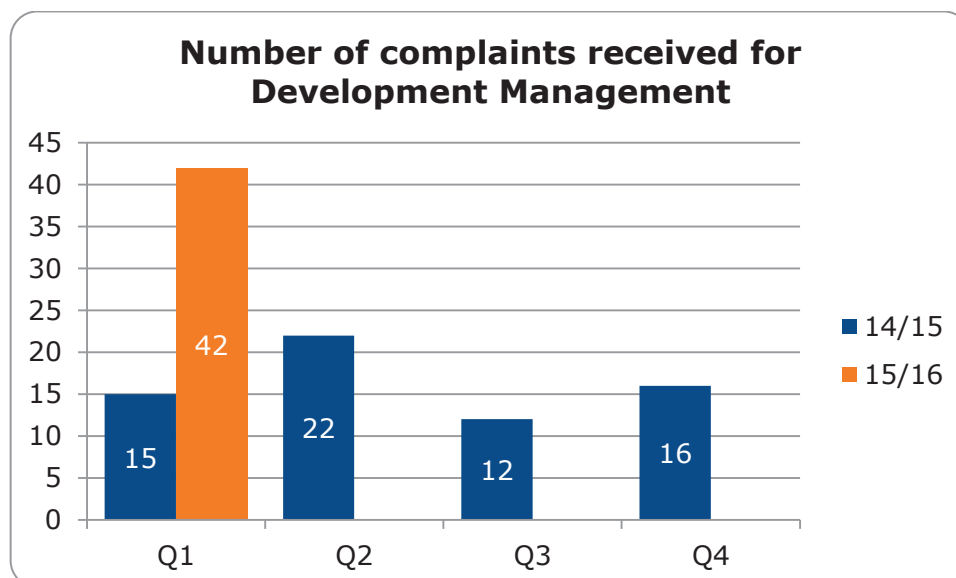


Of the 7 complaints received about the Housing Register only 2 were justified. Both of these were about time taken to process applications- 1 of which was due to a backlog of applicants who required medical assessments.

Chief Executive

Development Management

Development Management received an unusually high number of complaints this quarter. The graph below shows the number of complaints received for development management since quarter 1 of 2014/15.



As can be seen on the graph, the number of complaints received for Development Management has increased dramatically compared to the number of complaints received last year.

This was mainly due to 3 particularly contentious planning applications that generated large numbers of complaints:

1. An application for a gypsy and traveller site on Clapper Lane, Staplehurst (13/1453), which generated 8 complaints.
2. An application for 50 homes on land south of Cross Keys, Bearsted (14/504795), which generated 9 complaints. This site is known locally as 'the Lilk Meadow'.
3. Two slightly different applications for 220 homes in Headcorn, at land between Mill Bank, Ulcombe Road and Kings Road (14/505284) which generated 5 complaints. This site is also known as Hazelpits.

Nearly all of these complaints were received following the committee meeting in which the decision was made, and were requesting us to either revoke the planning application or for the committee to consider it again. This is not possible, as once a decision has been made by the committee it cannot be considered again unless a third party is able to successfully judicially review our decision. Revocation of planning permission is also not an option as it is reserved for extreme circumstances and is hugely costly.

These complaints frequently outline a range of concerns, which included:

- Residents not consulted properly;
- The views of the local community not taken into account;
- Objections on flooding and drainage terms;
- Local infrastructure (schools, roads, hospitals etc) could not cope with these developments;
- The developments would destroy existing settlements;
- Opposition to development on greenfield sites; and
- Opposition to any development in their local area.

The Headcorn application generated unfounded allegations against planning officers involved in the case. None of these were found to have any basis and the complainant did not provide any evidence to support their claims.

Most of the complaints about these applications were a result of dissatisfaction with the issues that planning committee can take into consideration as part of the process, the impact of proposed mitigation measures for additional infrastructure and with finality of planning decisions (i.e. once a decision is made committee cannot review the decision).

These type of complaints are becoming a problem for the Development Management department, as responding to these complaints (and in detail, addressing all of the complainants' issues) can be a drain on resources.

Development Management received 13 stage 2 complaints this quarter- the highest for any service. Seven of the stage 2 complaints received were regarding planning applications that had already been approved by committee (Cross Keys, Hazelpits and Clapper Lane). Most of the remaining stage 2 complaints were from people who had objected to a neighbour's planning application which we had approved. None of the stage 2 complaints for Development Management were upheld.

Development Management received one compliment this quarter. This compliment was from an objector to an application who wanted to thank the case officer for taking their time to help them understand the application.

Social Media

The two main issues raised on social media this quarter were Operation Stack and congestion caused by the combination of Operation Stack and the closure of Wellington Street. Both of these are issues that we have little control over, however we posted regular updates from the lead agencies for Operation Stack to ensure our residents and social media followers were kept up to date.

Payments, Refunds and Compensation

This quarter there were three complaints that resulted in remedies that had a financial implication, all of which at stage 1 of the process. They are detailed in the table below.

Service	Description	Cost
Parks and Leisure	We agreed to replant an area we had cut back in error	The cost of this will be added to the report before going to Committee
Parking Services	Goodwill payment to recognize that we did not inform a customer the charge for a parking permit was a £25 administration fee not an annual fee and not informing the customer the permit would expire in 3 months meaning he would have to pay another £25 for the year	£20
Electoral Registration	An offer of payment to cover the cost of a phone call from Spain to the council to arrange for a proxy vote	The cost of this will be added to the report before going to Committee

Methods of Contact

Methods of contact for complaints received this quarter can be found below:

	Email	Post	Telephone	Face to Face	Social Media
Number	76	32	39	6	0
%	49.7	20.9	25.5	3.9	0

Nearly half of complaints were made by email this quarter. The percentage of complaints made by email has increased steadily over the last year, from 35.2% in quarter 1 of 2014/15 up to just under 50% this quarter. There has also been an increase in complaints received by post, up from 6.4% of complaints made in quarter 1 of 2014/15 to 20.9% in 2015/16. The area that has seen a corresponding decrease has been complaints made by telephone, which has decreased from over half of complaints made in 2014/15 down to 25.5% of complaints made in this quarter.

	Year	Q1	Q2	Q3	Q4
Email	14/15	35.2%	44.7%	44.9%	46.2%
	15/16	49.7%	-	-	-
Post	14/15	6.4%	12.6%	14.7%	13.1%
	15/16	20.9%	-	-	-
Telephone	14/15	52.4%	34.9%	32.1%	36.9%
	15/16	25.5%	-	-	-
Face to Face	14/15	6.0%	7.9%	8.3%	3.8%
	15/16	3.9%	-	-	-
Social Media	14/15	0.0%	0.0%	0.0%	0.0%
	15/16	0%	-	-	-

Policy & Resources	23 September 2015
Is the final decision on the recommendations in this report to be made at this meeting?	Yes

Corporate Improvement Plan – 2014/15 Progress Update

Final Decision-Maker	Policy & Resources Committee
Head of Service	Head of Policy and Communications – Angela Woodhouse
Lead Officer and Report Author	Policy and Information Manager – Anna Collier
Classification	Non-exempt
Wards affected	None

This report makes the following recommendations to the final decision-maker:

1. To agree the new corporate improvement framework
2. To note the status of items on the former Corporate Improvement Plan 2014-17.

This report relates to the following corporate priorities:

The corporate improvement plan is part of the Council’s performance monitoring structure and therefore supports the delivery of all corporate priorities.

Timetable	
Meeting	Date
Policy and Resources Committee	23/09/15

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report sets out the new Corporate Improvement Plan framework for 2015-20.
 - 1.2 To provide a status update on the work streams and projects in the Corporate Improvement Plan October 2014 – March 2015.
-

2. INTRODUCTION AND BACKGROUND

- 2.1 The Council has set the priorities and outcomes for the borough of Maidstone in its Strategic Plan. The Medium Term Financial Strategy (MTFS) sets out what will be spent and where savings will be made. Traditionally the Corporate Improvement Plan monitored a number of key pieces of work and projects that were essential to deliver these strategies.
- 2.2 The introduction of a new Strategic Plan 2015 –20 and the move to a committee structure led to a review of Corporate Improvement Plan framework to ensure that the plan provided the greatest assurance to the Council in the delivery of its priorities.
- 2.3 It was also important to ensure that officer time is being efficiently spent on reporting progress against strategies and projects and that, senior officers are concentrating on those areas of the highest priority.

The new Corporate Improvement Plan Framework

- 2.4 The Strategic Plan 2015-20 sets the Council's priorities as
 - Keeping Maidstone Borough an attractive place for all
 - Securing a successful economy for Maidstone Borough
- 2.5 The diagram below shows the corporate planning process and the links between the key documents which set out the Council's key objectives to individual performance monitoring, this is often referred to as the "golden thread".



2.6 To ensure the council is achieving its objectives officers currently monitor operational performance monthly and report on key strategic actions and performance indicators quarterly. Progress against key corporate projects is also reported quarterly.

2.7 It is recommended that as part of this process officers will also report progress against strategic milestones which will be reported to Corporate Leadership Team by exception. Corporate Leadership Team will then provide a six monthly progress statement as part of the Performance Report to Policy and Resources Committee. This will highlight:

- Success
- Areas for improvement and related actions
- Overall position of the delivery of the Strategic Plan.

2.8 To ensure that the new Corporate Improvement Plan stays focussed any additional areas for monitoring should fill the following criteria:

- Have a clear link to the delivery of the Council's priorities
- Have a defined life cycle
- Have clear ownership and milestones in place

Status of previous Workstreams and Projects

2.9 The table at Appendix A shows the status of workstreams in the Corporate Improvement Plan 2014-15. It also indicates where they will continue to be monitored if they are not closed.

3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

3.1 It is recommended that Policy & Resources Committee note the Corporate Improvement Plan update as progress reports on the Corporate Improvement Plan are essential for allowing oversight of a number of different pieces of work across the organisation.

4. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

4.1 The revision of the Corporate Improvement Plan will be undertaken in consultation with the Leader of the Council/Chairman of Policy & Resources Committee.

5. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The Corporate Improvement Plan 2014-17 contains projects that will have a positive effect on all the priorities and outcomes for Maidstone set out in the Strategic Plan.	Head of Policy and Communications
Risk Management	<p>The Corporate Improvement Plan and associated governance minimises the risk that important projects will not be undertaken or will not deliver and that new opportunities are missed.</p> <p>There is still a risk that the Council does not have the resources, both in terms of staff</p>	Head of Policy and Communications

	time or money to undertake the projects envisaged in the Corporate Improvement Plan. However, the plan minimises the risk that effort will be put into pieces of work that are not deemed to be a priority and will allow corporate resources to be devoted to the priorities stated in the Corporate Improvement Plan.	
Financial	No direct financial implications, but an objective of the plan is to reduce net cost.	Section 151 Officer
Staffing	No direct staffing implications, but reduction in net cost could be achieved by reducing cost by reducing numbers of staff, or by increasing income, which would have an effect on the work that staff carry out. Some of the areas of work reported in the update also require substantial staff resources.	Head of Policy and Communications
Legal	The plan progress update has no legal implications but a number of the projects require legal advice and support.	Head of Legal
Equality Impact Needs Assessment	Not required.	Policy & Information Manager
Environmental/Sustainable Development	No implications.	Head of Policy and

		Communications
Community Safety	No implications.	Head of Policy and Communications
Human Rights Act	No implications.	Head of Policy and Communications
Procurement	No implications but commissioning and procurement is an important enabler in achieving improvement.	Head of Policy and Communications
Asset Management	No implications	Head of Policy and Communications

6. REPORT APPENDICES

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

- Appendix A: Corporate Improvement Plan position update.

7. BACKGROUND PAPERS

- Corporate Improvement Plan 2014-17

Corporate Improvement Plan progress update

March 2015 – To date

The Corporate Improvement Plan explains the key workstreams for the Council’s improvement journey, the drivers for improvement as well as priority services and projects for improvement. It allows work to be planned, sufficiently supported and monitored to ensure savings needs and the improvements required for the Council to meet its priority outcomes are delivered.

Progress on the improvement workstreams and the projects that sit in these workstreams is reported to Cabinet as part of the performance report every six months. The progress report for October – March 2014/15 is shown below.

Efficiency and effectiveness workstream	
Planning – James Bailey Exploring opportunities to make the Development Management Service more efficient and improve the value for money of specialist advice	AMBER
<p>New indicators have been produced to enable active management of day to day performance however not all performance indicators previously agreed have been developed. Significant improvements have been made to the MKIP Service with validation timeframes and quality of service greatly improved. Performance in key areas such as majors, minors and others applications and appeal success rates has been good and continues to be strong set against challenging times with significant pressures on workload and officer retention.</p> <p>Officer retention is a key focus for the immediate future to ensure consistency, staff morale and value for money and reduce our reliance on contract/consultant staff.</p> <p>Performance management within the enforcement team will be improved with the introduction of additional resources in the form of a temporary consultant/enforcement officer to progress a backlog of cases with a principle planning officer managing the team to ensure compliance with Council policies and to ensure performance targets are achieved and the enforcement service provides value for money.</p> <p><u>Monitoring</u> Only reported through Corporate Improvement Plan.</p>	
Economic Development – John Foster Ensuring we have clear deliverable priorities for achieving growth through economic development and regeneration by working with partners to develop a Regeneration and Economic Development Plan and collaboratively ensure there are the resources and skills required to deliver this	GREEN
<p>Work in relation to Economic Development and Regeneration is continuing:</p> <ul style="list-style-type: none"> • The Maidstone Economic Business Partnership attracts 20-30 businesses at its quarterly meetings. • The Visit Maidstone website has been redesigned and commercialised • A new business/inward investment web site to replace Locate in Maidstone has been commissioned. • Work is ongoing with Local Plan team through the Draft Regulation 18 stages and responding to representations. • Regular meetings with Kent County Council together with briefing sessions with 	

<p>private sector members of the LEP have resulted in the submission documents to Government incorporating Maidstone's key priorities.</p> <ul style="list-style-type: none"> • Mott Macdonald have been commissioned to evaluate phase 1 and 2 of Town Centre improvements and undertake an Economic Impact Assessment of the draft designs for phase 3. • Work is underway agree designs and secure SELEP funding allocated to the widening of the Bridge Gyrotory project, Maidstone Cycle path along the river and Maidstone East station improvements. • The Enterprise Hub has now opened. <p><u>Monitoring</u> Quarterly updates on the Economic Development Plan are included with Strategic Plan Performance reporting. The Enterprise Hub was previously monitored as a Corporate Project.</p>	
<p>Revenues and Benefits – Steve McGinnes Preparing and planning for the effects of national welfare reforms, analysing the impact of the localised Council Tax and business rate schemes, maximising the collection of business rates and exploring different ways of delivering the service for the future e.g. joint Fraud initiative</p>	<p>GREEN</p>
<p>Universal Credit – The number of claims for universal credit remains low with no identifiable impact to date. The programme for further roll out is yet to be confirmed.</p> <p>Wider Welfare Changes – The service is working with key stakeholders through a multi-agency welfare reform group to analyse the wider welfare changes recently announced, to include:</p> <ul style="list-style-type: none"> • Reduction in the Benefit Cap • Freeze of certain benefit rates for 4 years • Introduction of new living wage • Restriction to backdating of housing benefit • Reduction in the earnings threshold for tax credits & increase in taper • Withdrawal of the family premium within housing benefit • Removal of housing support for 18-21 year olds • Support through housing benefit and tax credits to 2 children <p>Commercial opportunity / debt recovery - The service expects to start trialling the new service in December 2015, with a go live date of March 2016.</p> <p>Reducing fraud & error – A business case has been developed aimed at reducing fraud and error within the council tax and business rate system through the creation of an MKIP fraud team, with support through the precepting authorities. A decision is to be taken by the P&R Committee on the 23 September with the service to go live from March 2016.</p>	
<p>Housing – John Littlemore Reducing the number of people and days spent in temporary accommodation and improving the amount and the diversity of housing supply, including in the private rented sector</p>	<p>GREEN</p>
<p>Over 600 decisions were made during 2014/15 (388 in 2013/14). 256 households in 2014/15 were accommodated for 12,688 nights in temporary accommodation. Overall, the average length of stay dropped from 62 days in April 2014 to 40 in March 2015. More than 620 families were housed into affordable homes last year. An additional 45 families were housed via the Home Finder schemes into the private rented sector and another 11 households' homelessness duty was ended.</p> <p>Quarter One of 2015/16 continues to show high numbers of people approaching the</p>	

council as homeless, with 135 decisions being made, 90% of these cases were decided within the 33 working day guideline, with the average time to make a decision being 19 days. The number of people in temporary accommodation continues to rise, due in large part to the lack of move on accommodation available for households towards whom the main housing duty has been accepted. At the end of the quarter, 63% households in temporary accommodation fell into this cohort.

There were 2954 nights spent in temporary accommodation not owned by the council, with an average net cost per night of £41.71. This shows an increase on the average cost in 2014/15 and this is due to there being a higher number of families approaching, with family accommodation being significantly more expensive than solo accommodation. There were 1047 nights at the council's own temporary accommodation unit, Aylesbury House, at a net cost of £9.09 per night. This means that the use of Aylesbury House enabled the council to avoid costs of £34,151 in this quarter when compared with using other forms of temporary accommodation.

Monitoring

Quarterly updates on the Housing Strategy are included with Strategic Plan Performance reporting. Capital Housing Schemes are monitored as Corporate Projects.

Finance – Ellie Dunnet

Building an efficient service that supports the Council make informed strategic financial management decisions, manage and control budgets and commit and measure resources and investigating how this service could be delivered in the future

GREEN

The Agresso upgrade went live in July. This incorporated the planning and budgeting module which will be used for the preparation of 2016/17 estimates. Direct debit is now up and running and the Transformation Team review is in its initial stages although may need to be delayed due to availability of key staff. A consultation process for the finance restructure is currently underway and this will be fully implemented by 1/11/2015.

Building Control – David Harrison

Re-designing the service, diversifying work to undertake more trading rather than statutory work and investigating options for delivery of the service, in particular the viability of a public sector partnership, and developing a model for delivery for the future

GREEN

CMT made the decision to retain an in-house building Surveying Team on the 2nd September 2015. Next stage is for the Building Surveying Manager to head up a small team looking at cost benefits and deliverability of various service improvements identified including mobile working. A brief business plan/balance sheet is to be taken back to CMT in early November prior to staff consultation. Implementation of service improvements is planned for completion by April 2016.

Monitoring

Only reported as part of the Corporate Improvement Plan

Environmental Services – Martyn Jeynes

Making the Street Cleansing and Grounds Maintenance services more efficient, including improving work practices and feedback to customers through use of technology

GREEN

The changes to the street cleansing regime, including new working patterns and team structure, have all been agreed with Members, senior management and the workforce and went live from Monday 1 June. The changes will see a greater visibility of the service with the use of more manual operatives on high profile routes around the borough, as well as responsive services being carried out at the weekend. This has been linked in with the mobile technology to enable residents to report issues and for them to be dealt with 7 days a week, ensuring quicker response times and greater customer

feedback. The project is on target to deliver £50,000 savings per annum from 2016/17.

Customer Services - Georgia Hawkes

GREEN

Redefining and achieving our customer service standards and moving to our 'digital first' customer service model by moving more contacts to our website and away from face to face visits and the telephone

In quarter 1 2015/16 visits to the Gateway have declined by 13% compared to the previous year. Most encouragingly, numbers of people being put into queues and seen by Customer Service Advisors at desks has decreased by 20%, which is the largest year on year decrease we have seen. This is due to more people being referred to use online forms, including uploading Benefits proofs, when they visit the Gateway and the provision of scanning of proofs at the meet and greet desk for those who cannot use an online form. Web visits and the use of online forms has continued to grow. Renewing a parking permit is the most recent online form to be launched; 50% of permit renewals are already being done online. Emails received by Customer Services are slightly up on the previous year, but the new contact us online form appears to have begun to reduce email numbers since its launch. Telephone calls to Customer Services have increased overall in Q1, from 45,904 to 49,103, at least in part due to calls now taken for the Planning Support shared service which were introduced in June 2014. However, calls to Council Tax were down from 9,870 to 7,644. This improvement follows the simplifying of Council Tax bills, which led to around one third fewer people contacting us after they had received their bills, and simplifying other commonly used Council Tax letters.

The move of our self-serve online forms onto the Achieve forms platform and away from the Northgate customer relationship management system has meant that we have been able to cancel our support contract with Northgate, which has saved approx. £25K per year.

Monitoring

This is also reported to CLT quarterly as one of the Council's corporate projects.

MKIP shared services and operational model – Paul Taylor

AMBER

Working with partners, in particular our MKIP local authority partners, to establish closer working arrangements and partnerships in more services, as well looking at all the services we share and deciding on and delivering the best operational model for the future

Generally the MKS services are continuing to perform well. In terms of Planning Support, initial issues with the implementation of the iDox ICT system and performance in the shared Planning Support service have improved significantly and improvement work is continuing. However, the three authorities have decided to review the membership of the shared service going forward.

Current project work includes refining the commissioning model for IT services, exploring the business case for a shared Debt Recover service, planning for the implementation of the Transformation Challenge Award and reviewing the Planning Support partnership.

A joint bid from MKIP authorities for Department of Communities and Local Government Transformation Challenge award funding has been successful and the authorities have been awarded £569K to help take our telephony, channel shift and digital work forward.

Monitoring

Performance Reports on MKPI shared Services go the MKIP board quarterly.

Information and knowledge management – Anna Collier

AMBER

Implementing the recommendations of our external Information Management review to ensure we make more efficient, secure and smart use of information we gather and store. This includes improving our information governance

arrangements, agreeing relevant policies, improving our systems architecture and finding ways to turn information into knowledge	
<p>A number of key policies and guidance relating to Information Management have been developed. A communication plan has been drafted and which sets out the training and communication programme to officers to raise the importance of good information management and sits alongside the Information management Action plan. An Information Management Board game has been developed around FOI, DPA and EIR, which received a good reception from Unit Managers. The game is being offered out to teams to undertake as part of their team meetings.</p> <p><u>Monitoring</u></p> <p>The Information Management Group quarterly monitors Information Management, quarterly.</p>	

Income generation workstream	
Maidstone Culture and Leisure – Marcus Lawler Using our cultural and leisure assets like the Museum and Mote Park better to bring in a sustainable income	GREEN
<p>There are three major work streams in progress, currently:</p> <p>Adventure Zone – the impact analysis has been completed and the project has been formally convened.</p> <p>Parking charges in Mote Park – introducing a nominal charge for parking in the park will generate a five year contribution of £750,000 against an estimated capital requirement of £50,000. Market research and initial consultation has been undertaken showing considerable support amongst residents and park users for this project. A report is due with the Heritage, Culture and Leisure Committee on 7th June 2015 recommending that they approve the project, and which contains measures to accommodate the recommendations of the Economic and Commercial Development Scrutiny Committee.</p> <p>New café – the existing operator of the café has been given notice and the Council is preparing to bring the operation of the café in-house from Nov 2015. A report will be coming to Heritage Culture and Leisure in November 2015 to start the feasibility work for new infrastructure in Mote Park (Café; toilets; kiosk; etc.)</p> <p>Project governance for the three Mote Park projects is now combined.</p> <p><u>Monitoring</u></p> <p>Commercialisation is monitored as a Corporate project.</p>	
Waste and Recycling - Martyn Jeynes Working to achieve the target of 50% recycling by 2015 and making a surplus from our commercial waste service.	GREEN
<p>In 2014/15, the Council achieved a recycling rate of over 49% and for two quarters achieved over 50%. The recycling of paper, card, cans, plastic and glass contributed to over 60% of this figure and is continuing to increase. Therefore, the Council is on track to exceed 50% in 2015/16 and is working towards a target of 60% by 2019/20. Funding has been received from the Department of Communities and Local Government for a recycling incentive scheme for the next 2 years, which will focus on improving participation in the food waste service as this, has tailed off over the past few years.</p>	

Commercial waste is continuing to grow steadily with over 290 customers Work is also being undertaken to identify additional services we are able to offer to customers such as bulky waste collections and the team is currently undertaking a study to identify additional materials that could be collected and recycled.

Monitoring

Updates on the Waste & Recycling Strategy are reported quarterly as part of the Strategic plan performance report.

Corporate Support – David Tibbit

Investigating whether our Print services could be a viable commercial service and/or whether our Corporate Support services could be shared with local authority partners

AMBER

The service has made good progress in capturing work that had previously been carried out by external printers, reducing costs compared with 2013/14 by £45,000 or 30%, therefore adopting a commercial approach and providing better value for the Council. Examples include the printing of poll cards and canvass literature internally and the printing of council tax and business rates bills.

The issues with print management software which restricted the resources available to further develop a commercial offering, appear to have been overcome. However, the concerns over the ability of the print room staff to deliver a customer focused commercial operation remain. The Commercial Programme Manager did not have the capacity to assist the Corporate Support team this year so the focus of the team has been on the successful implementation of the print and post room solution which has resulted in a saving of £20,000, or 30%, in internal printing costs.

Bereavement Services – Sharon Brown

Exploring options for delivery, introducing more efficient working practices and expanding the offer at the Crematorium

GREEN

We have worked with Transformation Team and have implemented recommendations

- Have carried out further amendments to the forms to further negate confusion and to improve the data we gather for each cremation
- Have managed to convert Dignity Group to on line booking. Data is being gained to ascertain impact on number of phone calls received. Co-op have been visited and had training on the on-line booking so the process has started with them.

Pet Crematorium - Instruction has been passed to Property to commission a project manager to allow the planning process to get underway. Part of the proposed location has been cleared of low level foliage to allow better visualisation of what can be achieved in this area. Should planning permission be approved the project will then continue and it is hoped that this new venture can be open for business in 2016-17.

Business Continuity - We have managed to secure spend to save funding to allow us to employ a full time team member for 12 months to input the historical burial data for Maidstone Cemetery. From this we can then see about offering a search facility to allow families to track their loved ones that are buried at the Cemetery, this could be a revenue earner in the future.

In addition, a new Birdbath memorial that allows plaque dedication has been delivered and installed in the cloister area with a sample plaque on it so customers can visualise the product better.

Commercialisation – Marcus Lawler

GREEN

There are three major work streams in progress, currently:

Adventure Zone – the impact analysis has been completed and the project has been formally convened.

Parking charges in Mote Park – introducing a nominal charge for parking in the park will generate a five year contribution of £750,000 against an estimated capital requirement of £50,000. Market research and initial consultation has been undertaken showing considerable support amongst residents and park users for this project. A report is due with the Heritage, Culture and Leisure Committee on 7th June 2015 recommending that they approve the project, and which contains measures to accommodate the recommendations of the Economic and Commercial Development Scrutiny Committee.

New café – the existing operator of the café has been given notice and the Council is preparing to bring the operation of the café in-house from Nov 2015. A report will be coming to Heritage Culture and Leisure in November 2015 to start the feasibility work for new infrastructure in Mote Park (Café; toilets; kiosk; etc.)

Project governance for the three Mote Park projects is now combined.

Asset Management workstream

Integrated Transport Strategy – Cheryl Parks

AMBER

Adopting our Integrated Transport Strategy and delivering this to ensure the infrastructure is in place to support the development proposed by the Core Strategy and to address some existing traffic congestion issues

On the back of the updated VISUM modelling, local plan transport policies were agreed by SPS&T Committee in September. The majority will be banked for the soundness consultation on the whole plan, but changes to the Park and Ride policies will be the subject of further public consultation during October 2016. The allocations at Linton Crossroads, and Old Sittingbourne Road (M20 J7) are proposed to be deleted from the plan.

MBC has also commissioned some further specialist transport work through consultants Mott MacDonald and this work is on-going. The work will examine potential solutions for improvements to public transport movement on the A274 corridor.

All of the existing and new work will be drawn together to facilitate an updated Integrated Transport Strategy which will be finalised over the coming months. Further engagement with the Joint Transportation Board will be sought to consolidate the discussions at officer level between MBC and KCC.

Monitoring

Quarterly updates are included as part of the Strategic Plan Performance Report and monthly to the Local plan Project Board.

Major assets review – David Tibbit

AMBER

Reviewing the Council's major assets as part of the Asset Management Plan to make savings and/or maximise income potential. This includes considering long term options for Council accommodation in the town centre, looking at the future use of the Town Hall, exploring options for the King Street, Medway Street and Brunswick Street car park sites, as well as improving and maximising income from the Park Wood industrial estate.

Funding of various workstreams in connection with short and long term office accommodation strategy was approved by Cabinet in 2014/15. Short term projects of relocation of the contact centre, development of the "Business Terrace" and other

aspects of the optimisation of Maidstone House are complete. Rent reviews, lease renewals and lease extensions at Park Wood Industrial Estate are progressing, where the terms of the leases allow, using external advisors to ensure best value.

Cabinet has agreed funding of £5K for a feasibility study of the redevelopment of the Brunswick Street site.

We are also following a policy of reletting property, when it becomes vacant, on improved terms, subject to market rents, instead of disposal.

Commercial property investment – David Tibbit

AMBER

Increasing our property portfolio by identifying and purchasing secondary property market options and converting the Chillington Street building for residential use

Chillington House has been converted to four flats, and is available for letting.

We were successful in buying the head lease for the Phoenix Park estate on the Park Wood Industrial Estate, thus benefiting from occupational rents and the longer term aim of redevelopment of the estate.

Other opportunities are being explored.

Looking forward, the rising property market could lead to the yield from investment reducing to a level that barely covers borrowing costs, with asset appreciation being the main return.

Empowerment and self-sufficiency workstream

Right to bid, right to challenge and community asset transfer – David Tibbit & Sarah Robson

AMBER

Investigating which assets and services might be appropriate to be delivered by the community through the 'Right to Bid' and establishing an effective mechanism and approach for supporting the transfer of community assets where this is appropriate, demonstrating value for money and maximising their use

Village pubs and village shops have been the most popular assets being put forward as nominations for Community Right to Bid, demonstrating not only the economic use, but the social benefit of local assets to local areas. Take up of Community Right to Bid has been slow, although most bids have been accepted and approved. Going forward, it would be useful to identify if an area is developing a neighbourhood plan and has designated an asset as 'for community use', how it demonstrates its value to the local community, which would give the site additional weight in decision making.

Digital inclusion - Ellie Kershaw

AMBER

Working with partners to identify the geographical areas and communities that are most likely to be digitally excluded and work with them to identify solutions. This could mean increasing or signposting publically accessible computers, running training courses or accessing cheap computer schemes

Two main strands of work have been identified:

- Increase people's awareness of the benefits of the internet and have the skills and facilities to access it.
- Develop initiatives to support and facilitate the provision of digital inclusion, ensuring that resources are maximised and complementary.

As part of the recent restructure of Housing and Community Services, the Housing and Inclusion team will pursue the establishment of a forum, addressing issues within

existing policies, procedures and practices that enable the borough's residents to become empowered to tackle barriers to digital inclusion and provide greater opportunities for accessing work, housing and benefits, consumer choice and social inclusion.

A report was provided to CLT on 28th July concerning the future direction of and funding for this project. This project is under review as part of the recent staff changes within the Service. A further options report will be given to CLT by the end of November.

Financial inclusion - Ellie Kershaw

GREEN

Working with partners to improve financial awareness and identify solutions to reduce the impact of financial exclusion. Financial inclusion is the ability of an individual, household or group to access appropriate financial services or products. There are a number of barriers to financial inclusion including debt problems, fuel poverty, poor financial knowledge, no affordable credit and low income. Those most likely to be financially excluded include people over 60, young adults, single parents, people with disabilities and people on low and insecure incomes

The commencement phase of the project has now completed with the establishment of the working group. With the departure of the current post-holder the opportunity was taken to review how the work stream was delivered. However, it was not possible to appoint to the new role and consideration is now being given to commissioning this work via the third sector. Together with the above, an options report on how financial inclusion can best be delivered will be presented to CLT by the end of November.

Local flood plans – John Littlemore – Sarah Robson/Helen Miller

GREEN

Completing our investigations of how we and other local and national agencies responded to the floods in December 2013 and, over the longer term, working with Kent County Council, the Environment Agency and the Flood and Coastal Regional Committee to consider whether any flood defence schemes are viable and whether these could be pursued. Also, working with local communities at risk of being affected by flooding in the future to help them formulate local flood plans. This will help ensure that communities directly affected by flooding will be able to work together in a planned way to minimise the impact of any floods on people and their property

Maidstone Council continues to work with multi agencies through the Kent Resilience Forum, especially the Environment Agency, and have contributed financially to initial investigations regarding a new catchment area for the River Beult.

During 2014/15 over 100 applications for assistance with residential flood grants and 10 business flood grants were received. The grant scheme has now closed and this work-stream has been completed.

Organisational culture – Dena Smart

AMBER

Ensuring that staff and members can contribute to and understand their role in delivering organisational priorities. Embedding an organisational culture where staff are empowered to do their jobs through appropriate training and managerial support, where there is permission to experiment and time to learn, including looking at best practice in other organisations, and where all officers and members are engaged and are able to give their feedback and ideas. Improving collaboration between different parts of the organisation, ensuring that change is well managed and there is the capacity and capability to deliver the required outcomes. This will all contribute to our aim of achieving Investors in People (IiP) Gold by 2015.

During 2014/15 the Council completed an employee engagement survey which showed

similar levels of engagement to the survey completed in 2007. One of the areas that had reduced for the first time was Well-being and there were some clear messages from staff about the work volumes being excessive. The results on Fair Deal were amongst the lowest of the factors and both these indicating that there is work to be done during the year.

There has been good progress during the last quarter with the development of the 360° manager feedback tool, this should assist our managers with an insight into the development areas that are needed and this will be supported with the management development programme and coaching.

The organisation has undergone significant change and re-structures during the year and to support these in the future we have developed a 'Change Toolkit' to assist line managers in the processes needed for change. There are likely to be additional changes within the council structure in the next few months with the departure of one of the Directors and the alignment of the structure with council priorities.

The annual appraisal process is underway which should enable us to finalise our training calendar for 2015/16 and we will ensure that this supports the development of the organisation.

There is evidence of recruitment difficulties in some of our areas of work – particularly Planning and although this problem is common across Kent it is impacting on the pressure of work in the teams.

Policy and Resources	23 September 2015
Is the final decision on the recommendations in this report to be made at this meeting?	No

Corporate Planning Timetable

Final Decision-Maker	Policy and Resources Committee
Lead Head of Service	Head of Policy and Communications
Lead Officer and Report Author	Angela Woodhouse
Classification	Public
Wards affected	

This report makes the following recommendations to this Committee:

1. Review and agree the timetable for refreshing the Strategic Plan and creating the Medium Term Financial Strategy

This report relates to the following corporate priorities:

The corporate planning process is centred on identifying and achieving the Council's corporate priorities:

- Keeping Maidstone Borough an attractive place for all
- Securing a successful economy for Maidstone Borough

Timetable	
Meeting	Date
Policy and Resources Committee	23 September 2015

Corporate Planning Timetable

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report sets out a proposed approach to refreshing the current Strategic Plan and undertaking budget consultation as part of a corporate planning timetable.
-

2. INTRODUCTION AND BACKGROUND

- 2.1 The Strategic Plan and Medium Term Financial Strategy are key elements of the corporate planning timetable. The priorities and outcomes in the Strategic Plan are developed alongside the Medium Term Financial Strategy (MTFS) to ensure consistency between service delivery and budgets. Service Planning allows the Council to convert high level priorities from the Strategic Plan into actions for each directorate, service or team across the Council, which then feeds into individual staff appraisals.
- 2.2 Each year Councillors are asked to agree whether to update the existing strategic plan or create a new one a timetable of activity is then planned around this process.
-

3. AVAILABLE OPTIONS

- 3.1 The Committee could either choose to create a new strategic plan, refresh the current plan or that there is no reason to produce either an update or a new plan.
- 3.2 A timetable for corporate planning is outlined at section 4, the Committee can review and amend this timetable as appropriate.
-

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 It is recommended that as the current Strategic Plan was only agreed in February 2015 with a five year span, the present plan is updated for 2016-17. Not updating the plan is not recommended as the local and national context is constantly changing and the Council needs to demonstrate how it is planning and managing change.
- 4.2 The update will include refreshing the action areas against progress and changes to the Medium Term Financial strategy as a result of the budget and resident survey consultation.

- 4.3 An update would include:
- A review of the 8 action areas
 - An update of what has been achieved in 2015/16; and
 - An updated foreword
- 4.4 Outlined below is a proposed timetable for updating the Strategic Plan and development of the Medium term Financial Strategy. Each Committee will be formally consulted prior to Policy and Resources Committee recommending both documents to Council.

Timetable:

Date	Action
23 September 2015	Policy and Resources consider the corporate planning timetable
28-29 September 2015	Training and briefing session on the budget for Councillors
October – November 2015	Resident Survey carried out including budget consultation
October 2015	Committee Working Group Meetings on the Budget and Strategic Plan
16 December 2015	Updated Strategic Plan and MTFS agreed for consultation by Policy and Resources
January 2016	Consultation with service committees
February 2016	Policy and Resources consider Strategic Plan and Medium term Financial Strategy and recommend to Council
2 March 2016	Council asked to agree and adopt the Strategic Plan and Medium Term Financial Strategy

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 As outlined in the table above there will be a resident survey including questions relating to our budget which will inform the refresh of the Plan and the Medium term Financial Strategy.

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 The timetable at section 4 outlines the next steps.
-

7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The corporate planning process is centred on reviewing and identifying the council's priorities and the resources needed to deliver them.	Head of Policy and Communications
Risk Management	Risks associated with the delivery of the Strategic Plan will be set out in the Strategic Risk Register.	Head of Policy and Communications
Financial	The timetable includes budget consultation and development of the Medium term Financial Strategy which will set the council's budget including growth and savings required.	Head of Finance & Resources
Staffing	Creating a new strategic plan will have significant staffing implications in terms of input into the process and embedding the priorities recently agreed. Staff resources have been allocated for updating the present plan.	Head of Policy and Communications
Legal		[Legal Team]
Equality Impact Needs Assessment	Equalities will need to be taken into account for the residents survey.	Head of Policy and Communications
Environmental/Sustainable Development	N/A	Head of Policy and Communications
Community Safety	N/A	Head of Policy and Communications
Human Rights Act	N/A	Head of Policy and Communications
Procurement	N/A	Head of Policy and Communications
Asset Management	N/A	Head of Policy and Communications

8. REPORT APPENDICES

None

9. BACKGROUND PAPERS

None

Agenda Item 15

Policy & Resources Committee

23rd September
2015

Is the final decision on the recommendations in this report to be made at this meeting? **Yes**

Strategic Plan Performance Update - Q1 2015/15

Final Decision-Maker	Policy & Resources Committee
Lead Director or Head of Service	Angela Woodhouse, Head of Policy & Communications
Report Author	Clare Wood, Policy & Information Officer
Classification	Non-exempt
Wards affected	All

This report makes the following recommendations to the final decision-maker:

1. Note the position of the quarterly key performance indicators (KPIs), and updates on key strategies that support the Strategic Plan 2015-20 (Appendix A).
2. Agree areas where actions to improve performance would be appropriate.

This report relates to the following corporate priorities:

- Keeping Maidstone Borough an attractive place to live
- Securing a successful economy for Maidstone Borough

Timetable

Meeting	Date
Leadership Team	11 August 2015
Policy and Resources Committee	23 September 2015

Strategic Plan Performance Update - Q1 2015/15

PURPOSE OF REPORT

The Committee is asked to review the progress of key strategies, plans and performance indicators which support the delivery of the Council's Strategic Plan 2015-20

1. INTRODUCTION AND BACKGROUND

- 1.1 Having a comprehensive set of actions and performance indicators ensures that the Council delivers against the priorities and outcomes set in the Strategic Plan. The top level indicators are referred to as Key Performance Indicators (KPIs).
 - 1.2 Each April the KPI set is reviewed and new targets and indicators were agreed by Cabinet in July 2015. The Strategic plan 2015-20 contains 30 performance indicators, of which 12 can be reported quarterly¹, and 13 plan and strategy updates.
 - 1.3 The Strategic Plan 2015-20 was refreshed in 2015 and reduced the number of KPIs. Following this a new approach was taken towards the production of a quarterly performance update. Previously Strategic actions were only reported mid-year, end of year, a quarterly update will now be provided, and the presentation of performance information is graphical. All performance indicators included commentary regardless of their rating and the appendix containing indicator definitions has been removed. This information is now integrated in to the performance update.
-

2. PERFORMANCE SUMMARY

- 2.1 Appendix A shows the results for all of the KPIs that can be reported quarterly and provides progress updates on all of the strategic actions. Some indicators are collected bi-annually or annually, these indicators have not been included in this report.
- 2.2 Strategic actions have been rated based on progress towards delivering the actions outlined in the relevant Council plan or strategy. If no update is provided the action will be rated Red.
- 2.3 Ratings
- 2.4 The table below show the status of the KPIs in relation to the target and direction.

¹ The KPI Number of new businesses using the Business Hub (Gateway Terrace) will be reported from quarter 2 onwards as the hub was not open in quarter1.

RAG Rating	Green	Amber	Red	N/A	Total
KPIs	3	3	1	4	11
Strategic Actions	12	1	0		13
Direction	Up	Across	Down	N/A	Total
KPIs	6	0	3	2	11

- 2.5 The one indicator that has been rated red is 'Number of households prevented from becoming homeless through the intervention of housing advice'. Failure to achieve the quarterly target was due to staffing levels and the figures from Citizens Advice Bureau, which relate to this work, were not provided. The Service Manager expects the annual target will be achieved and the shortfall against the quarter 1 target can be made up over the course of the year.
- 2.6 In terms of good performance, the 'Average time taken to process Disabled Facilities Grants (DFG's)' has exceeded the quarterly target and improved significantly, with processing taking an average 14 days against a target of 35 days. This is very positive considering that for 2014/15 the average processing time was 78 days.
- 2.7 The Waste & Recycling Strategy has also reported strong performance with funding secured in quarter 1 to help incentivise food waste recycling. This combined with the door knocking programme run in quarter 1 is expected to have a positive impact on the proportion of waste recycling and in reducing residual waste.
- 2.8 A Destination Management Plan for the borough has been agreed, this is the first time Maidstone has had such a plan. The plan looks at how Maidstone is marketed as a destination and covers the Council's approach to the visitor economy.

3. REASONS FOR RECOMMENDATIONS

- 3.1 It has been recommended that the Committee note progress made against strategic actions and key performance Indicators and make recommendations in order to improve performance.
- 3.2 The Council could choose not to monitor the Strategic Plan and/or make alternative performance management arrangements such as changing the reporting frequency.
- 3.3 This is not recommended as this could lead to action not being taken to address performance during the year and the Council failing to deliver its priorities
-

4. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The key performance indicators and strategic actions are part of the Council's overarching Strategic Plan 2015-20 and play an important role in the achievement of corporate objectives as well as covering a wide range of services and priority areas; for example, waste and recycling.	[Head of Service or Manager]
Risk Management	The production of robust performance reports contributes to ensuring that the view of the Council's approach to the management of risk and use of resources is not undermined and allows early action to be taken in order to mitigate the risk of not achieving targets and outcomes.	[Head of Service or Manager]
Financial	Performance indicators and targets are closely linked to the allocation of resources and determining good value for money. The financial implications of any proposed changes are also identified and taken into account in the Council's Medium Term Financial Plan and associated annual budget setting process with performance issues highlighted as part of the budget monitoring reporting process.	[Section 151 Officer & Finance Team]
Staffing	Having a clear set of targets enables staff outcomes/objectives to be set and effective action plans to be put in place.	[Head of Service]
Legal	None identified	[Legal Team]
Equality Impact Needs Assessment	None identified	[Policy & Information Manager]
Environmental/Sustainable Development	None identified	[Head of Service or Manager]
Community Safety	None identified	[Head of Service or Manager]
Human Rights Act	None identified	[Head of Service or Manager]
Procurement	None identified	[Head of Service & Section 151 Officer]

Asset Management	None identified	[Head of Service & Manager]
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5. REPORT APPENDICES

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

- Appendix I: Strategic Plan Update Quarter 1 2015/16.

6. BACKGROUND PAPERS

Strategic Plan 2015-20

2015/16

Strategic Plan Quarter 1 Update



For further information about
Performance Management at Maidstone
Council, please contact Clare Wood, Policy
& Information Officer

OUR VISION

That our residents live in decent homes, enjoy good health and a pleasant environment, with a successful economy that is supported by reliable transport networks.

OUR MISSION

Putting People First.

PRIORITY 1

Keeping Maidstone Borough an attractive place for all

PRIORITY 2

Securing a successful economy for Maidstone Borough

Providing a clean and safe environment

Encouraging good health and wellbeing.

Respecting the character of our Borough

Ensuring there are good leisure and cultural attractions

Enhancing the appeal of the town centre for everyone

Securing improvements to the transport infrastructure of our Borough

Promoting a range of employment opportunities and skills required across our Borough

Planning for sufficient homes to meet our Borough's needs

OUR VALUES

Service

Everything we do impacts on our customers, both internal and external. We will listen to and understand their needs, then take action to provide the right service in a positive and professional manner.

Teamwork

Working together to achieve our objectives and goals in a way that utilises the talents and creativity of everyone in our organisation.

Responsibility

We work in an environment that encourages us to take ownership for our actions. Making the right choices and decisions that lead to a satisfactory outcome for all.

Integrity

We have the courage to act on our convictions to build trust and honesty. We work with our partners and customers to create a feeling of openness and transparency in everything we do.

Value

Taking care and weighing up our options, aiming to get the maximum effect for every penny of public money we spend.

Equality

Valuing our differences and understanding how they can contribute to a better working environment and services that are fair and easy to access.

Understanding Performance






Key to performance ratings





Performance indicators are judged in two ways; firstly if compared to the same period in the previous year performance has improved, sustained or declined. This is known as direction. If there is no previous data, no assessment of direction can be made.

The second way is known as status. This shows whether an indicator has achieved the target set. If the results are provisional an asterisk (*) is shown after the figure.

Contextual indicators are not targeted, but are given a direction. Indicators will not be rated or given a direction if they aren't due to be reported on or if there is a delay in data collection.

To provide an assessment of how well the strategy or plan is progressing, the strategic actions have been rated using the RAG status.

RAG Rating	
	Target not achieved
	Target missed (within 10%)
	Target met
	No target to measure performance against
	Data Only

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

Performance Summary

This is the first quarterly update on Maidstone Borough Council's Strategic Plan 2015-20. It shows how we are performing against the key performance indicators and strategic actions that directly contribute to the achievement of our priorities: Keeping Maidstone and attractive place for all and Securing a successful economy for Maidstone Borough. Outlined below is a summary of the ratings and direction that have been given at quarter 1.

RAG Rating	Green	Amber	Red	N/A	Total
KPIs	3	3	1	4	11
Strategic Actions	12	1	0		13
Direction	Up	Across	Down	N/A	Total
KPIs	6	0	3	2	11

Priority 1: Keeping Maidstone an attractive place for all

Providing a Clean and Safe Environment



Over the past 5 years, Maidstone Borough Council has demonstrated its commitment to deliver cost effective and sustainable waste and recycling services as a result our recycling rate has improved significantly. Maidstone does not experience high levels of crime. We have with our Community Safety Partnership agreed that reducing anti-social behaviour, domestic abuse, reoffending and improving road safety are our priorities up until 2018.

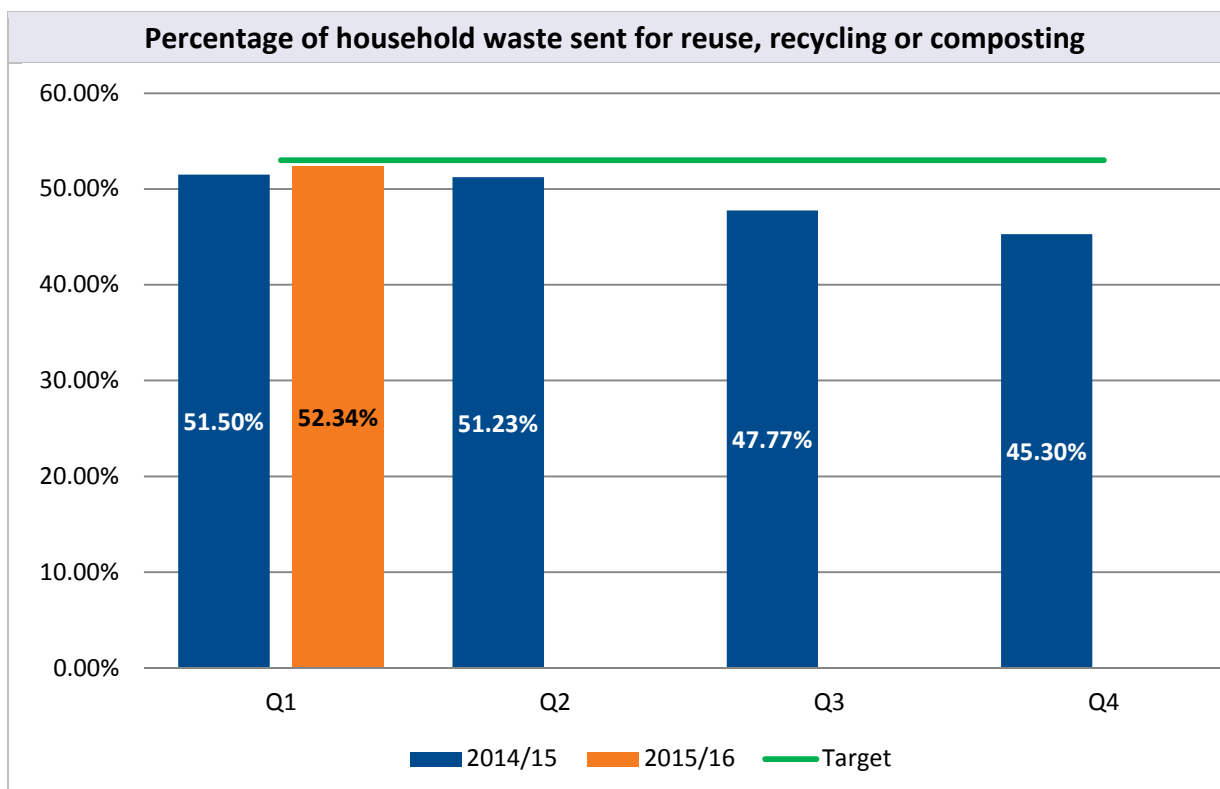
Waste & Recycling Strategy Quarter 1 Update

During quarter 1 funding from the Kent Resource Partnership (KRP) was used to produce bin stickers distributed to all residents to remind them of the items we are able to collect for recycling and deter recyclable items being placed in the refuse bins. We also carried out a door knocking campaign to promote the food waste and recycling collection service and to gauge residents understanding and satisfaction with the service. This also provided residents with an opportunity to raise any concerns. We also secured external funding from the Department for Communities and Local Government (DCLG) to offer an incentive scheme to encourage use of the food waste collection service, which will help us work towards improving our percentage of waste sent for recycling, reuse or composting. We will be investigating options for disposal methods for bulky waste to reduce waste being sent to landfill. A review of the Saturday freighter service will also take place as all waste collected via this service is currently sent to landfill. We will also be investigating options for on-street recycling bins.

Percentage of household waste sent for reuse, recycling or composting

The indicator measures percentage of household waste arisings which has been sent by the Authority for reuse, recycling, composting or anaerobic digestion. This is a key measure of local authorities' progress in moving management of household waste up the hierarchy, consistent with the Government's national strategy for waste management. The Government expects local authorities to maximise the percentage of waste reused, recycled and composted.

Current Performance	2015/16 Annual Target	Value Vs Target	Direction	Status	Expected Outcome
52.34%	53.00%	-0.66%			Target will be slightly missed



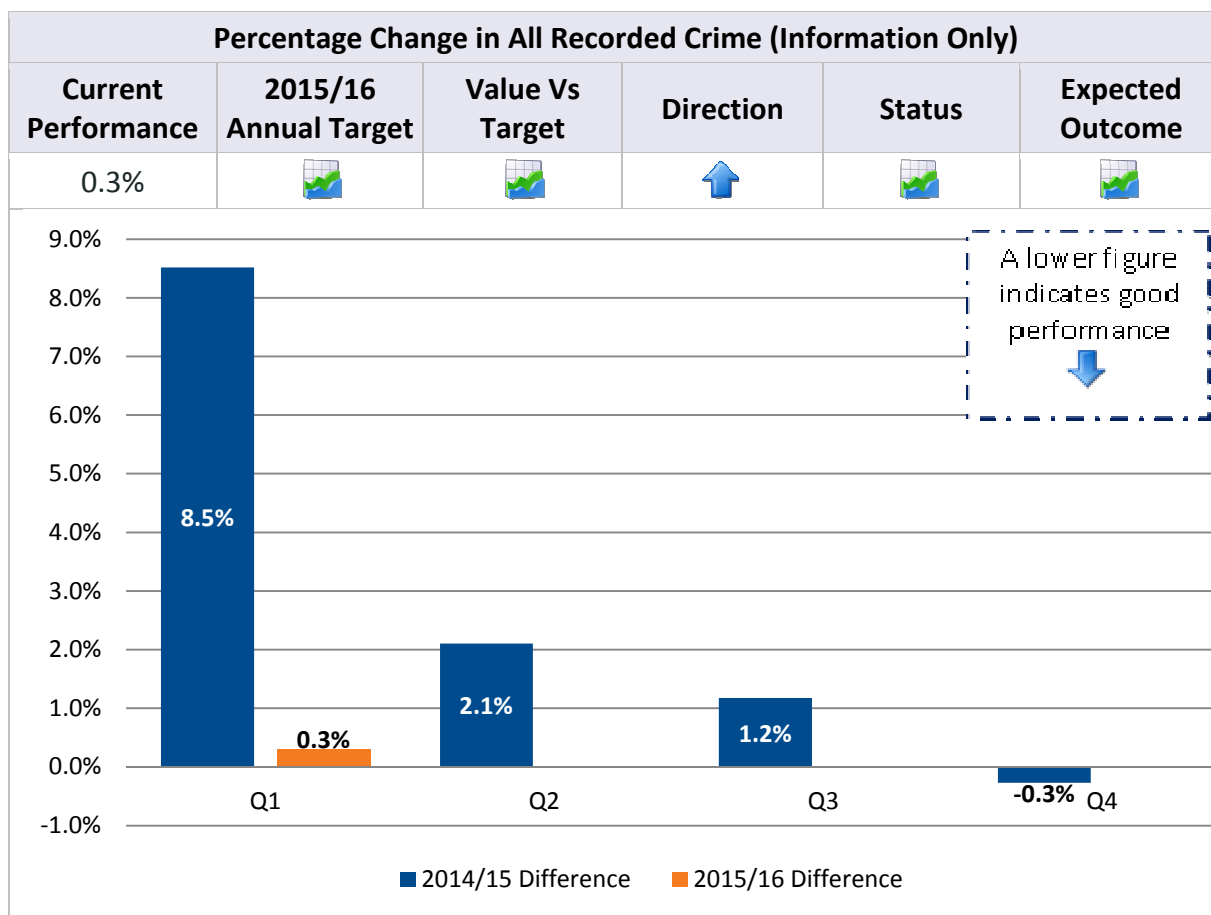
Performance Comment: In 2014/15, 49% of waste was recycled against a target of 50%. It should be noted that due to seasonality of the garden waste collections that quarters 1 and 2 have historically have the highest out-turns. Performance has improved compared to the same period last year but the quarterly target has been marginally missed. Based on the data available at present it is expected that the annual target will be marginally missed however, this will reviewed quarter 2 as part of the quarter 2 performance monitoring.

Community Safety Strategy Update

The Annual Community Safety Plan which supports the strategy and accompanying Strategic Assessment were drafted earlier this year. Following consultation, these reports were presented to OSC, Cabinet Member and Full Council and were endorsed in May 2015. The Annual Community Safety Plan is refreshed annually. For 2015, Maidstone's Community Safety priorities are ASB, Domestic Abuse, Violence Against the Person (Night Time Economy), Substance Misuse and Road Safety (Killed or Seriously Injured). Task and Finish Groups have also been established for Restorative Justice, Hoarding and Self Neglect and Street Population. The next refresh (for 2016) will commence around November 2015, with final Committee endorsement expected by April 2016.

Percentage Change in All Recorded Crime (Information Only)

This indicator reports the percentage change in the number of all recorded crime in the borough to provide an indication of the crime trends in the borough and help assess the impact of the work the Council undertakes in relation to Community Safety. The percentage change is the difference between current volume of crime and the volume of crime for the same period in the previous year. *Note: Improving performance for this indicator is demonstrated by a negative figure.*



Performance Comment: The overall volume of crime in the borough has increased by 0.3% compared to quarter 1 in 2014/15. In total 93% of crime in the borough during quarter 1 was victim based. Crime data for the year to date shows that anti-social behaviour incidents have declined by 3.7% and that the number of violent crime has increased by 17% when compared to the same period in 2014/15.

Air Quality Strategy Quarter 1 Update

The new Environmental Health shared service has undertaken a review of the Carbon Management Plan, Air Quality Action Plan and explored the value of having a Low Emission Strategy. The Carbon Management Plan was first adopted in 2009 and its action plan is due to expire in 2015. The Council set a target to reduce carbon emissions by 20% by 2015 and narrowly missed achieving this target. This was due to an unforeseen event caused by the combined heating and power source at the Leisure Centre malfunctioning. A Low Emission Strategy will capture the main elements that were included in this strategy moving forward and will enable the Council to focus on those aspects over which a district council can more readily influence. The Low Emission Strategy is out to consultation and it is anticipated that the final version will be adopted by the end of the year.

Encouraging Good Health and Wellbeing

Deprivation in the borough is lower than average, however 15% (4,300) of children (under 16 years old) in Maidstone live in poverty. There is a larger difference in life expectancy of men and women; 7 years lower for men and 4 years lower for women in the most deprived areas of Maidstone than in the least deprived.

Health Inequalities Action Plan Update



The current Health Inequalities Action Plan expires in 2020. A review and refresh is planned for the Action Plan in April 2016. One area where we aim to improve is the Action Plan's links to other MBC strategies, including the Parks and Leisure Strategy (due to be refreshed) and the Housing Strategy (also due to be refreshed). The Communities Team Leader (currently being recruited) will lead on this work. Kent Public Health are currently considering whether to refresh the Kent Mind the Gap (HI) Strategy, which district Health Inequalities Actions Plans fed into. However, the Housing and Communities team will continue with its refresh of the local Action Plan. Once the Team Leader is in post, a timetable will be drafted and circulated with a refresh milestones/timescales.

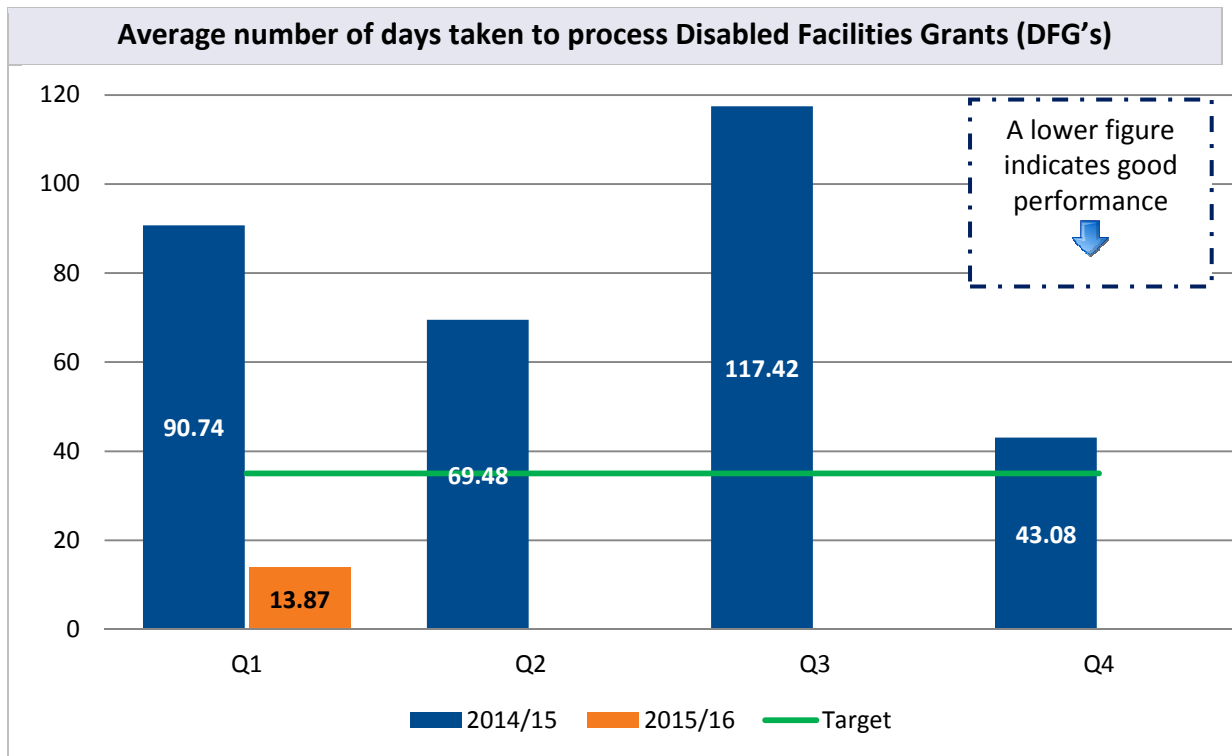
Housing Strategy Update

The action plan within the current 2010/15 Strategy has been reviewed and the actions noted as completed. The new Strategy is being formulated and a draft document will be provided to the Communities, Housing & Environment Committee for consideration and approval in October 2015. This document will form the basis for consultation with stakeholders and service users, with the final document going to Council in December 2015 for adoption. Key emerging themes include the supply of affordable housing through traditional routes and more innovative approaches such as the council's aspiration to deliver housing directly through a housing company. Other key themes will include the housing and health agenda explaining why the council has adopted this approach and how it will be delivered in practice. The new Strategy will the link with the Housing Register to enable best use of subsidised housing, promoting access to the private rented sector, and the provision of our own temporary accommodation.

Average number of days taken to process Disabled Facilities Grants (DFG's)

Disabled Facilities Grants (DFGs) are used to provide home adaptations for disabled people, such as access into and around the home and access to, or the provision of, basic amenities such as bathing and WC. They are an important part of the work we do to supporting people who want to remain independent or stay in their own home.

Current Performance	2015/16 Annual Target	Value Vs Target	Direction	Status	Expected Outcome
13.87 days	35.00 days	-21.13			Target will be met



Performance Comment: The private Sector Housing team have recently been restructured and have introduced new ways of working because of these changes resulting in an improvement in performance for quarter 1. Last year they started the new financial year with a backlog in applications and from quarter 3 last year onwards the Private Sector Housing Manager has been reviewing new applications on a weekly basis. 23 applications were processed in quarter 1 this year (no change in volume from 2014/15).

Number of households prevented from becoming homeless through the intervention of housing advice

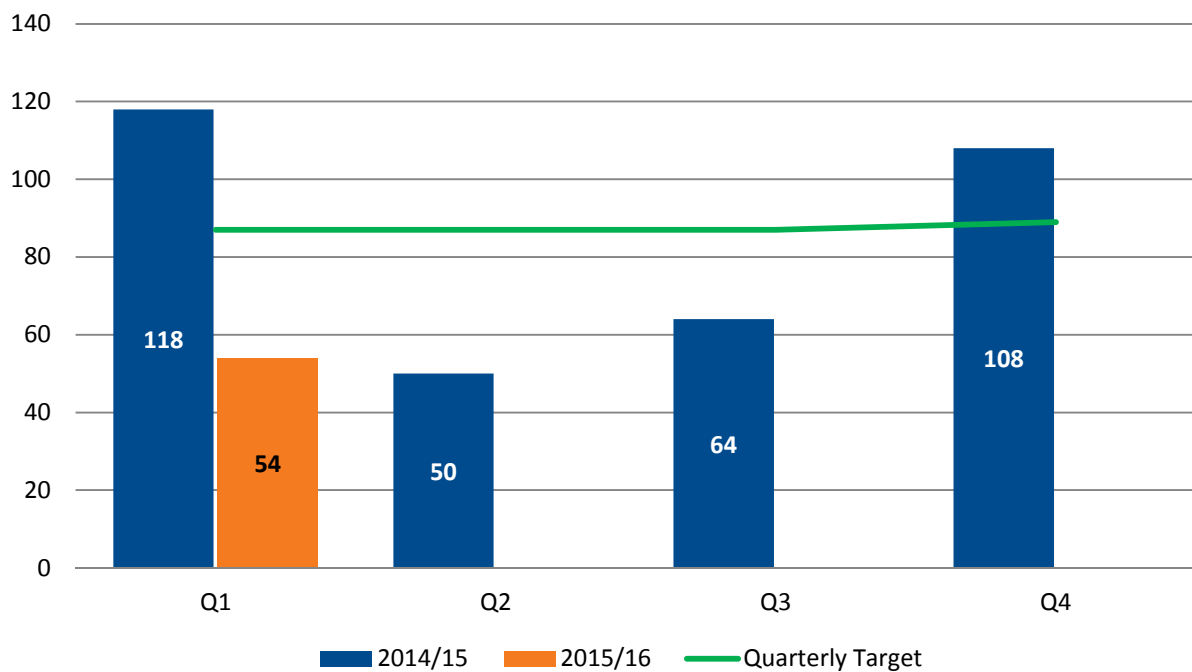
The provision of comprehensive advice plays an important part in delivering the Council's strategy for preventing homelessness in Maidstone. This measure provides an indication of the effectiveness of housing advice given by the Council in preventing homelessness or the threat of homelessness. **Please note the annual target is split to give a quarterly target of 87.**

Current Value	2015/16 Annual Target	Value Vs Target	Direction	Status	Expected Outcome
54	350	-33.5	↓	●	Annual will achieved

Number of households prevented from becoming homeless through the intervention of housing advice

The provision of comprehensive advice plays an important part in delivering the Council’s strategy for preventing homelessness in Maidstone. This measure provides an indication of the effectiveness of housing advice given by the Council in preventing homelessness or the threat of homelessness. **Please note the annual target is split to give a quarterly target of 87.**

Current Value	2015/16 Annual Target	Value Vs Target	Direction	Status	Expected Outcome
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Performance Comment: In 2014/15, 340 households were prevented from becoming homeless due to intervention from the Housing Team. This was against a target of 350. The team has recently been restructured which resulted in an unfilled post. This combined with sickness meant that there were a limited number of advisors available for this work during quarter 1. From August the team is expected to be fully staffed and in turn performance should improve. It should be noted that this figure usually includes figures from the Citizen’s Advice Bureau (CAB) however due to changes in staffing at the CAB no figures were provided for quarter 1. In addition to the preventions outlined above the team made 135 homelessness decisions, which is comparable to the number undertaken for quarter 1 in 2014/15, when the team was fully staffed. The annual target is expected to be achieved as further preventions are expected to come from proactive work the Housing team are doing with the Revenues & Benefits Team in relation to Discretionary Housing Payments.

Respecting the Character of our Borough

Maidstone is the county town of Kent, in terms of its geography it is largely rural and the countryside offers high quality landscape and biodiversity. Approximately 50% of the borough population lives in a parished area. We are focused on achieving economic prosperity, whilst at the same time balancing protecting the environment and landscape that makes the borough of Maidstone a great place to live, work in and visit.

Communications & Engagement Strategy Update

Cabinet approved the Communication and Engagement Strategy in April 2015. Work is just starting on the bi-annual resident's survey, which will be going out to residents in September/October. This year we will also be looking at how we engage and communicate with parishes. The Parish Charter and a survey of Parish Councils will support and help us monitor this work. The Annual Report, which shows the Council's progress towards achieving our priorities, was approved by the Policy & Resources Committee in July and will be advertised in Borough Update and through social media. A social media campaign has been scheduled throughout summer 2015 informing people how to take part in local decision making and encouraging traffic to the "Have Your Say" pages on the council's website. A new Social Media policy and strategy will be presented to Corporate Leadership Team in the autumn.

Note: The KPIs that relate to this outcome are derived from survey data. The Residents Survey will be undertaken between September and October 2015 and be reported in February 2016.

Priority 1: Keeping Maidstone an attractive place for all & Priority 2: Securing a successful economy for Maidstone Borough

Ensuring there are good Leisure and Cultural Attractions

There is always something to see or do in Maidstone with the river, two museums and a theatre in the town centre, four green flag parks, a well-used leisure centre, a castle, various markets and a variety of festivals and events held across the Borough and throughout the year.

Festivals & Events Strategy Update

Strategy adopted in August 2014. Work now being undertaken to develop an on-line toolkit for event organisers which will be tested with local stakeholder organisations. We have been successful in bringing a new major music festival to Mote Park – Ramblin’ Man which successfully took place at the end of July 15 and has resulted in excellent feedback from those that attended and has raised the profile of Maidstone Borough as a festival destination.

Destination Management Plan Update

The Destination Management Plan was agreed by the Steering Group on 3 July and adopted by Heritage, Culture and Leisure (HCL) Committee on 13 July 15. The plan has wide stakeholder support and will be officially launched with the sector in September 2015. The action plan focuses on four key areas: Embedding the Shared Story & destination branding; Improving the County Town’s appeal to visitors; Improving the impact of events on the visitor economy and making the most of the countryside.

Cultural Strategy Update

We are currently undertaking a short period of consultation and research leading to the production of a Brief for a Cultural Strategy which has buy-in from key stakeholders. This brief will in essence be the first key stage in the development of the Cultural Strategy, and its findings will form an important part of the emerging strategy.

The objective is to establish the appropriate balance with the Cultural Strategy Brief between the following themes:


- Cultural Heritage – understanding and interpreting Maidstone’s past in order shape its future
- Cultural Assets - maintenance, usage and development
- Festivals and Events – overview and opportunities for enhancement
- Supporting and Developing Maidstone’s Creative Economy – artists, cultural organisations, Creative Industries – fulfilling the growth potential
- Building Social Capital, Health and Wellbeing through Culture – encouraging and developing cultural participation

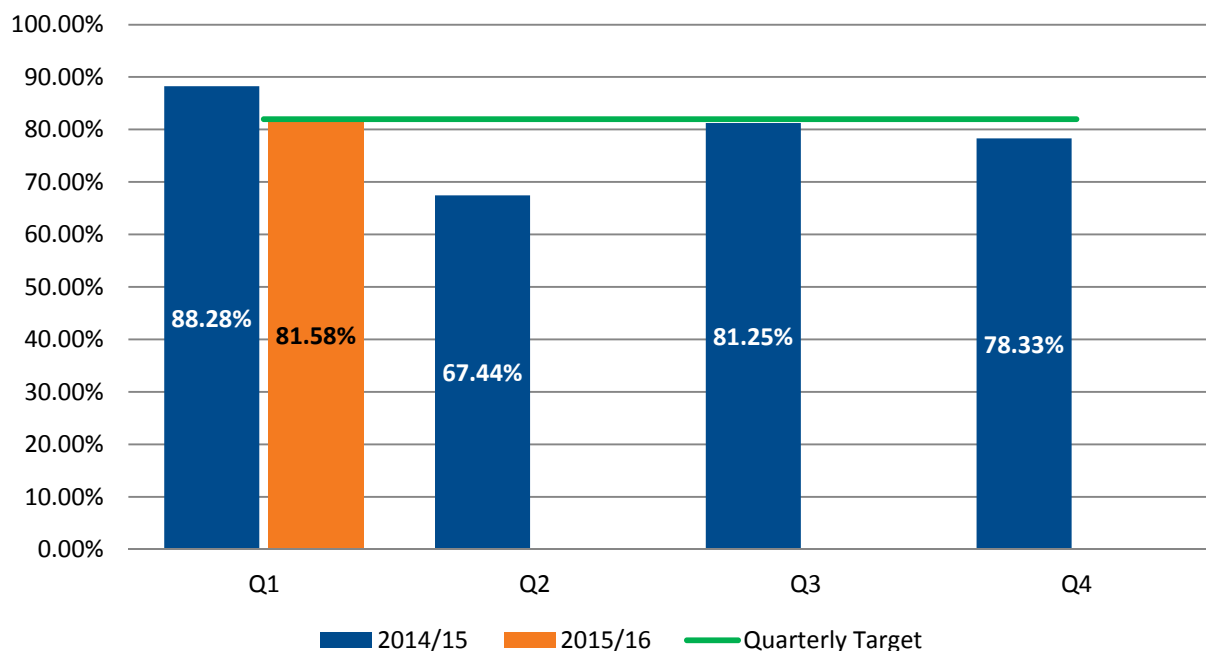
Cultural Strategy Update

- Cultural Place Making: Maidstone town / rural areas; connectivity; twilight economy; future opportunities; identity.

User Satisfaction with the Leisure Centre

The Council recognises that access to leisure services plays an important role in making somewhere a good place to live. This indicator measures customer satisfaction with the Leisure Centre.

Current Performance	2015/16 Annual Target	Value Vs Target	Direction	Status	Expected Outcome
81.58%	82.00%	-0.42%	↓		Target will be met



Performance Comment: In 2014/15 this indicator achieved an annual out-turn of 81.78%. Although the quarterly target has been marginally missed it is expected that the annual target will be achieved. The number of survey responses to date for the year is 38 and an annual sample size of at least 200 is expected by the end of the financial year.

Income generated from commercial leisure and culture activities

The Council has a Commercialisation Strategy, which is looking into the opportunities for the Council to make better use of our assets to provide increased leisure opportunities for the borough's residents and visitors. This indicator is to assess the performance and progress of the Commercialisation Strategy in monetary terms.

Current Performance	2015/16 Target	Value Vs Target	Direction	Status	Expected Outcome
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Income generated from commercial leisure and culture activities

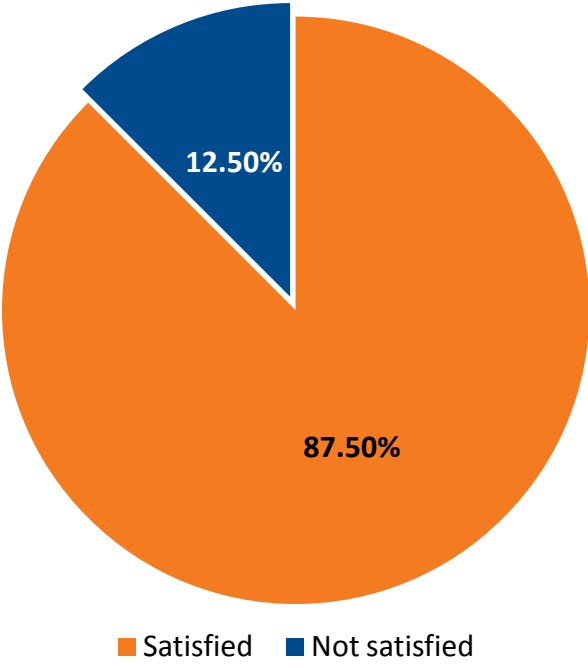
£0.00	Establish Baseline	N/A	N/A		
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Performance Comment: The Commercialisation Strategy was adopted in August 2015. Prior to this the Council has already begun to look at how better use could be made of our assets. Cabinet considered a report on a Sustainable Future for Mote park in February 2015 and agreed the creation of a pay-to-use leisure facility within the park consisting of high wire/ropes courses, a climbing wall, crazy golf and segway hire. Further work on the operating model for this scheme is now being undertaken.

Audience Satisfaction with the Hazlitt Theatre

The Council recognises that access to leisure services plays an important role making somewhere a good place to live. This indicator measures customer satisfaction with the Hazlitt.

Current Performance	2015/16 Target	Value Vs Target	Direction	Status	Expected Outcome
87.5%	80%	7.5%			Target will be met



Performance Comment: Although satisfaction with the Hazlitt is high this result is based on a very small number of returned surveys. As more surveys are done throughout the year the validity of this result will become more certain. There is no comparative data from quarter 1 2014/15 as there were no surveys undertaken during this period.

Enhancing the Appeal of the Town Centre for Everyone

Maidstone has had an historically thriving town centre however we need to ensure that we keep pace with the changing economic environment and continue to meet the demands of businesses and consumers. Investment in Maidstone town centre is needed if it is to continue to be a popular place for leisure, to live, shop and work.

Note: The KPIs that support this outcome are derived from data that is either only available annual or from our Resident Survey. The Residents Survey will be undertaken between September and October 2015 and be reported in February 2016.

Town Centre Vision

During the development of Maidstone's Draft Economic Development Strategy, the Town Centre was identified as an area of specific focus, and three visioning meetings were held where council officers had an open forum discussion about the future of the Town Centre. The discussions considered the strengths and weaknesses of the Town Centre, as well as the challenges and opportunities moving forward.

The result of this work was the creation of a draft action plan, which has been prioritised based on the delivery timescale of the actions. The work undertaken to date has only sought the views of internal council officers and some councillors and we are now at the point where we need to seek the views of those external to Maidstone Borough Council. We have commissioned consultants to work with us through this stage.

Priority 2: Securing a successful economy for Maidstone Borough

Securing Improvements to the Transport Infrastructure for our Borough

Maidstone is strategically situated between London and the channel ports and is serviced by two motorway networks, the M20 and M2, with rail connections to central London. With regard to travelling in and around the Borough by car, congestion is an issue particularly at peak time in the town centre. The bus transport network serving Maidstone town is relatively strong whilst rural transport presents distinct challenges.

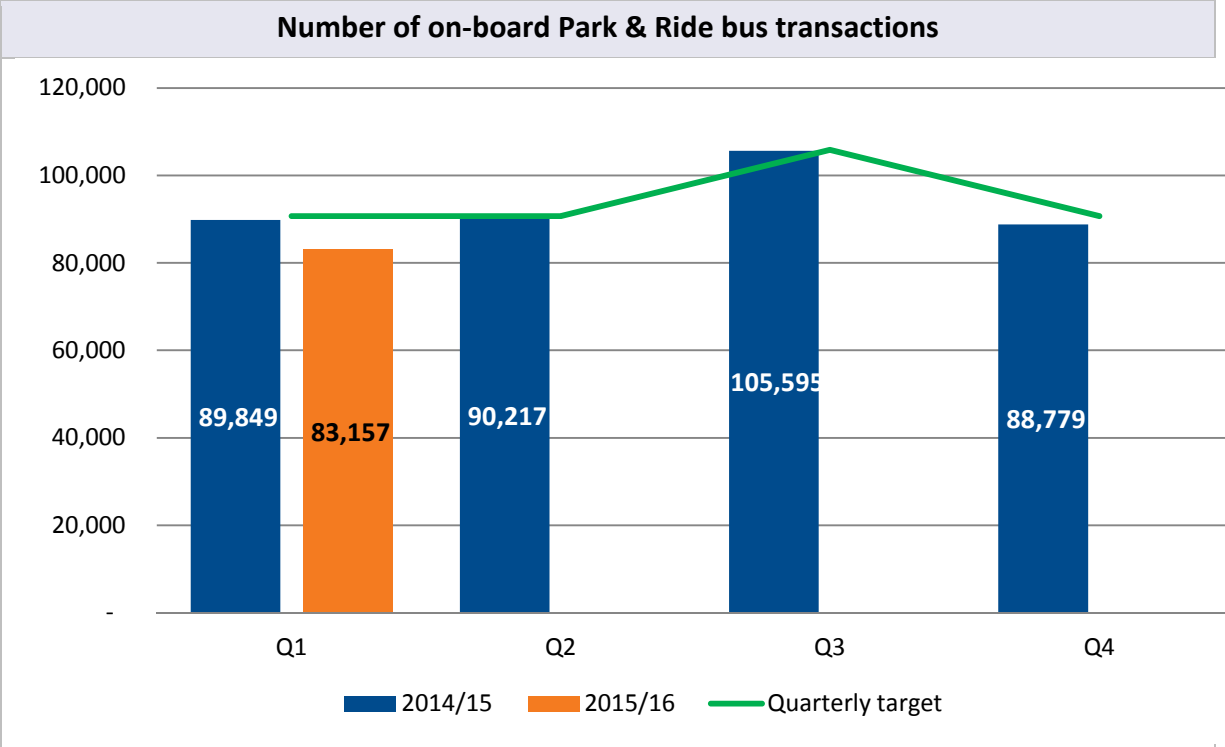
Integrated transport Strategy Update

The Integrated Transport Strategy (ITS) will support the Maidstone Borough Local Plan, and the timetable for its production has closely followed the local plan programme. Further transport modelling has been completed and the outputs will be presented to the Strategic Planning, Sustainability and Transport Committee on 18 August 2015. The current draft of the ITS will then be amended for further public consultation before its adoption.

Number of on-board Park & Ride bus transactions

The Indicator compares the on bus transaction figure (these are the cash sales to passengers boarding buses) on Park and Ride with the one for the same period of the previous year therefore, assessing fluctuations in the service usage. A calculation is made to take into account ten trip passes and other concessions. The target for this indicator is profiled to take into account seasonal variances.

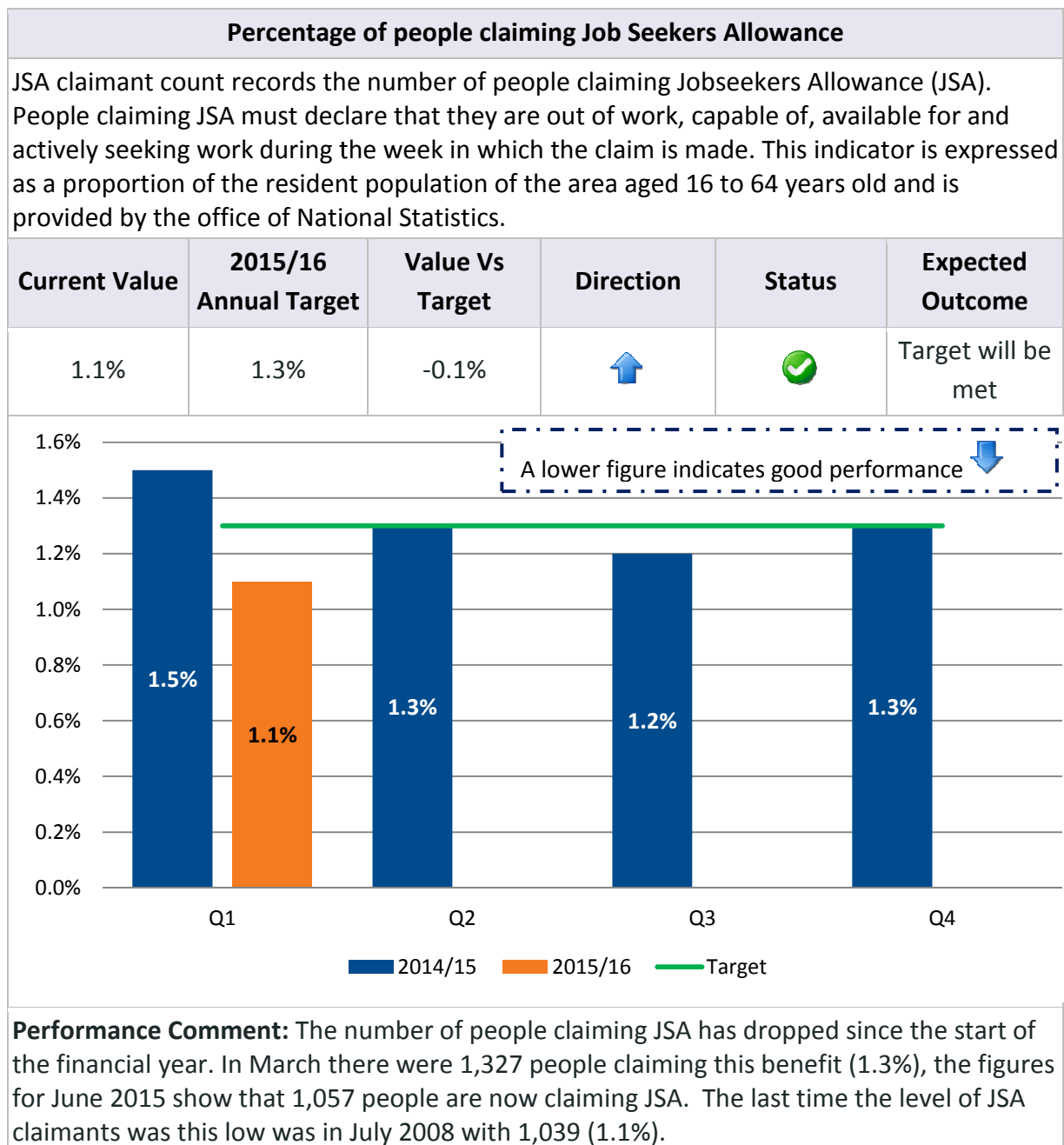
Current Value	2015/16 Annual Target	Value Vs Target	Direction	Status	Expected Outcome
83,157	378,000	-7,563			Target will be slightly missed



Performance Comment: Compared to this time last year on-board Park & Ride transactions have declined by 7.45% and are currently 8.3% below the quarterly target. The detail reveals that in May the service did experience a more pronounced reduction in patronage. This quickly recovered in June; however, Parking Services and Arriva have not been able to identify a specific event that caused this anomaly. From August, the service is being expanded at the London Road site so that people can use the service in the evening. Between 6pm and 11:12pm Monday to Saturday, those who have a valid Park & Ride ticket can use it on the Arriva 71 or 72, alighting at the Sir Thomas Wyatt stop. In addition, the service will be re-launched in January.

Promoting a range of employment skills and opportunities across the borough

There were 68,300 people employed in the Maidstone economy in 2012 with a high proportion in the public sector, reflecting the town's status as Kent's County Town and administrative capital. There were 6,760 registered businesses in Maidstone in 2012, equivalent to 43 businesses per 1,000 population, compared to 39 for England and an above average rate of self-employment.








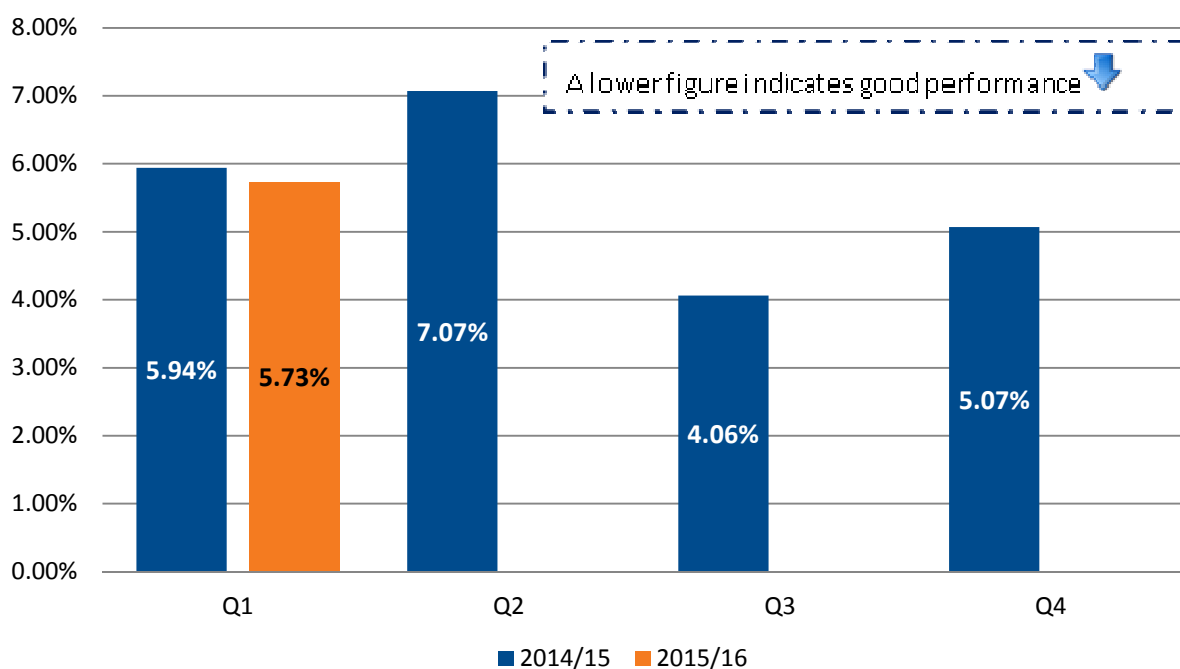
Economic Development Strategy Update

Policy and Resources Committee recommended the Economic Development Strategy for approval on the 24th June 2015. Subsequently the strategy was adopted on the 15th July by full Council. The strategy will take the Council up to 2031 and is the result of consultation with residents. It set 5 priorities for the borough in terms of economic development: Retaining and attracting investment, Stimulating entrepreneurship, Enhancing the Town Centre, Meeting the skills need and Improving the infrastructure.

Percentage of 16 to 18 year olds who are not in education, employment or training (NEETs)

Non-participation in education, employment or training between the ages of 16 and 18 is a major predictor of later unemployment, low income, depression, involvement in crime and poor mental health. The figures are based on the monthly submission made to DfE via NCCIS for Kent County Council. Academic age is the age of the young person on 31st August (i.e: prior to the start of the academic year).

Current Value	2015/16 Target	Value Vs Target	Direction	Status	Expected Outcome
5.73%					



Performance Comment: In anticipation of the next academic year, the Kent County Council's (KCC) Skills and Employability Service ran a series of county wide tracking briefings for all types of schools and PRUs in June to clarify expectations and processes for the collection of data. These have proved popular, with 70% of the Kent schools attending. Those who were unable to attend have been followed up. Improving this process at the start of the next academic year will create a solid foundation for tracking during the remainder of the year and will enable the percentage of Not Knowns to be significantly

**Percentage of 16 to 18 year olds who are not in education, employment or training
(NEETs)**

reduced and the early identification of NEETs. When compared to the other Kent districts Maidstone has the 5th lowest NEETs figure and the lowest overall proportion of unknowns.

Planning for Sufficient Homes to meet our Borough's Needs

Over the last five years, the supply of new affordable housing within the borough has been greater than in neighbouring authorities, although still less than historic levels. 189 new affordable homes were built in the borough in 2013/14. In total 630 new homes were delivered in 2012/13, of these new homes over 80% were built on land that had previously been developed.

Local Plan Update



Following Regulation 18 public consultation on the draft Maidstone Borough Local Plan in 2014, a series of reports have been presented to the former Planning, Transport and Development Overview & Scrutiny Committee and Cabinet, and to the current Strategic Planning, Sustainability and Transport Committee (SPS&T). The reports have recommended amendments to the draft local plan following consideration of comments received during the consultation and as a consequence of updates to the Council's evidence base. Key changes to certain policies and site allocations will be subject to further public consultation (Regulation 18) before the local plan is published in its entirety for Regulation 19 consultation (known as Publication) and submission to the Secretary of State for Independent Examination. Subject to the decisions of SPS&T Committee in July, August and September, a 4-week partial Regulation 18 consultation will be undertaken late September.

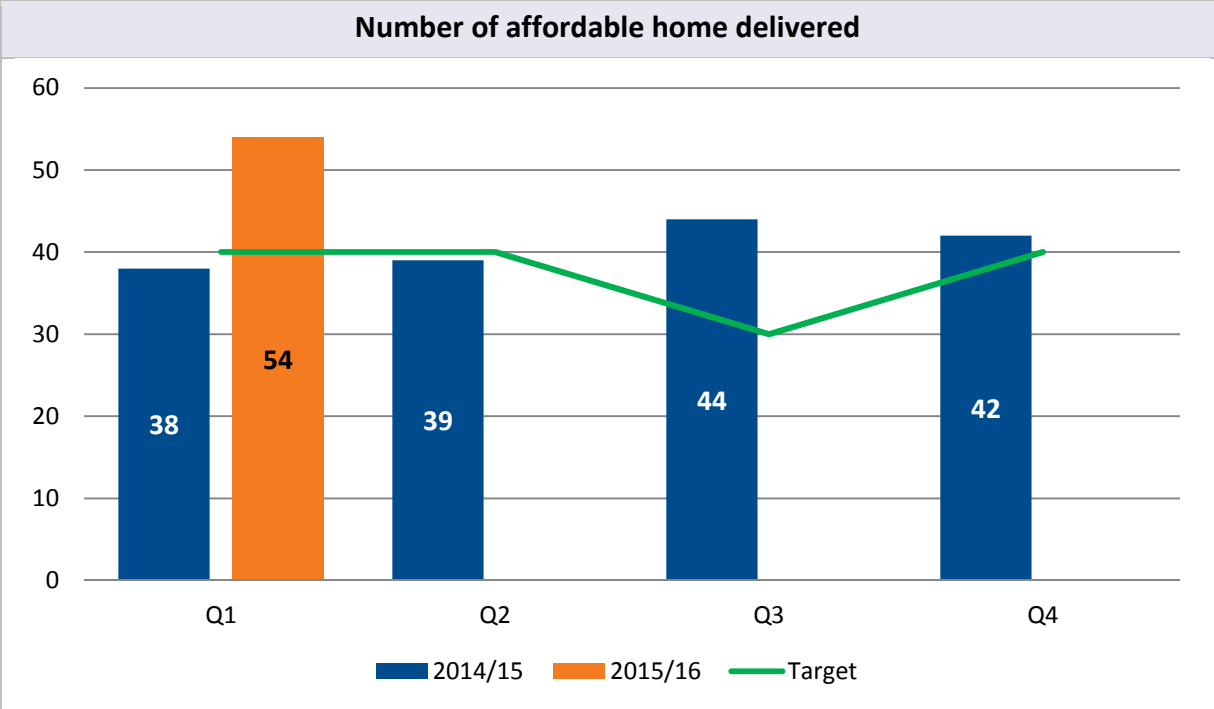
Housing Strategy Update (Repeated)

The action plan within the current 2010/15 Strategy has been reviewed and the actions noted as completed. The new Strategy is being formulated and a draft document will be provided to CLT in September and then to the October 2015 Communities, Housing & Environment Committee for consideration and approval. This document will form the basis for consultation with stakeholders and service users, with the final document going to Council in December 2015 for adoption. Key emerging themes include the supply of affordable housing through traditional routes and more innovative approaches such as the council's aspiration to deliver housing directly through a housing company. Other key themes will include the housing and health agenda explaining why the council has adopted this approach and how it will be delivered in practice. The new Strategy will the link with the Housing Register to enable best use of subsidised housing, promoting access to the private rented sector, and the provision of our own temporary accommodation.

Number of affordable home delivered

Housing supply has simply not kept pace with demand. Many families are locked out of the housing market by unaffordable prices and unobtainable mortgages. Affordable dwellings includes social-rented housing and intermediate housing. These can be new build or acquisitions; the figure does not taken into account any losses.

Current Performance	2015/16 Annual Target	Value Vs Target	Direction	Status	Expected Outcome
54	150	14			Target will be met



Performance Comment: Last year 163 affordable homes were delivered against a target of 200. The quarterly target for this indicator is profiled to take into account seasonal varriences. The annual target of 150 is expected to be achieved at the this stage. However, it should be noted that in relation to new build affordable homes severe weather can impact on the delivery programme.

Agenda Item 16

POLICY AND RESOURCES COMMITTEE

23 SEPTEMBER 2015

Is the final decision on the recommendations in this report to be made at this meeting?

Yes

FIRST QUARTER BUDGET MONITORING 2015/16

Final Decision-Maker	Policy and Resources Committee
Lead Head of Service	Head Of Finance & Resources
Lead Officer and Report Author	Paul Riley Head Of Finance & Resources
Classification	Public
Wards affected	All

This report makes the following recommendations to this Committee:

That the committee:

1. Creates a working group of members of the committee supported by officers to identify robust and deliverable savings proposals to report back to the committee for consideration.
2. Notes the revenue budget position at the end of the first quarter and the actions proposed or being taken by each service committee as set out in table 2, paragraph 2.14.
3. Approves the proposed slippage in the capital programme of £2,875,985 into 2016/17 as detailed in paragraph 2.19.
4. Notes the performance of the collection fund and the estimated level of balances at the year end.
5. Notes the performance in relation to the treasury management strategy for the first quarter of 2015/16.

This report relates to the following corporate priorities:

The budget is a statement, in financial terms, of the priorities set out in the strategic plan. It reflects the Council's decisions on the allocation of resources to all objectives of the strategic plan. The issues raised in this report identify areas where financial performance is at variance with priority outcomes.

Timetable

Meeting:	Date:
Policy & Resources Committee	23 September 2015

BUDGET MONITORING 2015/16 AND MEDIUM TERM FINANCIAL STRATEGY 2016/17 ONWARDS

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 To consider the capital and revenue budget and expenditure figures for the first quarter of 2015/16 along with other financial matters with a material effect on the medium term financial strategy or the balance sheet.
 - 1.2 The report begins by presenting revenue information specifically in relation to this committee's services. All information at a strategic level across the whole budget is then reported as both issues are of importance to this committee.
 - 1.3 The revenue budget forecast for year end is a positive variance of £982,000. This figure relates to government grant to cover lost business rates and is not available for general use. Details of the specific variances for each committee are set out in the report.
 - 1.4 The capital spending for the quarter to June 2015 totals £184,845 from a budget of £10,191,720 and the report recommends slippage of £2,875,985 of the capital budget to 2016/17 following discussions with relevant officers.
 - 1.5 Other balance sheet elements are all reporting satisfactory progress although interest on investments remains lower than expected at an average rate on all investments of 0.76% for the quarter.
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2. INTRODUCTION AND BACKGROUND

- 2.1 The Head of Finance & Resources is the Responsible Financial Officer, and has overall responsibility for budgetary control and financial management. However in practice day to day budgetary control is delegated to service managers, with assistance and advice from their director and the finance section. This report advises and updates the committee on the current position with regards to both revenue and capital expenditure against the approved budgets, and also includes sections on Collection Fund performance and Treasury Management performance.
- 2.2 The report uses a number of terms that may require definition and a glossary of terms is given in section # of the report.
- 2.3 On 29 July 2015 the committee considered an initial report on the medium term financial strategy for 2016/17 onwards agreeing the factors to be used in initial planning and consultation. In addition the committee asked each of the service committees to consider the factors with regard to their own service areas and confirm their agreement to the factors. The committee also requested that the service committees commence a review

of their service areas to identify savings and efficiencies to contribute towards the medium term financial strategy's need to close a funding gap of £1.6m in 2016/17 and £3.8m over the five years of the strategy.

- 2.4 While considering that request each service committee has considered the outturn for 2014/15 and a budget monitoring report for the first quarter of 2015/16. This enabled the committees to consider the three issues in context and to identify longer term trends in the performance against budget by each service.
- 2.5 This report will firstly provide the same context for the Policy and Resources Committee but will mainly focus on performance for strategic issues across the full budget. This means that along with this committee's own budget this report deals with budgets for all committees.

Committee Level Outturn 2014/15

- 2.6 The financial information set out in that revenue outturn report, already considered at the last meeting of the committee, can be summarised as set out in table 1 below:

Committee	Estimate £	Actual £	Variance £
Policy & Resources	11,664,440	10,749,096	915,344
Communities, Housing & Environment	8,816,010	9,165,320	-349,310
Heritage, Culture & Leisure	590,710	682,171	-91,461
Strategic Planning, Sustainability & Transport	113,730	-228,634	342,364
Use of Balances & Reserves	-2,068,140	-1,229,060	-839,080
	19,116,750	19,138,893	-22,143

Table 1: 2014/15, outturn compared to budget analysed by service committee.

As can clearly be seen from the table, the Policy and Resources Committee reported an overall positive variance of £915,344 against a net budget of £11,664,440. This is a variance of 7.8%.

- 2.7 The report detailed the major issues that contributed to the positive variance for this Committee as follows:
- a) The main variance relates to additional grant received from central government of £780,780 to compensate the council for lost business rates following specific discounts allowances agreed in year by central government. There was a consequential loss of business rates that are not reported in the details above and the funding does not create a usable variance;
 - b) In addition there is a balance available from the contingency budget that enables the re-use of budgets that have been identified as savings earlier than needed by the medium term financial strategy of £180,000. This budget will be automatically removed in 2015/16 as part of the normal cycle of budget savings.
- 2.8 There were no significant adverse variances

Committee Level First Quarter Results and Forecast 2015/16

- 2.9 Attached at **Appendix A** is a table detailing the current budget and expenditure position for this Committee's services in relation to the first quarter of 2015/16, to June 2015. The appendix details net budget per cost centre for this Committee. The budget used in the budget approved by Council in February 2015 adjusted to allow for the approved carried forwards agreed by Cabinet in May 2015 or Policy and Resources Committee in July 2015. Actual expenditure is shown to the end of June 2015 and includes accruals for goods and services received but not yet paid for.
- 2.10 The columns of the table in the Appendix show the following detail:
- a) The cost centre description;
 - b) The value of the total budget for the year;
 - c) The amount of the budget expected to be spent by the end of June 2015;
 - d) The actual spend to that date;
 - e) The variance between expected and actual spend;
 - f) The forecasted spend to year end; and
 - g) The expected significant variances at 31 March 2016.
- 2.11 Appendix A shows that of an annual budget of £7,134,265 the expectation is that £2,447,657 would be spent in the first quarter of the year. At this point in time the budget is reporting an under spend of £460,555 and the forecast for year-end shows that this continues to reflect the likely outcome at 31 March 2016.
- 2.12 This variance is a continued consequence of the same government grant for loss of business rates that affected the outturn for 2014/15 and the unused element of the contingency budget.

Strategic Level First Quarter Results and Forecast 2015/16

- 2.13 Given at **Appendix B** is a summary of the first quarter's budget performance at the level of the strategic budget. The budget and actual figures are provided at the same level as set out in paragraph 2.9. The figures are analysed in three ways and set out in three tables which show the following levels of detail:
- Table 1: Subjectively by Committee;
 - Table 2: Subjectively by Priority;
 - Table 3: Subjectively by Expenditure Type.
- 2.14 Each Committee has considered the major adverse and positive variances reported within their service areas. In each case they have chosen to either: develop plans to act further in resolving the issue; or to continue to monitor the position and act if necessary at a later date. The full year forecasted variances are set out in summary below:

Full Year Forecasted Variances:	Positive Variance £	Adverse Variance £
Heritage Culture & Leisure Committee:		
Museum: Lower than expected income and increased maintenance costs at the Museum create an adverse variance. Work has been completed on a zero based budgeting exercise for the Museum and the committee is to receive a report on ways to realign budget and actual expenditure.		60,000
Mote Park: Income levels are not achieving target at Mote Park. The recent report on parking charges as part of the strategy to improve the park will be partially used to resolve this issue by the committee.		52,000
Crematorium: There is a pressure created by possible unachievable income expectations at the Crematorium. The committee will consider options in relation to fees and charges levels to resolve this issue and continue to monitor the situation.		52,000
Strategic Planning, Sustainability and Transport Committee:		
Development Management: As a consequence of additional planning fee income tempered by additional employee costs yet to be incurred. The committee will continue to monitor this income level and consider options for supporting the MTFS.	100,000	
Car Parking: Early predictions of year end forecast are notoriously difficult for parking income as weather and other trends have a direct impact. In addition the resources are partially ring-fenced to transport services by statute. The committee will continue to monitor this service.	100,000	
Planning Support Shared Service: The outcome of the work currently underway to bring the shared service up to date is not yet complete but for some of the major targets the service is operating to the agreed timescales. Additional costs are currently being incurred and may increase over this figure before the work is complete. Further decisions by the partnership are necessary and the committee will continue to monitor this service.		55,000
Communities, Housing and Environment Committee		
Environmental Enforcement: The income from litter fines is ring-fenced to the provision of cleansing services and the committee will monitor the service and identify where the resources could be best utilised.	33,000	
Waste and Recycling: Across this group of services there is forecast to be a positive variance. In the main this will be delivered by the additional resources being generated within the recycling services. The committee will consider options for supporting the MTFS.	145,000	
Temporary Accommodation: The level of demand for this service continues to grow. Despite a number of actions being taken over the past two years there is expected to be a further adverse variance this year. The committee will consider options in a specific report later in the year on further possible actions.		183,000
	378,000	402,000

Table 2: Summary of significant variances by committee

- 2.15 In addition to the issues considered by the other service committees, this committee is reporting a positive variance as detailed in paragraph 2.13 above.
- 2.16 In accordance with best practice, virements are reported to Cabinet as part of quarterly budget monitoring. A virement represents the transfer of a budget between objectives that occurs subsequent to the formal approval of the budget by Council. There were no virements to report for the first quarter of 2015/16.

Strategic Level Capital Programme 2015/16

- 2.17 The capital programme was approved by Council on 2 February 2015.
- 2.18 Funding for the programme remains consistent with previous decisions of Council in that the majority of resources come from New Homes Bonus along with a small grants budget and a small number of capital receipts from asset sales. Previous decisions of Council and Cabinet have focused the use of New Homes Bonus on infrastructure projects where these are required by the infrastructure delivery plan that forms part of the Local Plan.
- 2.19 The current programme is set out in **Appendix C** and shows the approved budget and actual expenditure to date. The Appendix details the profile of expenditure that is forecast for the remainder of the year and identifies £2,875,985 that will require carry forward approval into 2016/17. The major schemes that have incurred slippage are:
- a) Housing Grants – The current forecast spend on housing grants for the year is £782,407. A total of £874,893 will need to be carried forward to 2016/17.
 - b) Play Area improvements – This funding is for an agreed contract that has not commenced. A full year’s expenditure will not be achieved in 2015/16. A total of £520,193 will need to be carried forward.
 - c) Acquisition of Commercial Assets – At this time schemes to utilise approximately £3,290,000 are likely to be completed this year and a balance of £710,000 will need to be carried forward.
 - d) High Street Regeneration – This is a scheme balance from the reduced contract cost of phase 2. The funding has been held over but it not sufficient to complete any further works. A total of £322,622 will need to be carried forward.
 - e) Enterprise Hub – following completion of the works on conversion of the upper floor of the Gateway building to the Business Terrace the balance of the original budget remains. This is not required for this scheme and totals £437,927.

- 2.20 The Council has the necessary resources to manage the programme in 2015/16 with the majority of funding arising from New Homes Bonus. There are a small number of minor asset sales and government grant in relation to disabled facilities grants also funding the programme.

Reserves and Balances

- 2.21 The total of reserves and balances as at 1st April 2015 was £15.3m. The current medium term financial strategy assumes balances of £14.4m by 31st March 2016.
- 2.22 The movement in balances during 2015/16 relates to the use of carry forwards approved by Cabinet in April 2015 and reported to this committee in July 2015 and the use of resources from earmarked reserves in relation to the local plan and the use of.
- 2.23 The position set out above allows for the minimum level of general balances of £2.3m, as agreed by Council in February 2015, to be maintained.

Collection Fund

- 2.24 Due to the risks that surround the pooling arrangements in place for business rates growth and the local council tax discount scheme, the Council monitors the collection fund carefully.
- 2.25 The collection rates achieved during the first quarter, and the targets set, are reported below. The rates are given as a percentage of the debt targeted for collection in 2015/16.

	Target %	Actual %
Business Rates	33.7	33.9
Council Tax	29.8	29.4

Table 3: Collection Rates for Council Tax and Business Rates to June 2015

- 2.26 Council Tax has marginally missed the target. This sum equates to £350,000 out of a collectable debt for the year of £89,333,786.
- 2.27 As shown above, while the percentage variances are small, the gross value of Council Tax collected each year is significant. The Head of the Revenues and Benefits Partnership follows a recovery timetable and action will be taken before year end to attempt to bring the collection rate back to target.
- 2.28 Officers will continue to pursue payment of any developing arrears along with the arrears from prior years which is on target and.

Treasury Management

- 2.29 The Council has adopted and incorporated into its Financial Regulations, the CIPFA Code of Practice on Treasury Management in Local Authorities. This Code covers the principles and guidelines relating to borrowing and investment operations. In February 2015, the Council approved a

Treasury Management Strategy for 2015/16 that was based on this code. The strategy requires that this committee should be informed of treasury management activities quarterly as part of budget monitoring.

- 2.30 Officers can confirm that treasury management activity in the first quarter of the year complied with the code and with the Council's Treasury Management Strategy.
- 2.31 During the Quarter ended 30th June 2015:
- The economic recovery slowed marginally;
 - The economy went into deflation which lasted only one month (CPI reached -0.1%);
 - The general election confirmed that the fiscal squeeze will re-intensify next year.
- 2.32 The Council's Treasury Management advisors, Capita Asset Services, provided a forecast that was little change since the end of last year and reported that:
- Growth in Q1 2015 (January to March) was lower than expected at 0.4%
 - The Bank of England reduced its annual growth prediction for the year and maintained the base rate at 0.5%.
 - Issues in Europe such as Greek debt and demands made long term prediction difficult.
- 2.33 At 30th June 2015 the council held investments totalling £28.99m. A full list of investments held is given in Appendix D. £10.99m of investments were in accounts that can be called upon immediately or available within the following quarter.
- 2.34 Investment income is slightly below target with a balance of £53,619 compared to a budget of £67,500. The average interest rate for this period is 0.76%. The low interest rates are a consequence of Government support for lending schemes which have prompted a reduction in need for additional cash by financial institutions.
- 2.35 There has been no need to borrow either temporarily, to manage cash flow, or long term prudential borrowing.

3. AVAILABLE OPTIONS

- 3.1 This report covers a series of issues all of which require consideration. Each issue and the options are set out below:
- 3.2 The committee will be aware from the report considered on 29th July 2015 relating to the medium term financial strategy that the council must identify £1,632,000 in savings in order to balance the budget for 2016/17 and overall savings of £3,765,000 for the five year period of the strategy. Each committee has been asked to consider options to contribute to the savings plans over the five year period and the other three service committees have opted to commence the work through a working group commissioned to develop ideas for the committee to consider. The working

group in each case will be made up of members of the committee supported by officers so that ideas can be developed into robust proposals. This work needs to be completed for the December meeting of this committee.

- 3.3 The committee could opt to take the same approach or develop an alternative approach such as asking for specific reports back to the committee by each head of service. The option to take no action is not appropriate in this case as savings must be identified and it is the responsibility of this committee to recommend a balanced budget to Council in March 2016.
- 3.4 In considering the strategic position on the revenue budget at the end of June 2015 the committee has been provided with details of the actions each service committee plans to take on significant variances.
- 3.5 The committee can chose to note those actions and reconsider the outcomes at the end of the second quarter or it could chose to take further action.
- 3.6 The capital programme is reporting slippage and expenditure of on £184,845. Details of the programmes where major slippage occurs have been detailed. The committee could agree the slippage as proposed or take an alternative action such as removal of the budget or transfer of the budget to other schemes. If such alternative action is taken the councillors should be aware that the medium term financial strategy sets a hierarchy of priorities for the capital programme and any alternative scheme should be the highest priority unfunded scheme currently proposed.
- 3.7 Details of the performance of the collection fund and the level of available balances are both as expected and the committee need only note this information at this time.
- 3.8 Treasury Management is for information only as the Audit, Governance & Standards Committee takes responsibility for considering changes that may be required, for reference on to Council. The committee could make reference to the Audit, Governance and Standards Committee of any issues that it may wish to be considered at a future meeting.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 The report is for advice in relation to the actions being taken by officers and other service committees and it is recommended that the committee note the current situation with two exceptions:
 - a) The committee is recommended to create a working group to enable the free development of proposals to generate savings and efficiencies over the next five years; and

- b) The committee is requested to approve the proposed slippage in the capital programme to enable more accurate monitoring of the programme in future periods.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 The first quarter's budget monitoring report has been considered by each of the other three service committees the key issues and their consideration is set out in table 2 at paragraph 2.14.
- 5.2 This report will not lead to further consultation.

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 The second quarter's budget monitoring report will be considered by the service committees in November 2015 culminating in a full report to this committee.
- 6.2 There are no significant issues arising from this report that require action from this committee. The success of actions by the other service committees to manage the pressures in their budgets will be regularly reported to this committee through later versions of this report.

7. GLOSSARY OF TERMS

Term	Definition
Accrual	The inclusion in the financial report of a money value to represent the receipt of goods or services within the report period, if actual payment has not yet been made.
Adverse variance	The difference between expected (budgeted) cost and actual cost where the actual value is a higher cost than expected.
Capital expenditure	Spending on the creation, purchase or enhancement of the Council's assets .
Capital Receipts	Income from the sale of assets. This income can only be used for the creation, purchase or enhancement of other Council assets.
Carry forwards	A budget for works or services that remained unused at year end, has a purpose that still requires completion and has been moved into the following year with the approval of Cabinet.
Collection Fund	The collection fund is a statutory fund that the Council maintains for the collection and distribution of council tax and business rates.

Cost centre	An accounting location or service as set out in the annual budget report i.e. The Museum or the Leisure Centre.
Local council tax support	The local system of discount applied to council tax that replaced the national council tax benefit system on 1st April 2013.
Positive variance	The difference between expected (budgeted) cost and actual cost where the actual value is a lower cost than expected.
Profiled budget	The total amount expected to be spent (from the budget) by the period end, after considering the expected pattern of spend throughout the year and past trends.
Retained business rates	The system of localised business rates in operation since 1st April 2013. The system allows the Council to retain a proportion of business rates collected rather than pay the total amount to central government.
Revenue expenditure	Expenditure on the day to day running costs of the Council's services.
Revenue Support	Revenue funding that has been set aside to finance goods and service of a capital nature.
SELEP	South East Local Enterprise Partnership
Subjective analysis	An accounting type used to define costs i.e. salaries, vehicle hire, premises rents.
Treasury Management	The management of the organisation's investments, cash flows and banking along with control of the risks associated with those activities.
Virement	A virement represents the transfer of a budget between services (cost centres) that happens after the formal approval of the budget by Council. The authority to make certain types of virement is set out in the Council's constitution.

8. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	This report monitors actual activity against the revenue and capital budgets and other financial matters set by Council for the financial year. The budget is set in accordance with the Council's medium term financial strategy which is linked to the strategic plan and corporate priorities.	Head of Finance & Resources

Risk Management	<p>The Council has produced a balanced budget for both capital and revenue expenditure and income for 2015/16. This budget is set against a backdrop of limited resources and an difficult economic climate. Regular and comprehensive monitoring of the type included in this report ensures early warning of significant issues that may place the Council at financial risk. This gives this committee the best opportunity to take actions to mitigate such risks.</p> <p>The issues set out in this report do not exhibit the level of potential risk identified in previous years.</p>	Head of Finance & Resources
Financial	<p>Financial implications are the focus of this report through high level budget monitoring. The process of budget monitoring ensures that services can react quickly to potential resource problems. The process ensures that the Council is not faced by corporate financial problems that may prejudice the delivery of strategic priorities.</p>	Head of Finance & Resources
Staffing	<p>The budget for staffing represents approximately 50% of the direct spend of the council and is carefully monitored. Any issues in relation to employee costs will be raised in this and future monitoring reports.</p>	Head of Finance & Resources
Legal	<p>The Council has a statutory obligation to maintain a balanced budget this monitoring process enables the committee to remain aware of issues and the process to be taken to maintain a balanced budget for the year.</p>	Head of Finance & Resources
Equality Impact Needs Assessment	<p>The budget ensures the focus of resources into areas of need as identified in the Council's strategic priorities. This monitoring report ensures that the budget is</p>	Head of Finance & Resources

	delivering services as set in the budget to meet those needs.	
Environmental/Sustainable Development	No specific issues arise	Head of Finance & Resources
Community Safety	No specific issues arise	Head of Finance & Resources
Human Rights Act	No specific issues arise	Head of Finance & Resources
Procurement	No specific issues arise	Head of Finance & Resources
Asset Management	Resources available for asset management are contained within both revenue and capital budgets and do not represent a significant problem at this time.	Head of Finance & Resources

9. REPORT APPENDICES

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

Appendix A: First Quarter 2015/16 Budget Monitoring Report

Appendix B: First Quarter 2015/16 Strategic Budget Monitoring Summary

Appendix C: First Quarter 2015/16 Capital Programme Report

Appendix D: List of investments as at 30th June 2015

10. BACKGROUND PAPERS

None

POLICY AND RESOURCES COMMITTEE

BUDGET MONITORING REPORT 2015/16

BUDGET POSITION TO JUNE 2015

Cost Centre	Full Year Budget	To June	Actual	Variance	Forecast	Year End Variance	Explanation
Economic Research	-3,745	1	0	1	-3,745	0	
Business Support & Enterprise	19,100	1,250	1,363	-113	19,100	0	
Town Centre Management Sponsorship	18,000	0	0	0	18,000	0	
Economic Dev Government Initiatives	1,400	351	0	351	1,400	0	
Economic Dev - Promotion & Marketing	186,400	-8,128	-7,407	-721	186,400	0	
Civic Occasions	37,400	21,617	18,829	2,788	37,400	0	
Members Allowances	412,530	103,509	91,591	11,918	412,530	0	
Members Facilities	67,760	24,109	14,378	9,731	67,760	0	
Subscriptions	18,100	16,300	10,450	5,850	18,100	0	
Overseas & Scrutiny	9,350	2,338	1,219	1,119	9,350	0	
Contingency	357,600	-33,866	-33,866	0	177,600	180,000	No specific use is identified this year for this resource.
Performance & Development	44,800	2,294	7,656	-5,362	44,800	0	
Corporate Projects	205,140	50,000	58,320	-8,320	205,140	0	
Press & Public Relations	41,240	10,306	10,427	-121	41,240	0	
Corporate Management	140,880	37,470	25,420	12,050	140,880	0	
Mid Kent Improvement Partnership	960	-23,240	-29,145	5,905	960	0	
Unapportionable Central Overheads	1,638,375	406,749	414,553	-7,804	1,638,375	0	
Council Tax Collection	-285,200	27,962	29,828	-1,866	-285,200	0	
Council Tax Benefits Administration	-160,200	-40,050	-40,017	-33	-160,200	0	
NNDR Collection	-244,370	1,132	3,987	-2,855	-244,370	0	
Registration Of Electors	92,320	-19,215	-24,809	5,594	92,320	0	
Elections	114,980	46,256	39,654	6,602	114,980	0	
Emergency Centre	33,980	2,964	3,160	-196	33,980	0	
Business Support Team	0	0	-735	735	0	0	
Medway Conservancy	108,870	54,435	54,470	-35	108,870	0	

POLICY AND RESOURCES COMMITTEE

BUDGET MONITORING REPORT 2015/16

BUDGET POSITION TO JUNE 2015

Cost Centre	Full Year Budget	To June	Actual	Variance	Forecast	Year End Variance	Explanation
External Interest Payable	173,050	0	107	-107	173,050	0	
Interest & Investment Income	-270,000	-67,500	-53,619	-13,881	-270,000	0	
Palace Gatehouse	-9,420	-2,355	-947	-1,408	-9,420	0	
Archbishops Palace	-98,360	-23,944	-23,017	-927	-98,360	0	
Parkwood Industrial Estate	-301,540	-67,285	-65,521	-1,764	-301,540	0	
Industrial Starter Units	-21,970	-337	-4,183	3,846	-21,970	0	
Parkwood Equilibrium Units	-45,125	-12,519	-14,436	1,917	-45,125	0	
Sundry Corporate Properties	-119,380	-29,013	-9,188	-19,825	-119,380	0	
Parks Dwellings	-13,160	-977	3,304	-4,281	-13,160	0	
Chillington House	-41,130	-10,282	426	-10,708	-41,130	0	
Phoenix Park Units	-226,656	-57,632	-58,307	675	-226,656	0	
Non Service Related Government Grants	-4,251,850	-1,062,963	-1,315,451	252,488	-5,251,850	1,000,000	Government grant to set off against reduced business rates
Rent Allowances	-344,090	-78,668	-80,302	1,634	-344,090	0	
Non HRA Rent Rebates	3,320	83,067	83,326	-259	3,320	0	
Discretionary Housing Payments	2,300	58,100	25,318	32,782	2,300	0	
Housing Benefits Administration	-439,660	-107,673	-109,707	2,034	-439,660	0	
Economic Development Section	222,960	55,643	58,743	-3,100	222,960	0	
Head of Economic and Commercial Development	92,870	23,966	22,086	1,880	92,870	0	
Commercial Projects Manager	52,110	12,976	12,616	360	52,110	0	
Democratic Services Section	110,890	27,723	34,345	-6,622	110,890	0	
Mayoral & Civic Services Section	99,090	24,849	23,969	880	99,090	0	
Overview and Scrutiny Section	43,540	10,881	6,594	4,287	43,540	0	
Chief Executive	156,900	39,849	38,492	1,357	156,900	0	
Communications Section	178,147	45,448	37,523	7,925	178,147	0	
Policy & Information	126,170	31,540	36,617	-5,077	126,170	0	
Head of Policy and Communications	95,230	23,807	24,035	-228	95,230	0	

POLICY AND RESOURCES COMMITTEE

BUDGET MONITORING REPORT 2015/16

BUDGET POSITION TO JUNE 2015

Cost Centre	Full Year Budget	To June	Actual	Variance	Forecast	Year End Variance	Explanation
Revenues Section	392,410	111,367	122,816	-11,449	392,410	0	
Registration Services Section	123,960	30,938	25,593	5,345	123,960	0	
Benefits Section	454,970	133,355	117,116	16,239	454,970	0	
Fraud & Visiting Partnership Section	151,640	48,434	35,487	12,947	151,640	0	
Head of Internal Audit & Risk Strategy	184,160	65,842	71,221	-5,379	184,160	0	
Head of Human Resources	115,800	31,885	26,145	5,740	115,800	0	
Human Resources	165,810	41,548	36,397	5,151	165,810	0	
Pay & Information	112,260	27,787	28,858	-1,071	112,260	0	
Learning & Development	108,400	27,573	5,586	21,987	108,400	0	
Director of Regeneration & Communities	131,180	33,542	33,522	20	131,180	0	
Head of Finance and Resources	94,060	23,389	22,729	660	94,060	0	
Accountancy Section	567,710	147,774	149,961	-2,187	567,710	0	
Legal Services Section	419,610	104,902	102,994	1,908	419,610	0	
Director of Environment & Shared Service	131,380	32,988	32,433	555	131,380	0	
Property & Procurement Manager	79,480	20,265	18,555	1,710	79,480	0	
Procurement Section	66,570	17,198	31,533	-14,335	66,570	0	
Property & Projects Section	249,560	58,343	43,045	15,298	249,560	0	
Facilities & Corporate Support Section	492,110	121,191	102,771	18,420	492,110	0	
Improvement Section	223,299	56,451	30,330	26,121	223,299	0	
Executive Support	151,070	37,761	35,133	2,628	151,070	0	
Customer Services Management	79,290	20,194	26,261	-6,067	79,290	0	
Revenues & Benefits Manager	225,530	69,087	68,398	689	225,530	0	
Revenues & Benefits Business Support	125,580	29,239	28,764	475	125,580	0	
Mid Kent ICT Services	619,730	157,932	138,311	19,621	619,730	0	
GIS Section	100,840	42,005	35,735	6,270	100,840	0	
Customer Services Section	764,280	192,760	182,231	10,529	764,280	0	

POLICY AND RESOURCES COMMITTEE

BUDGET MONITORING REPORT 2015/16

BUDGET POSITION TO JUNE 2015

Cost Centre	Full Year Budget	To June	Actual	Variance	Forecast	Year End Variance	Explanation
Town Hall	72,820	27,369	28,303	-934	72,820	0	
South Maidstone Depot	129,070	70,122	66,240	3,882	129,070	0	
The Gateway King Street	145,010	147,874	103,216	44,658	145,010	0	
Maidstone House	1,404,520	776,656	764,852	11,804	1,404,520	0	
I.T. Operational Services	439,090	125,371	109,546	15,825	439,090	0	
Central Telephones	65,200	7,800	7,230	570	65,200	0	
Mid Kent ITC Software	30,270	17,993	41,065	-23,072	30,270	0	
Youth Development Programme	47,520	11,741	2,834	8,907	47,520	0	
Internal Printing	-85,240	-22,261	-10,258	-12,003	-85,240	0	
Appropriation Account	525,410	0	0	0	525,410	0	
	7,134,265	2,447,660	1,987,102	460,558	5,954,265	1,180,000	

POLICY & RESOURCES COMMITTEE
QUARTER 1 BUDGET MONITORING REPORT - FULL SUMMARY TO JUNE 2015

ANALYSIS BY COMMITTEE

Committee	Full Year Budget	To June	Actual	Variance	Forecast	Year End Variance
Policy & Resources	9,957,745	2,447,660	1,987,102	460,558	8,777,745	1,180,000
Strategic Planning Sustainability & Transport	-491,340	361,175	217,024	144,151	-666,340	175,000
Communities Housing & Environment	4,844,847	1,264,957	1,165,826	99,131	5,027,847	-183,000
Heritage Culture & Leisure	666,458	375,753	291,501	84,252	856,458	-190,000
Use of Balances	5,155,750				5,155,750	0
	20,133,460	4,449,545	3,661,453	788,092	19,151,460	982,000

ANALYSIS BY PRIORITY

Priority	Full Year Budget	To June	Actual	Variance	Forecast	Year End Variance
Character	801,570	358,661	341,636	17,025	801,570	0
Health & Wellbeing	1,568,786	441,268	286,299	154,969	1,751,786	-183,000
Clean & Safe	3,870,630	999,995	864,270	135,724	3,870,630	0
Leisure & Culture	1,590,118	517,060	451,616	65,444	1,780,118	-190,000
Town Centre	18,000			0	18,000	0
Employment & Skills	426,115	49,117	52,698	-3,581	426,115	0
Homes	670,600	311,376	426,768	-115,392	570,600	100,000
Infrastructure	635,010	203,028	171,930	31,099	635,010	0
Trading	-3,527,455	-649,030	-638,035	-10,996	-3,602,455	75,000
Central & Democratic	8,924,336	2,218,069	1,704,269	513,800	7,744,336	1,180,000
Use of Balances	5,155,750				5,155,750	0
	20,133,460	4,449,545	3,661,453	788,092	19,151,460	982,000

ANALYSIS BY SUBJECTIVE SPEND

Subjective Type	Full Year Budget	To June	Actual	Variance	Forecast	Year End Variance
Employees	18,444,694	4,609,424	4,572,831	36,593	18,444,694	0
Premises	4,205,320	1,938,282	1,668,781	269,501	4,205,320	0
Transport	1,457,290	364,153	334,401	29,752	1,457,290	0
Supplies & Services	8,238,943	2,169,280	2,346,519	-177,238	8,428,943	-190,000
Agency	4,244,420	1,045,367	996,963	48,404	4,247,420	-3,000
Transfer Payments	49,776,301	10,524,372	10,687,397	-163,025	49,776,301	0
Asset Rents	805,750	54,445	57,146	-2,701	805,750	0
Income	-67,039,259	-16,255,778	-17,002,584	746,805	-68,214,259	1,175,000
	20,133,460	4,449,545	3,661,453	788,092	19,151,460	982,000

MAIDSTONE BOROUGH COUNCIL
POLICY & RESOURCES COMMITTEE
BUDGET MONITORING - FIRST QUARTER 2015/16

Capital Programme 2015/16 by Service Committee to 30th June 2015

Capital Programme Heading	Adjusted Estimate 2015/16	Actual to June 2015	Budget Remaining £	Q2 Profile	Q3 Profile	Q4 Profile £	Projected Total Expenditure £	Slippage into 2016/17 £	Budget not required £
CCTV Control Room	£1,100		£1,100	£1,100			£1,100	£0	
Housing Grants	£1,657,300	£32,407	£1,624,893	£250,000	£250,000	£250,000	£782,407	£874,893	
Support for Social Housing	£1,440,500		£1,440,500		£720,000	£720,500	£1,440,500	£0	
Stilebridge Lane Sewage Treatment Works	£50,300		£50,300	£50,300			£50,300	£0	
Gypsy Site Improvements	£185,400	£770	£184,630		£94,630	£90,000	£185,400	£0	
Land Drainage/Improvement to Ditches & Watercourses	£4,900		£4,900	£4,900			£4,900	£0	
Crematorium Access	£10,600		£10,600	£10,600			£10,600	£0	
Flood Defences	£50,000		£50,000		£25,000	£25,000	£50,000	£0	
Communities, Housing & Environment Total	£3,400,100	£33,177	£3,366,923	£316,900	£1,089,630	£1,085,500	£2,525,207	£874,893	0
Cobtree Golf Course	£6,950		£6,950				£0	£6,950	
Continued Improvements to Play Areas	£829,800	£9,607	£820,193	£100,000	£100,000	£100,000	£309,607	£520,193	
Green Space Strategy	£9,600		£9,600	£9,600			£9,600	£0	
Small Scale Capital Works Programme	£3,400		£3,400				£0	£3,400	
Heritage, Culture & Leisure Total	£849,750	£9,607	£840,143	£109,600	£100,000	£100,000	£319,207	£530,543	0
Asset Management / Corporate Property	£184,800	£36,383	£148,417	£49,465	£49,475	£49,477	£184,800	£0	
Software / PC Replacement	£188,900	£68,457	£120,443	£39,930	£40,000	£40,513	£188,900	£0	
Acquisition of Commercial Assets	£4,000,000		£4,000,000		£290,000	£3,000,000	£3,290,000	£710,000	
Policy & Resources Total	£4,373,700	£104,840	£4,268,860	£89,395	£379,475	£3,089,990	£3,663,700	£710,000	0
King Street Multi-storey Car Park	£22,100	£800	£21,300			£21,300	£22,100	£0	
High Street Regeneration	£334,470	£11,848	£322,622				£11,848	£322,622	
Enterprise Hub	£687,500	£24,573	£662,927	£225,000			£249,573	£437,927	
Improvements to the Council's Car Parks	£14,800		£14,800	£14,800			£14,800	£0	
Planning Delivery	£9,300		£9,300	£9,300			£9,300	£0	
Bridges Gytratory Scheme	£500,000		£500,000		£250,000	£250,000	£500,000	£0	
Strategic Planning, Sustainability & Transport Total	£1,568,170	£37,221	£1,530,949	£249,100	£250,000	£271,300	£807,621	£760,549	0
Total	£10,191,720	£184,845	£10,006,875	£764,995	£1,819,105	£4,546,790	£7,315,735	£2,875,985	0

MAIDSTONE BOROUGH COUNCIL
INVESTMENTS AS AT 30th JUNE 2015

Type of Investment/Deposit	Counterparty	Issue Date	Maturity Date	Amount Invested £	Interest Rate %	Cred Limits £	
						Maximum Deposit	Suggested Term
Call account	Lloyds 185 Day Notice Account			2,000,000	0.75	8,000,000	2yrs
Money Market Fund	Ignis/Standard Life			3,990,000	0.48	8,000,000	2yrs
Enhanced Cash Fund	Ignis/Standard Life			3,000,000	0.58	8,000,000	2yrs
Fixed Term Deposit	Skipton Building Society	28/01/2015	28/07/2015	1,000,000	0.70	2,000,000	6mnths
Fixed Term Deposit	Nationwide Building Society	09/02/2015	10/08/2015	1,000,000	0.66	3,000,000	6mnths
Fixed Term Deposit	Leeds Building Society	01/04/2015	01/10/2015	2,000,000	0.69	3,000,000	6mnths
Fixed Term Deposit	Lloyds Bank	14/10/2014	13/10/2015	2,000,000	0.70	3,000,000	6mnths
Fixed Term Deposit	Barclays Bank	01/05/2015	02/11/2015	1,000,000	0.65	3,000,000	6mnths
Fixed Term Deposit	Santander UK Plc	08/05/2015	09/11/2015	2,000,000	0.75	3,000,000	6mnths
Fixed Term Deposit	Santander UK Plc	11/06/2015	11/12/2015	1,000,000	0.69	3,000,000	6mnths
Fixed Term Deposit	Goldman Sachs Intl Bank	29/06/2015	18/12/2015	3,000,000	0.72	3,000,000	6mnths
Fixed Term Deposit	Skipton Building Society	11/06/2015	22/12/2015	1,000,000	0.72	2,000,000	6mnths
Fixed Term Deposit	Lloyds Bank	29/01/2015	28/01/2016	1,000,000	1.00	8,000,000	2yrs
Fixed Term Deposit	Lloyds Bank	22/07/2014	22/07/2016	3,000,000	1.30	8,000,000	2yrs
Fixed Term Deposit	Royal Bank of Scotland	11/03/2015	11/03/2017	2,000,000	1.00	8,000,000	2yrs

Agenda Item 17

Policy and Resources Committee

**23 September
2015**

Is the final decision on the recommendations in this report to be made at this meeting?

Yes

Review of Careers Guidance in Maidstone

Final Decision-Maker	Policy and Resources Committee
Lead Director or Head of Service	Paul Riley, Head of Finance and Resources
Lead Officer and Report Author	Orla Sweeney, Democratic Services Officer
Classification	Non-exempt
Wards affected	All

This report makes the following recommendations to the final decision-maker:

The Committee notes the report and approves the recommendations:

1. That Maidstone Borough Council engage schools in its mentoring scheme, exploring the possibility of offering direct mentoring where appropriate, or training to develop a peer mentoring scheme directly with schools or in partnership with local businesses.
2. That schools in Maidstone engage with Maidstone Borough Council via the Maidstone Careers Advisors Networking in relation to its mentoring scheme.
3. That Kent County Council and Maidstone Borough Council work with schools in Maidstone to explore the inclusion of the 'Young Chamber' or a similar external entrepreneurial programme at every school in the district. The County and District could consider 'seed' funding the programme with the proviso that the scheme pays for itself through its fundraising outcomes.
4. Careers should be considered alongside national curriculum subjects. The transferable 'soft skills' that are being learned and developed should be recognised by students as part of their careers guidance in Maidstone schools. This should be taken forward by the Maidstone Careers Education, Information and Guidance network.
5. That the Maidstone Careers Education, Information and Guidance

network utilise 'free' tools such as the Careers Coach (via Kent colleges) and focus as a body on ways to combine their financial resources to greater effect to achieve improved outcomes.

6. That schools in Maidstone engage nationally (with Government departments and agencies) and locally (with Kent County Council and Maidstone Borough Council) to understand how to best to 'unlock' funding for careers guidance.
7. That Maidstone Borough Council work with Kent County Council and partners to assist schools in finding a suitable project that would assist the careers guidance agenda in Maidstone in order to benefit all schools in the district.
8. That the Committee supports Maidstone Borough Council's continued involvement in helping drive the skills and employability agenda forward in Maidstone.
9. That Maidstone Borough Council assists all schools in Maidstone by encouraging employers to work with schools to help develop employability skills as part of their Career's Guidance, helping ensure they have skills suitable for employment in Maidstone and therefore work experience placements.

This report relates to the following corporate priorities:

- Securing a successful economy for Maidstone Borough
 Good careers guidance supports the Council's priority to secure a successful economy for the borough by assisting school leavers to obtain appropriate employment.

Timetable

Meeting	Date
Policy and Resources Committee	23 September 2015

Review of Careers Guidance in Maidstone

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 To consider and agree the recommendations made by the Economic and Commercial Development Overview and Scrutiny Committee which reflect the findings of its review of Careers Guidance in Maidstone as undertaken in May 2015.
 - 1.2 The provisions for Careers Guidance arrangements has changed significantly following the introduction of the Education Act 2011 which placed a duty on schools to secure access to independent careers guidance for their pupils.
 - 1.3 The Committee set the objective to improve the provision of careers advice for the residents of the borough, setting the following parameters for the review:
 - To assess the quality and level of provision of careers advice in Maidstone
 - To identify best practice from elsewhere in order to improve the provision of Careers Guidance in Maidstone
 - 1.4 It is intended that the report and recommendations be circulated to the appropriate organisations and bodies, as specified, to ensure the recommendations are implemented.
-

2. INTRODUCTION AND BACKGROUND

- 2.1 The Economic and Commercial Development Overview and Scrutiny Committee, responding to an awareness of national and local criticism of the perceived lack of skills young people were in possession of on entering the workplace, conducted a review on careers guidance available to Maidstone residents.
- 2.2 The Committee wished to establish the quality and level of careers guidance in Maidstone, making recommendations for improvements where identified from the evidence gathered.
- 2.3 The Committee found its focus immediately drawn to the 16-24 age group who were not in education, employment or training (NEET).

- 2.4 According to a recent parliamentary report on NEETs, published on 6 February 2015 referencing the fourth quarter of 2014, 963,000 people aged 16-24 were NEET. This equated to 61% of unemployed 16-24 year olds being NEET, with the remaining 39% in education or training.
- 2.5 The Committee were very aware that the need for effective careers guidance affected a much larger group than 16-24 year olds. For example those affected by redundancy and re-entering the workplace at different stages in life experienced obstacles, including developing a new skills set. The Committee accepted that its review had to be narrow in order to remain focused but hoped that the report would provide a foundation for future evaluations of careers guidance in Maidstone.
- 2.6 Overarching this review was, first and foremost, the Education Act 2011. Ofsted's thematic review of careers guidance conducted between December 2012 and March 2013 provided the Committee with further focus as it reinforced the requirement for independent, impartial careers guidance.
- 2.7 The establishment of the National Career's Council in 2013 to provide careers provision for young adults in England, and the publication of 'An Aspirational Nation' in June 2013 and subsequent statutory guidance from the Government in September 2013 in the shape of its 'Inspiration Vision Statement', provided the Committee with a substantial framework to reference.
- 2.8 Kent County Council produced District Data Packs, designed to help schools identify where local skills gaps were and the dominant employment sectors are in the local area. The Maidstone District Data Pack highlighted the need for additional vocational courses in the following areas: Wholesale and Retail, Child development and Wellbeing, Human Health and Social Work, Engineering, Manufacturing technologies, ICT and Administration.
- 2.9 A wide range of witnesses were interviewed as part of the inquiry, including schools, businesses, business forums, careers advice providers and professional bodies.
- 2.10 A reoccurring theme was found to be the lack of what were referred to as 'soft skills'. In defining what was meant by this, witnesses made reference to a combination of the following: decision making, showing commitment, flexibility, time management, leadership skills, creativity and problem solving skills, being a team player, accepting responsibility and an ability to work under pressure.

- 2.11 It was found that there was an abundance of careers guidance available but it was lacking a vehicle that signposted those seeking careers guidance to the appropriate provider.
- 2.12 The Career's Guidance Network in Maidstone, consisting of Careers Advisers employed by schools in Maidstone, was attended by the Committee during the course of the review. This provided an important forum for Maidstone schools to raise issues and establish solutions by looking externally at best practice in other sectors.
- 2.13 The delivery of Career's Guidance by Careers Advisors employed by schools raised questions about its value in terms of independence and impartiality. However the counterbalance to this was the level of knowledge and understanding displayed by careers advisors, coupled with the opportunities the network in Maidstone provided for joint working between schools and external providers to the benefit of the student.
- 2.14 Whilst Scrutiny should look outwardly and consider the work of partners, other public sector organisations and the private sector, it is important too, to consider the role of Maidstone Borough Council and its role and influence in order to form meaningful recommendations.
- 2.15 The Committee asked all those it interviewed as part of this review what they considered to be Maidstone Borough Council's role. The message was very clear. They wanted a Council who was visible and supportive, providing a brokerage role.
- 2.16 Fittingly in a press release from the Department for Education on 10 December 2014 the Education Secretary Nicky Morgan announced the creation of a new careers and enterprise company for schools. It stated that there was a need for greater support and brokerage in this area.
-

3. AVAILABLE OPTIONS

- 3.1 The Policy and Resources Committee could choose to consider the review of Careers Guidance in Maidstone and the recommendations of the Economic and Commercial Development Overview and Scrutiny to Maidstone Borough Council in order to enable its recommendations to be taken forward and implemented.
- 3.2 The Policy and Resources Committee could decide not to consider the review of Careers Guidance and the recommendations made, however this would mean that the undertakings of the Committee

and the evidence it had gathered internally and from external witnesses would not be utilised.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 The preferred option (at paragraph 3.1) is that the Policy and Resources Committee consider the review of Careers Guidance in Maidstone and the recommendations of the Economic and Commercial Development Overview and Scrutiny to Maidstone Borough Council in order to enable its recommendations to be taken forward and implemented.
- 4.2 Once the report has been considered and the recommendations have been agreed the Head of Economic and Commercial Development would be tasked with ensuring that the recommendations feed into appropriate work streams, taking forward the Council's 'brokerage' role as set out in the review.
- 4.3 The Democratic Services team would have responsibility for circulating the report to the external bodies and individual witnesses interviewed as a follow up to the review inquiry.
-

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 Not applicable to this report.
-

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 Once the report has been considered and the recommendations have been agreed the Head of Economic and Commercial Development should be tasked with ensuring that the recommendations feed into appropriate work streams.
-

7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate		[Head of Service or

Priorities		Manager]
Risk Management		[Head of Service or Manager]
Financial		[Section 151 Officer & Finance Team]
Staffing		[Head of Service]
Legal		[Legal Team]
Equality Impact Needs Assessment		[Policy & Information Manager]
Environmental/Sustainable Development		[Head of Service or Manager]
Community Safety		[Head of Service or Manager]
Human Rights Act		[Head of Service or Manager]
Procurement		[Head of Service & Section 151 Officer]
Asset Management		[Head of Service & Manager]

5 REPORT APPENDICES

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

- Appendix I: Review of Careers Guidance in Maidstone

6 BACKGROUND PAPERS

None

**ECONOMIC AND COMMERCIAL DEVELOPMENT
OVERVIEW AND SCRUTINY COMMITTEE**

REVIEW OF CAREERS GUIDANCE IN MAIDSTONE

May 2015



Chairman's Foreword

Councillor Mrs Paterson, Chairman of the Economic and Commercial Development Overview and Scrutiny Committee

Firstly, I would like to thank all officers and members of the committee, including our co-opted member, for their contributions in producing this review.

I would also like to thank the many witnesses we have interviewed for their assistance and say how much their commitment and enthusiasm for the subject has impressed us.

Members of the Committee have been aware for some time of both national and local criticism relating to the perceived lack of skills of young people entering the workplace. Be this because of a lack of academic skills, a lack of understanding of what is expected or acceptable within the workplace or just through a lack of confidence in their own abilities. With this in mind, the Committee felt that it could prove useful to review what careers advice is offered to students within Maidstone borough with a view to feeding the results back to our own Economic Development department to aid the Council's Skills and Employment agenda.

Since September 2012 schools have been legally responsible for securing access to independent and impartial careers guidance to all students in years 9 to 11.

We have questioned and listened to our witnesses, not only within the formal Committee meetings, but also informally in a variety of alternative venues.

We have sat in on a local schools career adviser cluster group and attended the Annual Careers Fair at Detling. It was there that we were able to engage with young people, employers and professional advisors.

In conclusion it is clear that there is an abundance of careers advice out there but how it is harnessed and used seems yet to be resolved, a variety of problems seem to present themselves, making full and comprehensive advice difficult to deliver.

I hope our findings will create more dialogue between the parties concerned and that Maidstone Borough Council will continue to play an active role in this important aspect in the lives of all our young people.

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Introduction

The Education Act 2011 placed a duty on schools to secure access to independent careers guidance for their pupils. This was introduced in September 2012 for pupils aged 14 to age 16 and from September 2013 for pupils aged 13-18 and FE Colleges and Sixth Form Colleges students aged 16-18.ⁱ

Student career guidance was previously provided by Connexions, a government funded agency, which was disbanded at a national level in 2012.

Following these changes, Ofsted undertook a thematic review of careers guidance to establish the effectiveness of the careers guidance in place; inspectors visited 60 secondary schools and academies between December 2012 and March 2013 to evaluate how well this new duty was being carried out. The results were published in 2013 in the report 'Going in the right direction.' This report made recommendations to improve the quality and delivery of independent and impartial careers guidance.

Sir Michael Wilshaw, Ofsted's chief inspector, said following the publication of the report, "it is worrying that the new arrangements are failing to provide good guidance or to promote vocational training options and apprenticeships. It is vitally important that young people have access to information on the full range of career pathways available so they can make informed choices about their next steps."ⁱⁱ

The National Careers Council was established in 2013 to provide careers provision for young adults in England. 'An Aspirational Nation' published in June 2013 reviewed the current careers guidance arrangements and made recommendations for Government, the National Careers Service and employers. The forward to this report by Dr Deirdre Hughes, OBE Chair, National Careers Council said: "Today's young people and adults face tough competition for jobs, yet many employers report difficulties in recruiting people with the right skills. The world has changed fundamentally over the past generation. We have seen the disappearance of the job for life, the emergence of the knowledge economy and loss of many unskilled and semi-skilled jobs to technological and globalisation changes."

Statutory Guidance followed from the Government, in the shape of its 'Inspiration Vision Statement,' published in September 2013. It set out the following key message and vision for careers advice:

- ***Careers education is about aspiration as much as advice.***
- ***Information is widely available. As well as advice, we need inspiration.***
- ***The best mentoring and motivation comes from people in jobs.***
- ***Employers, schools and colleges must do more in partnership together.***
- ***Government will help facilitate this using the improved National Careers Service.***
- ***Careers last a lifetime so we will continue supporting young people and adults to develop the career management skills they need.ⁱⁱⁱ***

The Government response^{iv} to the Ofsted report 'Going in the right direction' and the National Careers Council report 'An Aspiration Nation' came in the form of the Careers Guidance Action Plan. It set out the following recommendations to schools:

Schools should develop and implement a clear strategy for careers guidance and ensure that they make good use of the National Careers Service resources, well-trained staff, careers guidance professionals, employer networks, and local colleges and other providers to ensure that students are well supported in making decisions about their career pathways.

Schools should use destination data on students' progression after leaving school or transferring to Year 12 in their sixth form to monitor the choices made by students at the end of Year 11 and Year 13; schools should work with local authorities to monitor the destinations of students who have special educational needs or who are disabled.

Schools should ensure that every school governing body has an employer representative, and that the vocational route, including apprenticeships, is given equal status to the academic route, for example, by fostering greater links with employers so that young people and their parents/carers are exposed to a wider range of career options.

Schools should promote the wider range of progression routes available at further education colleges, independent learning providers, and communities and skills providers.

The following recommendation was made to local authorities:

Local authorities should ensure that all vulnerable young people are involved in a wide range of career guidance activities, so that they can make informed and appropriately challenging decisions about the next stage of their education and training.

Maidstone Borough Council is part of a two tier administrative structure. Kent County Council (KCC) has responsibility for Education. Maidstone sits beneath KCC at a district level delivering a number of regulatory services. Kent County Council has responsibility for supporting the provision of Careers Education, Information and Guidance (CEIG) to schools and colleges

There is a network of CEIG co-ordinators across the county. They are responsible for the network meetings within their district.

KCC produced a key document for CIEG practitioners. This was the 'district data pack'. It was designed to help schools identify where local skills gaps were and what the dominant employment sectors were in a local area. The document identified the growth sectors and areas that were not being met as a result of this by an increase in courses. These were in the following areas:

- ICT for programmers
- Accounting and finance and other business management areas
- Sales
- Logistics and transportation
- Administration at level 3

The Organisation for Economic Co-operation and Development (OECD) is referenced throughout the National Career Council's report. It states in its Economic Forecast Summary for the United Kingdom (November 2014) that '...Growth has been propelled by high job creation and is set to continue at a strong pace in 2015 and 2016...' ^v It goes on to say that 'labour productivity would also be strengthened by further structural reforms to improve loan availability, **reduce mismatches in the labour market** and further upgrade infrastructure.'

Maidstone Borough Council is currently drafting the Economic Development Strategy for Maidstone 2014-2031. The five priorities of the Economic Development Strategy include:

- Stimulating entrepreneurship
- Meeting the skills needs

Maidstone Borough Council has a Skills and Employability Agenda, aligned with a a greater focus on business needs and business engagement ^{vi}

The Economic Development team is developing a mechanism to maintain or support individuals into employment, and help businesses retain the correct labour required to grow in the shape of a skills exchange hub.

It reported to the Committee at a meeting in November 2014 that 'prior to the responsibility for skills and employability shifting to Economic Development, the Community Development team developed a bid to the Department for Communities and Local Government's Transformation Challenge Award. The Council has since been awarded £100,000 for the implementation of a 'Skills Exchange Hub' – a business to business online portal aiming to prevent skills wastage in the labour market. It will also incorporate an existing website aiding young people in finding suitable training opportunities'.^{vii}

Terms of Reference

The committee agreed that 'Careers advice in Maidstone review' would seek to achieve the following:

To improve the provision of careers advice for the residents of the borough.

The stated objectives of the review were:

To assess the quality and level of provision of careers advice in Maidstone.

To identify best practice from elsewhere in order to improve the provision of careers guidance in Maidstone.

Summary

The Committee wanted to establish what quality and level of careers advice was available in Maidstone. Its focus was on the post 16 landscape. The Committee were conscious of the mitigating factors affecting young people in Maidstone and had its own preconceptions to challenge.

Connexions was the organisation formally responsible for delivering Careers advice. It was well known in Maidstone and in a central, Town Centre location. The organisation is now known as CXK 'a charity that helps young people and adults to develop their skills, raise their aspirations and maximise their potential' ^{viii}

The Committee considered Maidstone's young people who were NEET (Not in Education, Employment or Training) as its core group to focus on.

According to a parliamentary report on NEETS published on 6 February 2015, 963,000 people aged 16-24 were NEET in the fourth quarter of 2014, 13.1% of people in this age group. 'Not all unemployed 16-24 year olds are NEET and not all people who are NEET are unemployed. 61% of unemployed 16-24 year olds are NEET, the remaining 39% are in education or training. 47% of people who are NEET are unemployed, the rest are economically inactive: not seeking work and/or not available to start work'.^{ix}

A wide range of witnesses were interviewed and opinions sought as part of this inquiry. These included schools, businesses, business forums, careers advice providers and professional bodies. The Committee was fortunate enough to be able to engage with young people themselves.

The Committee were of the opinion that young people were ill prepared for the work environment whether this was when undertaking work experience or at a later entry point, following further education. It felt that schools, especially grammar schools in Maidstone were focused on academic results and that there was a predetermined pathway to University. If this was not taken the options could be limited and lacking in long term breadth.

Whether a young person entered the job market aged 16, 18 or following University it was found that that 'soft skills' (anything other than academic and professional skills) that were often lacking. These can include the following: making decisions, showing commitment, flexibility, time management, leadership skills, creativity and problem solving skills, being a team player, accepting responsibility and an ability to work under pressure. ^x These were considered the types

of skills that were to be transferable, providing a basic but competent level of entry into any work environment. This was reported to the Committee from a variety of sources and was echoed by the inclusion and emphasis on these skills by Barclays in its LifeSkills career programme.

The National Career's Council's report, 'An Aspirational Nation' sets out practical steps to guide schools. These steps or guidelines recognise two fundamental areas which the Committee has found to be the basis of impartial advice. They are soft skills and aspirational and inspiration advice.

Careers advice is often focused on further or higher education, whereas the witnesses interviewed felt that careers advice needed to be more aspirational, provide inspiration and be less focused. Students should not be channelled towards a particular pathway too early. Therefore it was felt that an aspirational approach to careers needed start early, in the primary school setting. The Committee identified the approach taken in the United States; Careers Days began at elementary school age (5-6 years). Parents would come and talk to a class about their careers, inspiring children at a young age.

Conclusions and Recommendations

The Committee considered Maidstone Borough Council's role primarily as it was by this means that the Committee would be able to influence and add value. It was therefore important to understand what Maidstone's offer was within Careers Development.

The Committee considered the Council's Draft Economic Development Strategy for Maidstone 2014-31 and its Skills and Employability agenda. The Council's Economic Development Officer was also included in a roundtable discussion with other witnesses from the career guidance sphere as part of its inquiries.

Mentoring

The Committee found that some young people did not have anyone to relate to and seemed to have difficulty in identifying a career pathway when the time came for them to leave full time education.

The Committee met students who had an abundance of talent and ability, structured careers guidance and support but the teaching staff and the career's advisors could not encourage them to find a suitable route forward.

Despite the responsibility placed on schools to provide careers advice, there are young people leaving education or moving on to FE colleges with little idea about what their future may or hold, or perhaps most importantly without knowledge of what it could lead to.

Visiting a local school and interviewing two young people, aged 16, the Committee were faced with two poignant examples. A student who had been part of Maidstone's Grammar School system of education which he felt had been entirely focused on academia. This, he felt, had prevented him from pursuing his true passion. He had left the Grammar School and had completed his education at a Comprehensive secondary school with a football academy. At this school he had been allowed to participate in the football academy each afternoon alongside his GCSE studies. At 16 there were no guarantees that he would have a career as a footballer but there could be a multitude of career opportunities within this field. However, it was unclear whether he was open to exploring these.

The second student interviewed by the Committee did not know what he wanted to do after his GCSEs. He was closed to exploring the many paths available to him, through fear of long term commitment and possible financial penalties. These included apprenticeships, university and Sixth Form College. It was felt that a mentor would help the student explore possibilities, identify barriers and dispel myths.

The Committee interviewed a young person who had come via Job Centre Plus to the council for work experience. He had completed a degree at university. However Post University he did not know what he wanted to do. He was using his work experience to explore many different options and establish what his interests were. This young person had everything to offer but what was apparent was the non-realisation of the abundance of transferable skills he was already in possession of. He was also being mentored as part of the Council's internal scheme.

Recommendations:

- 1. That Maidstone Borough Council engage schools in its mentoring scheme, exploring the possibility of offering direct mentoring where appropriate or training to develop a peer mentoring scheme directly with schools or in partnership with local businesses.***
- 2. That schools in Maidstone engage with Maidstone Borough Council via the Maidstone Careers Advisors Networking in relation to its mentoring scheme.***

Impartiality provides inspiration and fuels aspirations

Impartiality in the delivery of careers advice is a part of the requirement placed on schools by the Government and Ofsted. The Maidstone Careers Advisors Networking meeting which the Committee attended consisted of careers advisors who were employed by each individual school. In order for schools to achieve the impartiality required to deliver inspirational careers advice, that raises the aspirations of their students, the focus should be less narrow. Schools and careers advisors should engage with external organisations and businesses.

The Invicta Chamber of Commerce ran a 'Young Chamber' at Maplesden Noakes School and was involved with all schools in Ashford. The cost of this was £950 per annum per school. The Young Chamber was focused on entrepreneurship and provided mentoring and developing. The programme that was in place as part of this scheme gave students the ability to fundraise to the

annual sum of approximately £3,000 to £5,000. It was designed to prepare young people for the business world. It was focused on skills and conduct and was not designed to channel young people towards a particular route.

Members attended the Kent Choices Live at Kent County Showground. Described as 'an inspirational event that will help you explore employment, training and vocational opportunities'^{xi} - the event is aimed at those actively seeking employment, deciding on your future after school, college or university, planning a return to work or considering a career change.

Members found the experience extremely inspiring. The industries they spoke to, from the construction industry to British Horse Racing and Canterbury Cathedral, informed them of the broad range of careers available within their industries. The scope of employment opportunities was phenomenal.

Understanding the earning potential of a career was highlighted to the Committee throughout this inquiry. Young people in today's society were mindful of money and it was important to them to understand the earning potential. Careers guidance has a further challenge – to inspire the next generation of entrepreneurs.

In statutory government guidance published in April 2014, the following statement was made and responsibility was placed on schools, "schools should offer pupils the opportunity to develop entrepreneurial skills for self-employment – and make it clear to them that working for themselves is a viable option (in fact it will be necessary for many). Pupils should receive the advice and support necessary to build and develop their own jobs, and have a clear understanding of potential barriers – whether real or perceived."^{xii}

The Committee engaged in depth with Maplesden Noakes School on this review and the school was considered to be an example of good practice for careers, guidance and the breadth of its offer from apprenticeships, developing entrepreneurial skills and working with the business community to establish good relationships with businesses and being part of the young chamber. However it was reported that Schools in Maidstone, outside the Grammar school system had difficulty engaging local businesses in providing work experience opportunities.

The Committee found that there was a lot of information available locally. What was missing was a 'vehicle' to ensure that there could be easy access and signposting to the array of National,

local, public, private charity and voluntary sector opportunities available in careers guidance and training. Therefore it recommends the following:

Recommendations:

- 3. That Kent County Council and Maidstone Borough Council work with schools in Maidstone to explore the inclusion of the 'Young Chamber' or a similar external entrepreneurial programme at every school in the district. The County and District could consider 'seed' funding the programme with the proviso that the scheme pays for itself through its fundraising outcomes.**

The Committee wishes to emphasise that Careers advice should not be not focused on academic routes only; vocational offers and apprenticeships should be given equal standing.

Missing soft skills?

Young people are in possession of a variety of skills; from their studies to their own personal interests. With careers guidance often being looked at in isolation rather than considered in relation to the subject areas taught it is difficult for young people to imagine firstly, the wide scope of careers available to them and secondly, to appreciate the transferrable skills set they are already in possession of. Students should understand that their academic undertakings are not only providing qualifications but transferable skills for employment.

Businesses, those delivering careers advice, work experience and established employability schemes such as Barclays LifeSkills placed a distinct focus on soft skills and the need to develop social, interpersonal skills. It was found that this was fundamental and lacking. By being in possession of these types of skills and with a focus on this area, careers guidance would be less narrow and by default would help deliver the inspiration agenda.

Recommendations:

- 4. Careers should be considered alongside national curriculum subjects. The transferable 'soft skills' that are being learned and developed should be recognised by students as part of their careers guidance in Maidstone schools. This should be taken forward by the Maidstone Careers Education, Information and Guidance network.**

Funding fears

It was felt that University remained a 'gold standard' for parents and young people. If the focus was on this from an early age, other options would be explored less such as vocational routes and apprenticeships. Conversely the Committee identified that a fear of debt could influence those who aspired to go to University.

In the document 'Higher Education: the fair access challenge' the following recommendations were made:

"The Commission on Social Mobility and Child Poverty should monitor the evidence on the EMA replacement closely as it becomes available, and in the meantime the Government should increase the funding level and refine the targeting. And, as recommended earlier, universities should consider providing EMA-style financial incentives for young people to stay on and succeed in schools.

The Government should provide this information [to provide guidance to schools to help them understand their careers advice duties] and support to schools as a matter of urgency and in particular it should emphasise the importance of face-to-face careers guidance delivered by impartial accredited professionals." ^{xiii}

The Maidstone Careers Education, Information and Guidance network, attended by the Committee had invited external careers guidance providers to inform it on their offer. Committee members were privy to a presentation from a company called Push (www.push.co.uk) who offered high octane, impartial careers guidance. It was clear to the Committee that one of the main concerns to the Careers advisors was funding, which was limited. The representative from Kent County Council's Skills and Employment team offered the advisors guidance in how to 'unlock' the

available funding but it was clear that there was some way to go in exploiting all avenues available. Careers guidance providers from various sectors could also provide free places or reduce the cost if disadvantaged students were considered. The qualifying criteria was claiming free school meals.

The Maidstone Careers Education, Information and Guidance network was considered by the Committee to be the perfect forum for innovation, with all the key players meeting on a regular basis there could be opportunities to combine their resources to a greater effect achieving more substantial outcomes for all involved. Chris Hare from KAFEC informed the Committee on the Careers Coach. Careers Coach was an online service used by colleges in Kent. It could tell the user what skills and qualifications you need for a chosen profession, along with the earning potential (noted as being of particular importance and relevance to young people today). It also looks at the current job availability as well as providing a forecast as to whether jobs would increase or decrease in this area. It could also show sideward progression and common, transferable skills.

Schools were not thought to use this tool. There was a cost of £25,000 per year but it was available to use on the college website, although the reports would need further access.

EU funding is available via Local Enterprise Partnership (LEP). This funding stream was identified by Chris Hare from Kent Association of FE Colleges (KAFEC) to the Committee, available specifically for the Careers agenda. He explained that projects were being looked into by Kent County Council.

In terms of best practice the Committee have looked towards the North East Local Enterprise Partnership and its projects surrounding 'Creating a skilled Workforce.' In particular the Enterprise Advisors project, "this new project will help create a network of enterprise advisors across the North East to facilitate closer links between schools and the business and enterprise community. They will focus on creating strategic connections with school leadership and offering access to mentoring, careers advice, training opportunities and placements."^{xiv}

Recommendations:

- 5. That the Maidstone Careers Education, Information and Guidance network utilise 'free' tools such as the Careers Coach (via Kent colleges) and focus as a body on**

ways to combine their financial resources to greater effect to achieve improved outcomes.

6. That schools in Maidstone engage nationally (with Government departments and agencies) and locally (with Kent County Council and Maidstone Borough Council) to understand how to best to 'unlock' funding for careers guidance.

7. That Maidstone Borough Council work with Kent County Council and partners to assist schools in finding a suitable project that would assist the careers guidance agenda in Maidstone in order to benefit all schools in the district.

Maidstone Borough Council's role

In a press release from the Department for Education on 10 December 2014 the Education Secretary Nicky Morgan announced the creation of a new careers and enterprise company for schools. **It stated that 'a need for greater support and brokerage in this area** has emerged following extensive discussions with teacher representatives, employers and business organisations involved in careers advice and inspiration.^{xv}

The Committee carefully considered Maidstone Borough Council's role. As part of its Economic Development Strategy and its Skills and Employability agenda there was clearly a deep commitment to employability and meeting the skills need for future employment in the borough.

The Committee asked all those involved in its inquiry what they considered Maidstone Borough Council's role to be. The conclusion was that Maidstone Borough Council should be supportive and visible. In terms of its offer it was confirmed that it should be one of the 'brokers' in this area.

It was identified that there could be a skills mismatch rather than a shortage, as stated in the National Career's Council's document 'An Aspiration Nation': "we face a significant economic challenge. We have high levels of unemployment (especially for young people) whilst at the same time employers are struggling to recruit people with the skills they need." Youth unemployment in Maidstone has fallen, as reported to the Committee on 25 November 2014 in a report from Head of Economic Commercial Development: "Total unemployment across all age groups in Maidstone continues to fall month on month, with numbers in September 2014 at 1,257 (1.3%), equalling the average unemployment rate in the South East. However, proportionately unemployment rates of 18-24 year olds within the borough remain higher than the South East average (2.2%),

measuring 2.5%.”^{xvi}

Locally we have a similar situation with regards to a skills mismatch. The Maidstone Data Pack^{xvii} states that public sector employment remains one of the biggest sources of employment in Maidstone (it accounts for over 26% of employment in the district). Kent County Council and Maidstone Borough Council as well as the NHS have a duty to themselves as well as to young people in Maidstone to ensure the business need is fulfilled. Their engagement will shape Maidstone’s future.

The skills mismatch is clearly a priority in Maidstone and it is being addressed. There are mechanisms in place. Maidstone Borough Council is engaging with businesses. The Council continues to be represented on the Mid Kent College Advisory Committee, ensuring that information relating to skills and Qualifications, demanded by industry, are translated into the College’s Curriculum offer. The Economic Development team will be increasing communication with other local education providers to ensure that courses and careers advice and guidance delivered at Secondary, Further and Higher Education levels of local need. It has two pieces of work underway; a survey to understand the skills needs of businesses and a survey of training companies and courses to identify gaps and duplication in provision. “These projects will inform and facilitate conversations between education providers and business”.^{xviii}

Recommendations:

- 8. That the Committee supports the Maidstone Borough Council’s continued involvement in helping drive the skills and employability agenda forward in Maidstone.**
- 9. That Maidstone Borough Council assists all schools in Maidstone by encouraging employers to work with schools to help develop employability skills as part of their Career’s Guidance, helping ensure they have skills suitable for employment in Maidstone and therefore work experience placements.**

As a caveat to all the recommendations made in the report the Committee sees Maidstone Borough Council having a ‘brokerage’ role and the ability to offer professional guidance.

Going forward

The Committee was impressed by the Nottingham Ambassador Programme.^{xix}

This along with the Government's Big Society agenda and the Council's own adoption of this by offering staff two days a year for volunteering led the Committee to consider the following:

That Maidstone Borough Council encourages staff to use their volunteering days as part of a wider school mentoring scheme.

That Maidstone Borough Council leads locally on inspiring young people on the wide career choices that exist in the public sector (for example: the arts, museum curating, town planning, recycling, policy development, ICT and project management) as well as other Maidstone based industries.

That Jubilee Square be utilised for a careers day for this purpose.

The Committee felt that the remit of careers advice was hugely expansive and at the conclusion of this inquiry that there were areas that had not been explored. These included careers advice available to older people and other age groups and those with learning difficulties. Additionally independent schools had not been considered.

We hope that when career's advice is looked at again that these areas could be addressed.

Witnesses

Evidence was gathered in the following ways:

Committee meetings

- Paul Barron, Director of Kent Foundation for Young Entrepreneurs (KFYE)
- Alison King, Red Rocket Associates
- Simon Harris, Team Leader, CXK
- John Taylor, Invicta Chamber of Commerce and Young Chamber of Commerce.
- Abigail Lewis, Economic Development Officer, Maidstone Borough Council

Informal interview sessions

- Fay Jordan, Barclays LifeSkills
- Chris Hare, Director of Development, Kent Association of FE Colleges (KAFEC)

Site visits

- The Committee visited Mid Maidstone Careers Education, Information and Guidance network, held at Mid Kent College on 11 March 2015 (Careers officers schools in Maidstone attend.)
- Maplesden Noakes School, Careers Guidance department to meet with Su Mortley, Careers and Higher Education Officer and Sharon Forghani, Head of Careers.
- Kent Choices Live, Kent County Showground

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- ⁱⁱⁱ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/238841/bis-13-1176-inspiration-vision-statement-R2.pdf
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- ^{xii} https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/417219/Archived-Careers_Statutory_Guidance_-_9_April_2014.pdf
- ^{xiii} https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/206994/FINAL_Higher_Education_-_The_Fair_Access_Challenge.pdf
- ^{xiv} <http://nelep.co.uk/skills/projects/>
- ^{xv} <https://www.gov.uk/government/news/new-careers-and-enterprise-company-for-schools>
- ^{xvi} <http://services.maidstone.gov.uk/meetings/documents/s39364/Skills%20and%20Employability%20Update.pdf>
- ^{xvii} https://shareweb.kent.gov.uk/Documents/kent-choices/Docs/Datapacks%202013/Maidstone_Data_Pack_2013.pdf
- ^{xviii} <http://services.maidstone.gov.uk/meetings/documents/s39364/Skills%20and%20Employability%20Update.pdf>
- ^{xix} <http://events.experiencenottinghamshire.com/ambassadors/>

Agenda Item 18

Policy and Resources

**23 September
2015**

Is the final decision on the recommendations in this report to be made at this meeting?

Yes

Appointment of a Sub Committee to Deal with MKIP and MKS Decision Making

Final Decision-Maker	Policy and Resources Committee
Lead Head of Service	Alison Broom, Chief Executive
Lead Officer and Report Author	John Scarborough, Monitoring Officer
Classification	Public
Wards affected	All

This report makes the following recommendations to this committee:

- 1 That it considers and resolves to adopt one of the following options to deal with decision making relating to the Mid Kent Improvement Partnership (MKIP) and Mid Kent Services (MKS):
 - 1.1. That the whole P&R Committee both decides the MBC position on MKIP and MKS issues and participates in any simultaneous decision making meetings with partner authorities.
 - 1.2. That a politically balanced sub committee is formed of 5 members of P & R (comprising 2 Conservatives, 2 Liberal Democrats and 1 Independent) or 7 members (comprising 3 Conservatives, 3 Liberal Democrats and 1 Independent).
 - 1.3. That the political balance requirements are waived and a sub committee is formed of the 5 group leaders.
- 2 If a sub committee is formed, that the committee makes the following resolutions:
 - 2.1. That the sub committee's remit is to be responsible for making decisions on behalf of Policy and Resources on all matters relating to MKIP and MKS and for participating in all simultaneous decisions made with partner authorities.
 - 2.2. That the sub committee is called "The MKIP/MKS Sub Committee" or any other proposed name.
 - 2.3. That the terms of reference are as set out at paragraph 3.5.
 - 2.4. That the sub committee shall continue for the rest of the municipal year and shall be reviewed at the end of the municipal year.

This report relates to the following corporate priorities:

- Keeping Maidstone Borough an attractive place for all -
 - Securing a successful economy for Maidstone Borough -
- The report supports the good governance of Maidstone Borough Council and so contributes broadly to the achievement of its corporate priorities.

Timetable

<i>Meeting</i>	<i>Date</i>
Policy and Resources Committee	23 September 2015

Appointment of a Sub Committee to Deal With MKIP and MKS Decision Making

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report sets out options for the committee to consider in order to manage decision making on all issues relating to the Mid Kent Improvement Partnership (MKIP) and Mid Kent Services (MKS).

2 INTRODUCTION AND BACKGROUND

- 2.1 The Chief Executive has discussed with group leaders the need to consider an appropriate way for the Council to manage and deal with decisions on all MKIP and MKS issues. In part 2.1 of the Constitution, part of the role of the Chairman of Policy and Resources (The Leader) is "to be responsible for the Council's role in partnerships including leading the Council's contribution to the Mid Kent Improvement Partnership..." The Leader therefore sits on the board of MKIP.
- 2.2 Since adopting the committee system of governance, the Council's nearest equivalent committee to Cabinet is Policy and Resources. It is, however, a large committee comprising 15 councillors. This is because there was a desire for all groups to be represented on it. The Council's partner authorities all operate through Cabinet. Swale BC's Cabinet has 9 members and Tunbridge Wells BC's Cabinet has 6 members.
- 2.3 In November 2015, there will be a co-located meeting of Tunbridge Wells, Maidstone and Swale Borough Councils to discuss the disaggregation of the Shared Planning Support service. Currently, the decision making bodies for each council at that meeting are proposed to be Cabinet for Swale and Tunbridge Wells and Policy & Resources Committee for Maidstone.
- 2.4 It has been suggested that the full P & R Committee may be too large to attend such a meeting and the arrangement will be unwieldy. It has therefore been proposed that P & R considers alternative arrangements for all MKIP/MKS decision making and for participating in simultaneous meetings. The alternative proposals are:
- 2.5 A politically balanced sub committee of 5 or 7 members (balanced as set out in option 1.2 above), or a smaller group comprising the 5 group leaders following agreement by all councillors to waive the political balance requirement.
- 2.6 Section 17 of the Local Government and Housing Act 1989 provides for exceptions to the political balance requirements. The committee can amend the political balance of a sub-committee provided that notice of the intention to give such consideration has been given to all members of the committee and, when the alternative arrangements are put to the vote at the committee, no members of the committee vote against them.

3 ISSUES TO CONSIDER IN APPOINTING A SUB COMMITTEE

- 3.1 In addition to the point on political balance, members are advised to consider the following issues relevant to a possible sub committee:
- 3.2 At the moment, all group leaders except the Leader of the Independent Group, Mrs Gooch, sit on P & R. Mrs Gooch is a substitute member for the committee. P & R can create a sub committee involving additional members to those who normally sit on P & R, provided the majority of members sits on P & R.
- 3.3 It is for the committee to decide on a name for a sub committee. However, an appropriate name might be "The MKIP/MKS Sub Committee".
- 3.4 If a decision of the sub committee is called in for referral, it would be considered by Council, in the way that a decision of P & R would be referred to Council.
- 3.5 It is proposed that the following terms of reference would apply:
- To be the decision making body for all matters relating to the Mid Kent Improvement Partnership and Mid Kent Services.
 - To represent the Council on all external meetings and/or co-located meetings about all MKIP or MKS matters with partnership Authorities, with the exception of MKIP board meetings.
 - To undertake any duties relating to MKIP and MKS as requested by the Policy and Resources Committee.
 - To report back as necessary on decisions relating to MKIP and MKS to the Policy & Resources Committee.
- 3.6 It is proposed that the sub committee would exist for as long as it is required to deal with MKIP and MKS matters. In the first instance the sub committee would exist until the end of this municipal year and be reviewed at that time.

4 AVAILABLE OPTIONS

Options	Advantages	Disadvantages
Deal with all MKIP matters through existing P & R Committee	<ul style="list-style-type: none"> • This is the existing committee which takes strategic decisions on behalf of the Council. • It is a politically balanced committee, fully representing the Council. 	<ul style="list-style-type: none"> • P & R is a large group (15 members). • It may be difficult to run joint meetings with a large group, particularly during joint meetings involving Swale

	<ul style="list-style-type: none"> The largest number possible of members will be involved in decision making. 	<p>and Tunbridge Wells' smaller Cabinets.</p> <ul style="list-style-type: none"> The issue of appearance and reputation is relevant. There may be a poor public perception of such a large group participating in a joint meeting with two smaller Cabinets. It may appear that there is an imbalance in the representation of Maidstone compared to that of Swale and Tunbridge Wells.
<p>Appoint a politically balanced sub-committee formed of 5 members of P & R (2 Conservatives, 2 Liberal Democrats and 1 Independent) or 7 members (3 Conservatives, 3 Liberal Democrats and 1 Independent).</p>	<ul style="list-style-type: none"> This is a smaller group, more closely matching the number of councillors who sit on partner authorities' Cabinets No perception of imbalance in numbers Decision making may be more efficient. 	<ul style="list-style-type: none"> Two groups who sit on P & R – Labour and UKIP – are not represented. All members of P & R may wish to be directly involved in discussions, particularly in relation to the forthcoming meeting. The sub committee may face a lot of pressure, given the sensitive nature of some of the issues. Communication between the sub committee and P & R is important. Issues may be missed or not communicated clearly.
<p>Appoint a sub-committee formed of the five group leaders by waiving the requirement for political</p>	<ul style="list-style-type: none"> This is a smaller group, more closely matching the number of 	<ul style="list-style-type: none"> All members of P & R may wish to be directly involved in discussions,

balance.	<p>councillors who sit on partner Authorities' Cabinets.</p> <ul style="list-style-type: none"> • No perception of imbalance in numbers. • The sub committee involves the leaders of all groups, including Labour and UKIP. • Each group leader is used to representing the views of his/her group and communicating issues back to the group. 	<p>particularly in relation to the forthcoming meeting.</p> <ul style="list-style-type: none"> • The sub committee may face a lot of pressure, given the sensitive nature of some of the issues. • Communication between the sub committee and P & R is important. Issues may be missed or not communicated clearly. • The sub committee is not politically balanced. • In order to waive the political balance requirement, all members of P & R must vote in favour. • The larger groups are disadvantaged in terms of number of representatives.
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5 PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

5.1 There is no preferred option. This report aims to set out possible ways that Policy and Resources Committee can deal with MKIP and MKS matters and participate in simultaneous meetings with partner authorities.

6 CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

6.1 The Chief Executive has discussed these issues with all group leaders.

7 CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	It is important to assess the most appropriate decision making forum for MKIP/MKS in order to support	Chief Executive

	the Council's corporate priorities	
Financial	There are no direct financial implications arising from the options in this decision. The meetings will occur at a cost no matter the format of the decision making body.	Head of Finance & Resources
Legal	There is a statutory requirement for a sub committee to be politically balanced. This requirement can be waived, but only if all members agree, as set out in the body of this report	Head of Legal Partnership

Policy and Resources Committee

**23rd September
2015**

Is the final decision on the recommendations in this report to be made at this meeting?

Yes

Counter Fraud Team – Council Tax & Business Rates

Final Decision-Maker	Policy and Resources Committee
Lead Director or Head of Service	Director of Environment and Shared Services
Lead Officer and Report Author	Head of Revenues and Benefits Shared Service
Classification	Non-exempt
Wards affected	All

This report makes the following recommendations to the final decision-maker:

1. To approve, subject to the agreement of Kent County Council, Tunbridge Wells and Swale Borough Councils, the continuation of a Counter Fraud Team to reduce the level of customer fraud and error in relation to council tax and business rates.
2. To authorise the Head of Revenues and Benefits Shared Service to make the necessary operational arrangements as set out in this report.
3. To delegate authority to the Director of Environment and Shared Services to negotiate and subject to reaching satisfactory terms enter into a collaboration agreement with Kent County Council, Tunbridge Wells and Swale Borough Councils for the continued delivery of Counter Fraud Service for council tax and business rates.
4. That a review of the service is undertaken in 18 months with a further report to be provided to the Committee detailing the impact of the service on Fraud and Error.

This report relates to the following corporate priorities:

- Great People
- Great Place
- Great Opportunity

Timetable

<i>Meeting</i>	<i>Date</i>
Policy and Resources Committee	23 rd September 2015

Counter Fraud Team – Council Tax & Business Rates

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1 Maidstone, Tunbridge Wells and Swale BC (the councils) award council tax and business rates discounts/exemptions totalling £72.7 million per annum. This report and supporting business case outlines how the councils, Kent County Council, Kent Police and Kent Fire & Rescue services can work together to minimise losses through customer fraud and error and maximise the collection rate.

1.2 The proposal includes provision for;

- Joint funding for a dedicated team of fraud investigators
- A programme of proactive exercises to identify and detect fraud
- A responsive service to investigate reported allegations of fraud
- Fraud awareness training for front line staff.

2. INTRODUCTION AND BACKGROUND

2.1 The localisation of council tax support and business rates increased the financial risk to the councils and preceptors. The income represents a significant amount of the council's budget and there is a direct implication and benefit in monitoring the award of exemptions and reliefs.

2.2 To address that risk a business case has been developed based on activity to reduce fraud and error across the following areas.

- Council Tax Support (Benefit Awards)
- Council Tax Single Person Discounts
- Council Tax Disregards, Exemptions and Disabled Relief
- Business Rates - Small Business Rate Relief
- Business Rates – Charity and Discretionary Relief
- Business Rates Exemptions

2.3 To undertake that work the council will require a team of suitably skilled and experienced investigation staff, with an initial establishment of 5.5 FTE to complete the proposed work programme over a two year period.

2.4 From March 2016 responsibility for the investigation of housing benefit fraud will TUPE transfer from the Council to the Department for Work and Pensions, Single Fraud Investigation Service. The transfer of function provides for 4 of the 6 benefit investigation staff employed across the MKIP partners to transfer to DWP in line with TUPE Regulations. The proposed change in the provision of service and resulting transfer is seen as a relevant transfer under Transfer of Undertaking

(Protection of Employment) Regulations 2006 (TUPE). TUPE is designed to protect the rights of employees in a transfer situation enabling them to enjoy the same terms and conditions, with continuity of employment, as before the transfer. However, if the Council agrees to option 3 in the report then staff will not be required to TUPE transfer to SFIS.

2.5 The team currently operates at a total annual cost of £237,000 (excluding corporate recharges) with £83,000 of that cost met by Maidstone BC. The council has covered this cost through an administration grant from DWP, which is expected to end on the transfer to SFIS. The exact date and amount of reduction in grant is still to be confirmed.

3. AVAILABLE OPTIONS

3.1 Option 1 (do nothing) – The council could try to manage the increased financial risk associated with the localisation of council tax support and business rates without any specific resource to address the risk of customer fraud and error.

With limited capacity and experience outside of the benefit fraud team, the council would be unable to pro actively investigate potential fraud.

Option 2 – The council could explore future opportunities to work collaboratively with the Single Fraud Investigation Service (DWP).

The DWP are not currently prepared to investigate Local Authority fraud, however, should an MKIP Team be established (option 3) it will look to develop opportunities for joint working with the DWP Team based in Maidstone.

Option 3 - (proposed option) – The council could seek to retain and fund the existing team of specialist investigators and widen the scope of their activity to include other areas of council tax and business rates administration. However, should the service later be decommissioned or funding from partners cease there could potentially be redundancy costs if other suitable alternative employment is not found for the staff.

It is proposed that the cost of the service (£207,000 excluding corporate recharges) is shared between the councils and preceptors based on the expected benefit to each organisation. That would represent a cost to Maidstone BC of £19,519 and provide a projected income of £64,362.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

4.1 The transfer of the housing benefit fraud function to SFIS creates both a risk and opportunity to the councils. With the administration of housing benefit and council tax support being directly linked the councils have in effect been able to “police” the two systems at the same time. With the removal of housing benefit and potentially the investigation resource that was deployed with it, this will leave council tax support and therefore council tax exposed to fraud with no identified resource to investigate or deter fraud.

- 4.2 SFIS also creates an opportunity in releasing a team of experienced specialist staff, with good local knowledge, to both manage the ongoing risk within council tax support and deliver capacity to expand their work into other areas both within the council tax and business rates system.
 - 4.3 The value of discounts and exemptions (see appendix 1) is significant and the risk of customer fraud and error high. As such it is incumbent on the councils to provide proper resources to address that risk. In maintaining and funding locally the continued operation of the councils' fraud team the councils would have the resources available to mitigate that risk and reduce the loss caused through fraud and error.
 - 4.4 An example of the service plan for the next 2 years is provided within appendix 1, along with estimated cost and benefits.
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5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 The councils have obtained agreement in principle from Kent County Council (also acting behalf of the Police and Fire and Rescue) to contribute to the cost of operating the service.

Further details regarding the share of cost for each partner is provided within appendix at appendix 1.

- 5.2 The Head of Revenues and Benefits has discussed the proposal with fraud investigation staff employed across the councils who have expressed a preference to remain employed by the councils rather than transfer to DWP. If approved a formal consultation process would be undertaken regarding the proposed change to the function of the team.
-

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 Subject to the approval of the relevant committees of each council, the councils will formalise the agreement with Kent County Council through a collaboration agreement and commence formal consultation with staff.
 - 6.2 The operational practices of the team will be amended and training delivered regarding the wider scope of investigations to be undertaken by the team.
 - 6.3 The service will agree key performance measures and outcomes to be reported to partners to track delivery.
-

7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	Effective operation and collection of council tax and business rates cuts across the council's priorities by providing the revenues necessary to progress improvements.	Head of Revenues and Benefits
Risk Management	Fraud in council tax support and business rates exemptions and discounts presents a risk to the Council in protecting its income streams, remaining a credible partner for precepting authorities and the wider public perception of the Council(s) as valuing good governance and pursuing those that would seek to fraudulently exploit its resources. Establishing and maintaining an effective counter fraud capability is a key control used to mitigate the likelihood of these risks becoming realised. Risks arising from the creation and operation of the team will be managed in line with the Council(s)' risk management policies.	Head of Internal Audit
Financial	<p>The proposals contained within this report will require funding of £19k. This represents a proportionate share of the cost of £207k (excluding corporate recharges) and is considered to represent value for money.</p> <p>Should the council not TUPE transfer staff to the DWP and later decommission the service, it would be liable for redundancy costs (jointly with partners) estimated at £87k.</p>	Section 151 Officer
Staffing	<p>The transfer of housing benefit fraud investigation function will provide for the transfer of staff in line with Tupe Regulations.</p> <p>If staff are retained to investigate other areas of fraud, it will represent a change in their terms and conditions requiring consultation with trade unions and staff affected.</p>	Head of Human Resources
Legal	The Council has powers within the Council Tax Reduction Schemes	Estelle Culligan, Deputy Head of

	(Detection of Fraud and Enforcement) (England) Regulations 2013 and Theft Act 1978 to investigate and prosecute council tax and business rates fraud. The legal team will assist with the preparation of a collaboration agreement.	Legal Partnership
Equality Impact Needs Assessment	No impact	Head of Revenues and Benefits
Environmental/Sustainable Development	No impact	Head of Revenues and Benefits
Community Safety	No impact	Head of Revenues and Benefits
Human Rights Act	No impact	Head of Revenues and Benefits
Procurement	No impact	Head of Revenues and Benefits
Asset Management	No impact	Head of Revenues and Benefits

8. REPORT APPENDICES

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

Appendix 1: Business Case - Combating Fraud in Council Tax & Business Rates

9. BACKGROUND PAPERS

None.

Combating Fraud – Council Tax & Business Rates

Business Case

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Filmer Wellard, Fraud Manager,
Mid Kent Services (Maidstone, Tunbridge Wells & Swale BC)
01622 602940
Filmer.Wellard@MidKent.gov.uk

30 July 2015

1. Business summary.

Maidstone, Tunbridge Wells and Swale BC (the councils) award council tax support and council tax and business rates discounts/exemptions totalling £72.7 million per annum. This business case outlines how the councils, Kent County Council, Police and Fire & Rescue services can work together to minimise losses through customer fraud and error and maximise the collection rate.

The proposal includes:

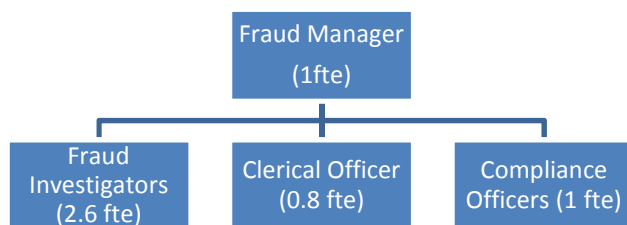
- Joint funding for a dedicated team of fraud investigators;
- A programme of proactive exercises to identify and detect fraud;
- A responsive service to investigate reported allegations of fraud; and
- Fraud awareness training for front line staff.

2. Background

The councils entered into a shared service for the delivery of counter fraud services in 2014 recognising the future challenge of maintaining an effective service after the transfer of Housing Benefit Fraud Investigation to the DWP, Single Fraud Investigation Service (SFIS) in March 2016.

The transfer of housing benefit fraud investigation to DWP allows for the current investigation team (5.42FTE) transferring to DWP but would mean the councils losing the specialists skills and capacity to protect the councils and preceptors, against fraud and error within the wider system.

The team currently consists of 6.42 FTE (reducing to 5.42 FTE January 2016) and operates at an annual cost of £237,000 (£310,000 including corporate recharges). That cost has until this point been met through an administration grant from DWP, which is to end on the transfer to SFIS.



The focus of the team has until this point been fraud and error within the housing benefit and council tax support scheme, with savings to the public purse of £891,500 during 2014/2015.

Prior to the introduction of the rates retention scheme in April 2013 there was no direct incentive for authorities to investigate any incorrectly claimed business rates exemptions or reliefs because the rates collected were handed over to central government and therefore had no effect on the income of councils. Now that part of this income makes up our budgets and as this proportion is likely to increase over future years councils will need to monitor the award of these exemptions and reliefs, which for the 3 councils total £24.8 million.

This proposal concerns the maintenance of a counter fraud team principally focussed on revenues and benefits. This is to keep consistency with current provision and directly address the scope of DWP SFIS and potential funding from precepting bodies. However, following publication of the *CIPFA Counter Fraud Code* in October 2014 the Council is considering its wider fraud response (that is, non-revenues and benefits fraud, referred to as corporate counter fraud). The Council's proposals for tackling corporate counter fraud will come forward separately later in the year, but whatever approach is decided in that field, the Council's ability to combat fraud of any type will be enhanced by the retention of skilled and experienced counter fraud staff proposed in this business case.

3. Financial summary.

The councils currently award discounts and exemptions totalling £72.7million. By targeting the skills and experience of the fraud team to the wider risk of fraud within the tax base, the councils expect to deliver reductions in the award of Council Tax exemptions and discounts in the region of £600,000 per year. This will increase the amount of council tax that is collectable. The reduction has been based on a removal rate of 2-3%. In recent Single Person Discount (SPD) reviews there has been a removal rate of between 4% and 7%. The councils have been cautious in their predictions because it is acknowledged that when reviews are carried out on a frequent basis the removal rate will diminish.

	Maidstone	Swale	Tunbridge Wells	Total	Predicted reduction in CTS/exemptions
Council Tax	£	£	£	£	£
Empty property discounts	115,429	225,439	49,178	390,046	-
Exemptions	1,477,814	1,285,706	851,135	3,614,655	72,000
Disregards	362,515	307,154	210,012	879,681	-
Disabled reductions	71,628	48,560	59,785	179,973	-
Single person discounts	7,465,260	5,674,531	5,594,662	18,734,453	562,000
Council tax support	8,971,396	9,778,758	5,384,667	24,134,821	482,700
Business Rates	£	£	£	£	£
Exemptions	2,384,635	1,570,644	999,010	4,954,289	99,000
Small Business Rates relief	2,475,263	3,287,636	2,366,767	8,129,666	162,000
Mandatory & Discretionary relief	4,113,540	3,373,611	4,239,254	11,726,405	234,000
	27,437,480	25,552,039	19,754,470	72,743,989	1,654,000

The increases in Council Tax and Business Rates from the removal of awards of Council Tax Support, Council Tax and Business Rates exemptions will be retained by the billing authority to which they relate, with KCC, Fire and Police to receive their share based on the level of their precept. The cost of the service is apportioned based on the projected level of collectable council tax and Business Rates to be achieved by each organisation.

Authority and precept charge	KCC, Police & Fire (75%)	Maidstone BC (10%)	Tunbridge Wells BC (7%)	Swale BC (8%)	Total
Costs	155,250	19,519	14,053	18,178	207,000

Benefit	511,923	64,362	46,339	59,939	682,563
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4. Current Position

The councils currently focus fraud investigation on the payment of housing benefit and council tax support, reflecting the level of spend, risk of fraud and central funding from DWP. The service operates at two levels with “compliance activity” through home visits and more formal investigations potentially leading onto a sanction in the form of prosecution, administrative penalty and formal caution.

Due to the up and coming change over to SFIS the councils saw an opportunity for the fraud team to become involved with council tax and business rates. This has started with the review of single person discounts, specifically matches through the National Fraud Initiative.

5. Proposed Service

The localisation of council tax support and business rates has changed the financial risk to the councils and preceptors, which to date has not been addressed within the resourcing or work plan for the councils’ fraud team. Whilst there has been some activity to address the risk associated with single person discounts, the service has otherwise primarily focused its efforts on housing benefit and council tax support fraud.

The transfer of the housing benefit fraud function to SFIS creates both a risk and opportunity to the councils. With the administration of housing benefit and council tax support being directly linked the councils have in effect been able to “police” the two systems at the same time. With the removal of housing benefit and potentially the investigation resource that was deployed with it, this will leave council tax support and therefore council tax exposed to fraud with no identified resource to investigate or deter fraud.

SFIS also creates an opportunity in releasing a team of experienced specialist staff, with good local knowledge, to both manage the ongoing risk within council tax support and deliver capacity to expand their work into other areas both within the council tax and business rates system.

The value of discounts and exemptions (see point 3) is significant and the risk of customer fraud and error high. As such it is incumbent on the councils to provide proper resources to address that risk. In maintaining and funding locally the continued operation of the councils’ fraud team the councils would have the resources available to mitigate that risk and drive further savings within the council tax base.

An example of the service plan for the next 2 years if funding is secured could be as follows.

Year 2016/2017	Type of Review	
Council Tax	Council Tax Support – review of cases that are high risk	Annual review programme using risk profiling software to identify for high risk cases.
Council Tax	Single Person discount review	Annual review of entitlements, predominantly through the use of an online review facility with discrepancies investigated.
Business Rates	NNDR Small Business Rate Relief	Review of cases carried out with further fuller investigation of a sample of cases.
Council Tax	Review of other Council Tax disregards / exemptions.	Continuous rolling review of all discounts
2017/18	Type of Review	
Council Tax	Council Tax Support – review of cases that are high risk	Annual review programme using risk profiling software to identify high risk cases.
Council Tax	Single Person discount review	Bi-annual risk based review through the use of data matching. High risk cases investigated where customer claims continued entitlement.
Business Rates	Mandatory/discretionary relief	Review that premises are occupied and used for charitable purposes.
Council Tax	Review of disabled bandings	Review which will include

		visiting the property and checking any blue badge awards.
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6. Key outcomes.

This project will deliver a number of key outcomes:

- Investigation and recovery of losses through fraud
- Visible deterrent to reduce fraud
- Programmed reviews to identify the level of risk and actions to mitigate that risk
- Awareness created of the risk of fraud and implementing measures implemented to mitigate that risk.

7. Recommendation.

That the changes outlined in point 5 are approved for a two year period with the cost met through financial contribution from each of the councils, including preceptors KCC, Police and Fire & Rescue.

That the arrangement is reviewed in 18 months time to determine whether the service has proved to represent value for money, before a decision is made to extend, reuse or cease the arrangement.

Financial Summary

The annual saving to the public purse reflects the fact that the service will review the range of discounts and exemptions through a 2 year rolling programme, with 50% of the additional business rates generated retained by central government.

	Maidstone Discounts and Exemptions	Estimated Reduction	Swale Discount and Exemptions	Estimated Reduction	Tunbridge Wells Discounts and Exemptions	Estimated Reduction	Total value of Discounts and Exemptions	Total Estimated Reduction	Assumed Reduction
Council Tax									
Empty property discounts	115,429		225,439		49,178		390,046	-	Nil
Exemptions	1,477,814	29,556	1,285,706	25,714	851,135	17,023	3,614,655	72,293	2%
Disregards	362,515	-	307,154	-	210,012	-	879,681	-	Nil
Disabled reductions	71,628	-	48,560	-	59,785	-	179,973	-	Nil
Single person discounts	7,465,260	223,958	5,674,531	170,236	5,594,662	167,840	18,734,453	562,034	3%
Council tax support	8,971,396	179,428	9,778,758	195,575	5,384,667	107,693	24,134,821	482,696	2%
	18,464,042	432,942	17,320,148	391,525	12,149,439	292,556	47,933,629	1,117,023	
Business Rates									
Exemptions	2,384,635	47,693	1,570,644	31,413	999,010	19,980	4,954,289	99,086	2%
Small Business Rates relief	2,475,263	49,505	3,287,636	65,753	2,366,767	47,335	8,129,666	162,593	2%
Mandatory & Discretionary relief	4,113,540	82,271	3,373,611	67,472	4,239,254	84,785	11,726,405	234,528	2%
	8,973,438	179,469	8,231,891	164,638	7,605,031	152,101	24,810,360	496,207	
	27,437,480	612,411	25,552,039	556,163	19,754,470	444,657	72,743,989	1,613,230	
Costs and Benefit									
	Maidstone		Swale		Tunbridge Wells		Kent County		
Costs	£19,519		£18,178		£14,053		£155,250		207,000
Benefit	£64,362		£59,939		£46,339		£511,922		682563

Mid Kent Counter Fraud Risk Register (27 July 2015)

Service	Ref	Risk (short title)	Risk (full description)	Risk Owner	Key Existing Controls	Inherent rating			Treat?	Controls planned	Effective Date	Mitigated rating			Further Action
						Impact	L'hood	Grade				Impact	L'hood	Grade	
Mid Kent Counter Fraud	MKCF1	Withdrawal from partnership	One of more authorities chooses to withdraw from the counter fraud partnership	Steve McGinnes	None at present	3	3		Y	- Collaboration agreement to be agreed, setting out period of operation & sharing of costs	31/12/2015	3	1		Review at effective date
Mid Kent Counter Fraud	MKCF2	Insufficient savings	Failure to achieve target reduction in discounts, potentially leading to dissolution of team	Steve McGinnes	- Regular review of performance levels	4	4		Y	- Ongoing review of NNDR in particular (untested area)	31/12/2015	3	3		Review at effective date
Mid Kent Counter Fraud	MKCF3	Customer complaints	Counter fraud activity resulting in complaints received from those under investigation, harming council reputation	Steve McGinnes	- Well organised initiatives - Clear communication with residents and businesses	2	2		N						Annual review
Mid Kent Counter Fraud	MKCF4	Legislative change	Having insufficient skills in the team to meet the needs of authorities & the service	Steve McGinnes	- Comprehensive/flexible planning - Information on LA plans - Maintaining info on training opportunities	4	1		N						Annual review

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