

**You are hereby summoned to attend a meeting of the**

## **MAIDSTONE BOROUGH COUNCIL**

Date: Wednesday 28 February 2018  
Time: 6.30 p.m.  
Venue: Town Hall, High Street, Maidstone

Membership:

Councillors Adkinson, Barned, Mrs Blackmore, Boughton, Brice, D Burton, M Burton, Butler, Clark, Cox, Cuming, Daley, Ells, English, Fermor, Field, Fissenden, Fort, Garland, Garten, Mrs Gooch, Greer (Mayor), Mrs Grigg, Harper, Harvey, Harwood, Hastie, Mrs Hinder, Joy, Lewins, McLoughlin, B Mortimer, D Mortimer, Munford, Naghi, Newton, Perry, Pickett, Powell, Prendergast, Mrs Ring, Mrs Robertson, Round, J Sams, T Sams, Spooner, Springett, Mrs Stockell, Vizzard, Webb, Webster, de Wiggondene-Sheppard, Wilby, Willis and Mrs Wilson

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<u>AGENDA</u>	<u>Page No.</u>
1. Prayers	
2. Apologies for Absence	
3. Dispensations (if any)	
4. Disclosures by Members and Officers	
5. Disclosures of Lobbying	
6. To consider whether any items should be taken in private because of the possible disclosure of exempt information.	
7. Minutes of the Extraordinary Meeting of the Borough Council held on 6 December 2017	1 - 2
8. Minutes of the Meeting of the Borough Council held on 6 December 2017	3 - 11
9. Mayor's Announcements	
10. Petitions	

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**Issued on Tuesday 20 February 2018**

**Continued Over/:**

*Alison Broom*

**Alison Broom, Chief Executive**

11. Question and Answer Session for Members of the Public
12. Questions from Members of the Council to the Chairmen of Committees
13. Current Issues - Report of the Leader of the Council, Response of the Group Leaders and Questions from Council Members
14. Report of the Democracy Committee held on 14 December 2017 - Appointment of Independent Member to the Joint Independent Remuneration Panel 12
15. Report of the Democracy Committee held on 10 January 2018 - Review of Outside Bodies 13 - 22
16. Report of the Policy and Resources Committee held on 14 February 2018 - Strategic Plan 2015-20, 2018-19 Refresh 23 - 35
17. Report of the Policy and Resources Committee held on 14 February 2018 - Medium Term Financial Strategy and Budget Proposals 2018/19 36 - 135
18. Report of the Employment Committee held on 15 February 2018 - Pay Policy Statement 2018 136 - 169
19. Notice of Motion - Introduction of Legislation to Reduce the Voting Age to 16

Notice of the following motion has been given by Councillor Clark, seconded by Councillor Harvey:

*"This Council supports reducing the voting age to 16 and agrees that our worshipful Mayor should write an open letter to the Prime Minister urging her to introduce legislation to reduce the voting age to 16."*

We believe that encouraging participation in the political process is a valuable means of engaging young people in modern society and note proposals in both the Welsh Assembly and Scottish Parliament for a reduction of the voting age to 16, along with cross party support at Kent County Council. We recognise the important contribution of 16 and 17 year olds to the Scottish Independence referendum and believe that the young people of Maidstone should also play a role in determining the future of their borough and country.

20. Notice of Motion - High Speed Train Service

Notice of the following motion has been given by Councillor Harper, seconded by Councillor Adkinson:

In light of the all-party support for the continuation of the direct high speed train service from Maidstone West to St Pancras International, this Council resolves to:

1. Formally adopt a position of support for the continuation of the high speed train link.

2. Ask our Members of Parliament to lobby Ministers for the service to be extended throughout the day.
  
21. Report of the Head of Policy, Communications and Governance - 170 - 180  
Review of Allocation of Seats on Committees/Membership of Committees
  
22. Report of the Head of Policy, Communications and Governance - 181 - 185  
Calendar of Meetings 2018/19
  
23. Appointment of Mayor Select 2018/19
  
24. Appointment of Deputy Mayor Select 2018/19

**NOTE:**

**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 21.**

**PUBLIC SPEAKING AND ALTERNATIVE FORMATS**

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

In order to speak at this meeting, please contact Democratic Services using the contact details above, by 5 p.m. one clear working day before the meeting. If asking a question, you will need to provide the full text in writing. If making a statement, you will need to tell us which agenda item you wish to speak on. Please note that slots will be allocated on a first come, first served basis.

To find out more about the work of the Council, please visit [www.maidstone.gov.uk](http://www.maidstone.gov.uk).

## MAIDSTONE BOROUGH COUNCIL

### MINUTES OF THE EXTRAORDINARY MEETING OF MAIDSTONE BOROUGH COUNCIL HELD AT THE TOWN HALL, HIGH STREET, MAIDSTONE ON 6 DECEMBER 2017

**Present:** Councillor Greer (The Mayor) and  
Councillors Adkinson, Barned, Mrs Blackmore,  
Boughton, Brice, D Burton, M Burton, Butler, Clark,  
Cox, Cuming, Daley, Ells, English, Fermor, Field,  
Fissenden, Fort, Garten, Mrs Gooch, Mrs Grigg,  
Harper, Harvey, Harwood, Hastie, Mrs Joy, Lewins,  
B Mortimer, D Mortimer, Munford, Naghi, Perry,  
Pickett, Powell, Prendergast, Mrs Ring,  
Mrs Robertson, Round, J Sams, T Sams, Spooner,  
Springett, Mrs Stockell, Vizzard, Willis and Mrs Wilson

66. PRAYERS

Prayers were said by the Reverend Canon Andrew Sewell, Area Dean and Priest in Charge of St Pauls Church, Boxley Road.

67. APOLOGIES FOR ABSENCE

It was noted that apologies for absence had been received from Councillors Mrs Hinder, McLoughlin, Newton, Webb, Webster, de Wiggondene-Sheppard and Wilby.

68. DISPENSATIONS

There were no applications for dispensations.

69. DISCLOSURES BY MEMBERS AND OFFICERS

There were no disclosures by Members or Officers.

70. EXEMPT ITEMS

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

71. PETITIONS

There were no petitions.

72. QUESTION AND ANSWER SESSION FOR MEMBERS OF THE PUBLIC

There were no questions from members of the public.

73. QUESTIONS FROM MEMBERS OF THE COUNCIL TO THE CHAIRMEN OF COMMITTEES

There were no questions from Members of the Council to the Chairmen of Committees.

74. REPORT OF THE DEMOCRACY COMMITTEE HELD ON 15 NOVEMBER 2017 - RESULTS OF CONSULTATION ON BARMING WARD NAME CHANGE

Councillors J and T Sams entered the meeting at the start of this item (6.40 p.m.).

Councillor Douglass, the Vice-Chairman of Teston Parish Council, addressed the Council in support of the proposal to change the name of Barming Ward to Barming and Teston Ward.

It was moved by Councillor Fissenden, seconded by Councillor English, that the recommendation of the Democracy Committee regarding the proposal to change the name of Barming Ward to Barming and Teston Ward be approved.

**RESOLVED:** That the name of Barming Ward be changed to Barming and Teston Ward.

Note: The resolution to change the name of the Ward was passed by a majority of at least two thirds of Members voting pursuant to Section 59 of the Local Government and Public Involvement in Health Act 2007.

75. DURATION OF MEETING

6.30 p.m. to 6.42 p.m.

## MAIDSTONE BOROUGH COUNCIL

### MINUTES OF THE MEETING OF MAIDSTONE BOROUGH COUNCIL HELD AT THE TOWN HALL, HIGH STREET, MAIDSTONE ON 6 DECEMBER 2017

**Present:** Councillor Greer (The Mayor) and Councillors Adkinson, Barned, Mrs Blackmore, Boughton, Brice, D Burton, M Burton, Butler, Clark, Cox, Cuming, Daley, Ells, English, Fermor, Field, Fissenden, Fort, Garland, Garten, Mrs Gooch, Mrs Grigg, Harper, Harvey, Harwood, Hastie, Mrs Joy, Lewins, B Mortimer, D Mortimer, Munford, Naghi, Perry, Pickett, Powell, Prendergast, Mrs Ring, Mrs Robertson, Round, J Sams, T Sams, Spooner, Springett, Mrs Stockell, Vizzard, Willis and Mrs Wilson

76. APOLOGIES FOR ABSENCE

It was noted that apologies for absence had been received from Councillors Mrs Hinder, McLoughlin, Newton, Webb, Webster, de Wiggondene-Sheppard and Wilby.

77. DISPENSATIONS

There were no applications for dispensations.

78. DISCLOSURES BY MEMBERS AND OFFICERS

There were no disclosures by Members or Officers.

79. DISCLOSURES OF LOBBYING

All Members stated that they had been lobbied on the report of the Democracy Committee relating to the Planning Referral Process Review.

80. EXEMPT ITEMS

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

81. MINUTES OF THE MEETING OF THE BOROUGH COUNCIL HELD ON 25 OCTOBER 2017

**RESOLVED:** That the Minutes of the meeting of the Borough Council held on 25 October 2017 be approved as a correct record and signed subject to the inclusion of the name of Councillor Garten in the list of apologies.

82. MAYOR'S ANNOUNCEMENTS

The Mayor welcomed Councillor Rob Field back to the Council following his success in the North Ward by-election.

The Mayor then updated Members on recent and forthcoming engagements.

Note: Councillor Harwood entered the meeting during the Mayor's announcements (7.15 p.m.).

83. CHANGES TO ORDER OF BUSINESS

The Mayor announced that he intended to change the order of business to take agenda item 25 (Motion relating to the Bridges Gyrotory System) after agenda item 18. Also, the Council would be acting as Corporate Trustee of the Charity Known as the Cobtree Manor Estate when dealing with items 21 and 22 and as Corporate Trustee of the Queen's Own Royal West Kent Regiment Museum Trust when dealing with items 23 and 24.

84. PETITIONS

There were no petitions.

85. QUESTION AND ANSWER SESSION FOR MEMBERS OF THE PUBLIC

There were no questions from members of the public.

86. QUESTIONS FROM MEMBERS OF THE COUNCIL TO THE CHAIRMEN OF COMMITTEES

**Question to the Chairman of the Strategic Planning, Sustainability and Transportation Committee from Councillor Clark**

Councillor Clark asked the following question of the Chairman of the Strategic Planning, Sustainability and Transportation Committee:

*In light of Secretary of State Sajid Javid's announcement of plans to increase housebuilding by 40%, can the Chairman of the Strategic Planning, Sustainability and Transportation Committee outline how Maidstone will benefit from having a newly adopted Local Plan and explain how we can approach the Government's new housing targets?*

The Chairman of the Strategic Planning, Sustainability and Transportation Committee replied that:

Because the Council has a Local Plan for this period of time, its housing target is fixed and that will remain the case until either the five year review period comes or the Council actually reviews the Plan. I think that we at Maidstone are in a very, very strong position whilst the Government consults upon these proposals and who knows what will happen within

that period. There may be a further change, but here and now the Local Plan gives us excellent protection.

Councillor Clark asked a supplementary question of the Chairman of the Strategic Planning, Sustainability and Transportation Committee. The Mayor ruled that the supplementary question did not relate to the original question or the reply.

87. CURRENT ISSUES - REPORT OF THE LEADER OF THE COUNCIL, RESPONSE OF THE GROUP LEADERS AND QUESTIONS FROM COUNCIL MEMBERS

The Leader of the Council submitted her report on current issues.

After the Leader of the Council had submitted her report, Councillor Perry, the Leader of the Conservative Group, Councillor Mrs Gooch, the Leader of the Independent Group, Councillor Barned, the Leader of the UKIP Group, and Councillor Harper, the Leader of the Labour Group, responded to the issues raised.

A number of Members then asked questions of the Leader of the Council on the issues raised in her speech.

88. REPORT OF THE POLICY AND RESOURCES COMMITTEE HELD ON 30 OCTOBER 2017 - COUNCIL TAX REDUCTION SCHEME 2018/19

It was moved by Councillor Mrs Wilson, seconded by Councillor Harper, that the recommendations of the Policy and Resources Committee regarding the Council Tax Reduction Scheme 2018/19 be approved.

**RESOLVED:**

1. That the amended Council Tax Reduction Scheme, attached as Appendix 2 to the report of the Policy and Resources Committee, be agreed.
2. That the live date for the amended Council Tax Reduction Scheme of November 2018 be noted.

89. REPORT OF THE DEMOCRACY COMMITTEE HELD ON 15 NOVEMBER 2017 - PLANNING REFERRAL PROCESS REVIEW

It was moved by Councillor Fissenden, seconded by Councillor Boughton, that the recommendations of the Democracy Committee arising from the Planning Referral Process Review be approved.

Amendment moved by Councillor English, seconded by Councillor Harper, that the recommendations be deleted and replaced by the recommendations set out in the original report to the Democracy Committee set out on pages 189-190 of the agenda.

In accordance with Council Procedure Rule 21.4, five Members requested that a named vote be taken on the amendment. The voting was as follows:

FOR (29)

Councillors Adkinson, Clark, Cox, Daley, English, Fermor, Field, Fissenden, Garland, Mrs Gooch, Greer, Mrs Grigg, Harper, Harvey, Harwood, Hastie, Mrs Joy, Lewins, B Mortimer, D Mortimer, Munford, Naghi, Pickett, Mrs Robertson, J Sams, T Sams, Vizzard, Willis and Mrs Wilson

AGAINST (19)

Councillors Barned, Mrs Blackmore, Boughton, Brice, D Burton, M Burton, Butler, Cuming, Ells, Fort, Garten, Perry, Powell, Prendergast, Mrs Ring, Round, Spooner, Springett and Mrs Stockell

ABSTAINED (0)

AMENDMENT CARRIED

The substantive motion was then put to the vote.

SUBSTANTIVE MOTION CARRIED

**RESOLVED:**

1. That there is a need to provide a check and balance mechanism in relation to Planning Committee decisions, and there should continue to be provision for the referral of an application to a second body for determination in circumstances where the Planning Committee votes to continue with a decision that it has been advised cannot be sustained at appeal and which could have significant cost implications for the Council's budget, but that body should be the Policy and Resources Committee and the Planning Referrals Committee should be abolished.
2. That in the event of an application being referred to the Policy and Resources Committee for determination, then a special meeting of the Committee should be arranged for this purpose, the provisions relating to public speaking at Planning Committee should apply and there should be no provision for referral of the Committee's decision to full Council.
3. That no Member will be able to serve on the Policy and Resources Committee without having agreed to undergo the mandatory training required to be undertaken by Members and Substitute Members of the Planning Committee, including training on pre-determination of planning applications. The training must be completed before the Policy and Resources Committee first meets to discharge its function as the Planning Referral body, and must be refreshed as appropriate.

4. That, with regard to the sections of the Constitution/Local Code of Conduct for Councillors and Officers Dealing With Planning Matters relating to Planning Decisions Which Have Significant Cost Implications, the delegation to the Head of Planning and Development upon the advice of the Legal Officer present to refer an application to a second body for determination should be amended to be in consultation with the Chairman of the meeting.
5. That the Monitoring Officer be requested to amend the Constitution and Local Code of Conduct for Councillors and Officers Dealing with Planning Matters accordingly.

Note:

1. Councillors J and T Sams left the meeting at the start of this item, but returned shortly afterwards (8.00 p.m.).
2. Councillor Hastie left the meeting during consideration of this item, but returned shortly afterwards (8.10 p.m.).

90. REPORT OF THE DEMOCRACY COMMITTEE HELD ON 15 NOVEMBER 2017 - AMENDMENTS TO THE CONSTITUTION

It was moved by Councillor Fissenden, seconded by Councillor English, that the recommendations of the Democracy Committee regarding amendments to the Council Procedure Rules within the Constitution be approved.

**RESOLVED:**

1. That an amendment to the Council Procedure Rules to insert the 'six month rule' with regard to motions, as set out in paragraph 1.8 of the report attached as Appendix A to the report of the Democracy Committee, be approved.
2. That the number of Members required to sign the notice of motion, as set out in paragraph 1.8 of the report attached as Appendix A to the report of the Democracy Committee, be a third of all Councillors.
3. That the proposed amendment to the Council Procedure Rules with regard to the submission of amendments to the budget decision meeting of the Council, as set out in paragraph 1.13 of the report attached as Appendix A to the report of the Democracy Committee, be approved.
4. That the Monitoring Officer be instructed to make the agreed changes to the Constitution.

91. JOINT REPORT OF THE HEAD OF POLICY, COMMUNICATIONS & GOVERNANCE AND THE HEAD OF LEGAL PARTNERSHIP - COMPLAINTS ANNUAL REPORT

It was moved by Councillor Mrs Wilson, seconded by Councillor Mrs Gooch, that recommendations 1, 2, 3, 4c and 4d contained in the joint report of the Head of Policy, Communications and Governance and the Head of Legal Partnership be approved.

**RESOLVED:**

1. That the Council's performance on complaint management in 2016/17 be noted.
2. That the Local Government Ombudsman's Annual Review Letter 2016/17 be noted.
3. That the Local Government Ombudsman's report on Complaint reference 16 004 603 be noted.
4. That the following recommendations made by the Local Government Ombudsman be agreed:
  - That Mr and Mrs A be paid £550 for the cost of Bed and Breakfast from 6 to 13 July 2015; and
  - That Mr and Mrs A's removal and storage costs of £370 be paid.

92. ORAL REPORT OF THE HERITAGE, CULTURE AND LEISURE COMMITTEE HELD ON 28 NOVEMBER 2017

There was no report arising from the meeting of the Heritage, Culture and Leisure Committee held on 28 November 2017.

93. ORAL REPORT OF THE LICENSING COMMITTEE HELD ON 4 DECEMBER 2017

There was no report arising from the meeting of the Licensing Committee held on 4 December 2017.

Note: Councillor Mrs Blackmore left the meeting at this point (8.35 p.m.).

94. ORAL REPORT OF THE STRATEGIC PLANNING, SUSTAINABILITY AND TRANSPORTATION COMMITTEE HELD ON 5 DECEMBER 2017

There was no report arising from the meeting of the Strategic Planning, Sustainability and Transportation Committee held on 5 December 2017.

95. NOTICE OF MOTION - BRIDGES GYRATORY SYSTEM

The following motion was moved by Councillor Harper, seconded by Councillor Adkinson:

The works on the Bridges Gyrotory System is now eventually finished, as far as Kent County Council is concerned. However, for residents from the West of Maidstone, including Fant, Bridge, Heath, Allington and Barming Wards there has been a deterioration in traffic conditions. There are now

longer delays for road traffic getting through the Broadway Gyratory to the Bridges Gyratory. For pedestrians with the closure of the underpasses, except that to Medway Street, access to the Town Centre has significantly deteriorated. For cyclists there is now only the Medway Street underpass which requires them to dismount on St Peters Bridge as there are no dropped curves.

Overall therefore whilst the works may have improved access to through traffic on the East Bank, for those from the West Bank it is worse than before.

This Council resolves to:

1. Review the Gyratory system to see how remedial measures can be implemented to improve the access to the Town Centre from Pedestrians and Cyclists from the West of Town.
2. Review the timing of the traffic signals etc. to see if that can improve traffic circulation from the West of Maidstone to the Town Centre.
3. In particular at the main pedestrian crossing from the Bazalgette Bridge to the bottom of the High Street look to see if a pedestrian phase can be introduced to allow pedestrians to cross both carriageways in one go.

The motion, having been moved and seconded, was referred to the Maidstone Joint Transportation Board which will be reviewing the performance of the Bridges Gyratory System in Spring 2018.

96. REPORT OF THE HEAD OF POLICY, COMMUNICATIONS AND GOVERNANCE - REVIEW OF ALLOCATION OF SEATS ON COMMITTEES

It was moved by Councillor Mrs Wilson, seconded by Councillor Perry, that the allocation of seats on Committees be as set out in Appendix 1 to the report of the Head of Policy, Communications and Governance circulated separately at the meeting.

**RESOLVED:** That the allocation of seats on Committees be as set out in Appendix 1 to the report of the Head of Policy, Communications and Governance circulated separately at the meeting.

97. APPOINTMENTS TO COMMITTEES

It was moved by Councillor Mrs Wilson, seconded by Councillor Perry, that the Council accepts the wishes of the Group Leaders with regard to appointments to Committees and Substitutes as set out in the schedule circulated separately at the meeting.

**RESOLVED:** That the wishes of the Group Leaders with regard to appointments to Committees and Substitutes, as set out in the schedule circulated separately at the meeting, be accepted.

**MAIDSTONE BOROUGH COUNCIL ACTING AS CORPORATE TRUSTEE OF THE CHARITY KNOWN AS THE COBTREE MANOR ESTATE**

98. REPORT OF THE HEAD OF POLICY, COMMUNICATIONS AND GOVERNANCE - REVIEW OF ALLOCATION OF SEATS ON THE COBTREE MANOR ESTATE CHARITY COMMITTEE

It was moved by Councillor Mrs Wilson, seconded by Councillor Perry, that the allocation of seats on the Cobtree Manor Estate Charity Committee be as follows:

Conservative	2
Liberal Democrats	2
Independent	1

**RESOLVED:** That the allocation of seats on the Cobtree Manor Estate Charity Committee be as follows:

Conservative	2
Liberal Democrats	2
Independent	1

Note: Councillor English left the meeting after consideration of this item (8.50 p.m.).

99. APPOINTMENTS TO THE COBTREE MANOR ESTATE CHARITY COMMITTEE

It was moved by Councillor Mrs Wilson, seconded by Councillor Perry, that the Council accepts the wishes of the Group Leaders with regard to the appointment of Members and Substitutes to serve on the Cobtree Manor Estate Charity Committee as set out in the schedule circulated separately at the meeting.

**RESOLVED:** That the wishes of the Group Leaders with regard to the appointment of Members and Substitutes to serve on the Cobtree Manor Estate Charity Committee, as set out in the schedule circulated separately at the meeting, be accepted.

**MAIDSTONE BOROUGH COUNCIL ACTING AS CORPORATE TRUSTEE OF THE QUEEN'S OWN ROYAL WEST KENT REGIMENT MUSEUM TRUST**

100. REPORT OF THE HEAD OF POLICY, COMMUNICATIONS AND GOVERNANCE - REVIEW OF ALLOCATION OF SEATS ON THE QUEEN'S OWN ROYAL WEST KENT REGIMENT MUSEUM TRUST COMMITTEE

It was moved by Councillor Mrs Wilson, seconded by Councillor Perry, that the allocation of seats on the Queen's Own Royal West Kent Regiment Museum Trust Committee be as follows:

Conservative	2
Liberal Democrats	2
UKIP	1

**RESOLVED:** That the allocation of seats on the Queen’s Own Royal West Kent Regiment Museum Trust Committee be as follows:

Conservative	2
Liberal Democrats	2
UKIP	1

101. APPOINTMENTS TO THE QUEEN'S OWN ROYAL WEST KENT REGIMENT MUSEUM TRUST COMMITTEE

It was moved by Councillor Mrs Wilson, seconded by Councillor Perry, that the Council accepts the wishes of the Group Leaders with regard to the appointment of Members and Substitutes to serve on the Queen’s Own Royal West Kent Regiment Museum Trust Committee as set out in the schedule circulated separately at the meeting.

**RESOLVED:** That the wishes of the Group Leaders with regard to the appointment of Members and Substitutes to serve on the Queen’s Own Royal West Kent Regiment Museum Trust Committee, as set out in the schedule circulated separately at the meeting, be accepted.

102. DURATION OF MEETING

7.00 p.m. to 8.55 p.m.

# Agenda Item 14

## **MAIDSTONE BOROUGH COUNCIL**

### **COUNCIL**

**28 FEBRUARY 2018**

#### **REPORT OF THE DEMOCRACY COMMITTEE HELD ON 14 DECEMBER 2017**

#### **APPOINTMENT OF AN INDEPENDENT MEMBER TO THE JOINT INDEPENDENT REMUNERATION PANEL**

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

On 14 December 2017 the Democracy Committee considered an application for an Independent Person to serve on the Joint Independent Remuneration Panel.

##### **Recommendation Made**

That Mr Christopher Webb be appointed as the Independent Person for the Joint Independent Remuneration Panel.

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

The Committee interviewed the applicant and were satisfied that he met the criteria for the position given his past experience and his answers to the questions asked of him.

##### **Alternatives Considered and Why Not Recommended**

The Council could choose not to appoint an Independent Person for the Joint Independent Remuneration Panel but the Council has a statutory duty under the Local Authorities (Members' Allowances) (England) Regulations 2003 to appoint an Independent Panel to review the Members Allowances on a periodic basis and a review is due in March 2018. Any further delay to that process would not be practicable.

##### **Background Documents**

None

## **MAIDSTONE BOROUGH COUNCIL**

### **COUNCIL**

**28 FEBRUARY 2018**

#### **REPORT OF THE DEMOCRACY COMMITTEE HELD ON 10 JANUARY 2018**

##### **REVIEW OF OUTSIDE BODIES**

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

On 10 January 2018 the Democracy Committee reconsidered four Outside Bodies which culminated in providing a final list to be recommended to Council following a series of meetings to discuss the outside bodies review.

###### **Recommendation Made**

1. That the following Outside Bodies be retained and appointed by the relevant Service Committee as listed:

Action with Communities in Rural Kent – CHE Committee  
Age UK – CHE Committee  
Bentlif Wing Trust – HCL Committee  
Brenchley Charity Trust – HCL Committee  
Citizens Advice Bureau – CHE Committee  
Collis Millennium Green Trust – HCL Committee  
Cutbush and Corral – CHE Committee  
KCC Health Overview and Scrutiny Committee – CHE Committee  
(Chairman automatically appointed)  
Kent and Medway Civilian-Military Partnership Board – P&R Committee  
(Chairman automatically appointed)  
Kent Community Railway Partnership – SPS&T Committee  
Kent Downs AONB Joint Advisory Committee – SPS&T Committee  
Local Government Association General Assembly – P&R Committee to  
appoint non-Voting Member (Leader automatically appointed as voting  
Member)  
Maidstone Area Arts Partnership – HCL Committee  
Maidstone Beauvais Twinning Association – HCL Committee  
Maidstone Cycling Forum – SPS&T Committee  
Maidstone Mediation – CHE Committee  
Maidstone Quality Bus Partnership – SPS&T Committee  
Maidstone Sea Cadets – HCL Committee  
Medway Valley Line Steering Group – SPS&T Committee  
One Maidstone – P&R Committee  
PATROLAJC – SPS&T Committee  
Relate West and Mid Kent – CHE Committee  
Rochester Bridge Trust – SPS&T Committee  
South East Employers – Employment Committee  
South East Rail Passenger Group – SPS&T Committee  
Upper Medway Internal Drainage Group – P&R Committee  
Vinters Valley Park Trust – CHE Committee

2. That the following Outside Bodies be retained and appointed by the Democracy Committee:

Allington Millennium Green Trust – Allington Ward Member  
Headcorn Aerodrome Consultative Committee – Headcorn Ward Member  
Howard de Walden Centre – East and North Ward Members  
Hayle Park Nature Reserve – South Ward Member  
Maidstone Street Pastors – High Street Ward Member  
Relief in Need Charity  
Kent and Medway Crime Panel – Leader automatic appointment  
Kent and Medway Economic Partnership – Leader automatic appointment  
West Kent Health and Wellbeing Board – Leader automatic appointment

3. That the following Outside Bodies be deleted:

KCC Youth and Community Charity  
KCC Youth and Community Management Committee  
Kent County Playing Fields Association  
Maidstone Mind  
Maidstone YMCA  
Mid Kent Downs Steering Group

4. That each outside body representative reports to the appointing Committee at least on an annual basis providing an update.
5. That the Monitoring Officer be delegated to make the necessary changes to the Constitution.

### **Reasons for Recommendation**

The Democracy Committee had formed a Working Group to carry out an in-depth review of all the outside bodies and in doing so made their recommendations to the Committee at its meeting on 6 September 2017.

The Committee considered each of the outside bodies against the following criteria:

1. Is this an appointment to a strategic body and/or is there a statutory requirement?
2. Does the Council provide funding to this body – is it of a significant level, is a member appointment essential to oversee the funding?
3. Is there a legal requirement for a council appointment if a charitable trust?

The Democracy Committee considered the Outside Bodies for retention and deletion at its meetings of 6 September 2017, 15 November 2017 and 10 January 2018.

Appendix A contains the original recommendations from the Outside Bodies Working Group to provide members with information on the Outside Bodies recommended for deletion and retention. It is important to note that these recommendations were not all accepted by the Committee and the recommendations outlined above are those that were recommended to Council.

### **Alternatives Considered and Why Not Recommended**

The Council could choose to amend the Outside Bodies for retention or deletion. However the Democracy Committee has considered this topic on several occasions and their recommendation has been made following detailed deliberations by members of the Committee.

### **Background Documents**

Appendix A - Outside Bodies - Proposals of Outside Bodies Working Group 24 July 2017

Organisation and Purpose	Recommendation	Is this an appointment to a strategic body and/or is there a statutory requirement?	Does the council provide funding to this body - is it of a significant level, is a member appointment essential to oversee the funding	Is there a legal requirement for a council appointment if a charitable trust	Is there a community interest?	7 - Automatic Appointment?	Other Information
Action with Communities in Rural Kent - Provide support to rural communities to identify, articulate and address their needs	It is recommended that this organisation is retained on the Outside Bodies list and appointed by CHE Committee	Yes - works towards goals on housing. Although the spaces offered are to observe not participate.	£2000 - SLA in place no requirement to have an appointment	No - need their trust deed	Yes	No	2 Positions - Committee Member/Observer - Cllr Round until 31/5/18, Cllr Prendergast until 6/7/20
Age UK - to promote the welfare of older residents of the Borough of Maidstone	It is recommended that this organisation is retained on the Outside Bodies list and appointed by CHE Committee	No - but works towards the older persons agenda	£3000 - SLA in place no requirement to have an appointment	Yes - MBC named as a Trustee	No	No	1 Appointee- Attend meetings once a month on the Management Committee, give views of the council act as an observer. 3 year term - <b>CURRENTLY VACANT</b>
11 Allington Millenium Green Trust - Create and maintain Allington Millenium Green	It is recommended that this is retained on the Outside Bodies list but is an Allington Ward Member appointment	No	No	Amended in 2010 to "may appoint one director for four years"	Yes	Yes - offered to Allington Ward Members first	1 Position - Director - Cllr Daley ongoing
Bentlif Wing Trust	It is recommended that this is retained on the Council's list of Outside Bodies and is appointed by HCL Committee	No	No - but provides clerical and financial administrative support	Yes - appointed as part of the trust deed		MBC Mayor from AGM	1 Position - Ex-Officio (Mayor) - Annual
Brenchley Charity	It is recommended that this is retained on the Council's list of Outside Bodies and is appointed by HCL Committee	No	No - provide clerical and financial administrative support	Yes - appointed as part of the trust deed		Automatic appointment of HCL Chair and Vice Chair for ex officio and then 2 trustees but do not have to be MBC	2 Ex Officio plus 2 nominated trustees. Mrs D Parvin (4 year term) + <b>CURRENTLY ONE VACANCY</b>
Citizen's Advice Bureau - provide free independent confidential advice on their rights and responsibilities	It is recommended that this is retained on the Council's list of Outside Bodies and is appointed by CHE Committee	No - although as the Council provide funding it should keep a watching brief	Yes - £165,000 plus accomodation in the link	No - need to check?	No	Mayor as President	One trustee Cllr Ring 4 year term ends in 2019

Organisation and Purpose	Recommendation	Is this an appointment to a strategic body and/or is there a statutory requirement?	Does the council provide funding to this body - is it of a significant level, is a member appointment essential to oversee the funding	Is there a legal requirement for a council appointment if a charitable trust	Is there a community interest?	7 - Automatic Appointment?	Other Information
Collis Millennium Green Trust - maintaining the green open space in this area	It is recommended that this is retained on the Outside Bodies list but is a High Street Ward Member appointment	No	No	No	Yes	Yes - offered to High Street Ward Members first	1 Appointment (High Street Ward Member) - Cllr Denise Joy - Committee Member - Ongoing
Cutbush and Corral - the relief of poverty by the provision of almshouse accommodation for the beneficiaries	It is recommended that this Organisation is retained on the Outside Bodies list but is appointed by CHE Committee	No - but links to housing need	No	Yes - appointed as part of the trust deed		No	Trustees - 4 year term, Cllr Mrs Joy ends 12/8/19, Cllr English 7/7/20 and Mrs D Parvin 8/4/18, <b>CURRENTLY ONE VACANCY</b>
Headcorn Aerodrome Consultative Committee - Forum to monitor the activities of the airfield to ensure all stakeholders are consulted and all views considered	It is recommended that this is retained on the Outside Bodies list but is a Headcorn Ward Member appointment	No	No	Yes - Part of the Constitution	Yes	Yes - offered to Headcorn Ward Members first	1 Committee Member and 1 Substitute - Ongoing
Howard de Walden Centre - To oversee the operation of the charity which provides a youth and community centre for the residents of Maidstone	It is recommended that this is retained on the Outside Bodies list but is an East Ward Member appointment	No	No	Yes - part of the Trust	Yes	Yes - offered to East Ward first	2 Trustees - 4 year term Cllr Cox ends May 2020, Cllr Wilby May 2020
Hayle Park Nature Reserve - to maintain and enhance the Natural Landscape and Biodiversity of this significant part of the Loose Valley	It is recommended that this is retained on the Outside Bodies list but is a South Ward Member appointment	No		Yes - trust deed	Yes	Yes - offered to South Ward first	3 Appointments - Trustees - Clark - 2017. Wilby - 2018 and D. Mortimer
KCC Health Overview and Scrutiny Cttee - This Committee has statutory health scrutiny powers and our Members are appointed on a rota basis	It is recommended that this is retained on the Outside Bodies list and appointed by CHE Committee	Yes - KCC have asked for district appointments	No	No	No	Yes - Chairman of the Communities, Housing and Environment Committee	1 Appointee - Committee Member - Annually

Organisation and Purpose	Recommendation	Is this an appointment to a strategic body and/or is there a statutory requirement?	Does the council provide funding to this body - is it of a significant level, is a member appointment essential to oversee the funding	Is there a legal requirement for a council appointment if a charitable trust	Is there a community interest?	7 - Automatic Appointment?	Other Information
KCC Youth and Community Charity	It is recommended that this is not retained as the Organisation does not appear to have met	No	N/A	N/A	N/A	No	1 Appointee - Committee Member, 4 year term Cllr Round to 2018
Kent and Medway Crime Panel	It is recommended that this is retained on the Outside Bodies list	Yes - part of the role of the Leader of the Council and to feed into the Council's Crime and Disorder Committee	No	No	Yes	Yes -Leader appointed or their rep	1 Appointee - Panel Member - Annually
Kent Community Rail Partnership - improves the effectiveness of local railways and brings social, economic and environmental benefits to all those served by community rail services.	It is recommended that this is retained on the Outside Bodies list and appointed by SPS&T Committee	No	No	No	No	No	1 Appointee - Committee Member - Cllr English (terminates when Cllr not a Cllr)
Kent County Playing Fields Association - To ensure there are adequate facilities for recreation in towns and villages in Kent	It is recommended that this Organisation is not retained on the Outside Bodies list	No	No	Under the Constitution a representative from KCC and District Councils are invited to attend in an observational capacity	No	No	1 Appointee - Bi-Annually - <b>ONE VACANCY</b>
Kent Downs AONB Joint Advisory Committee	It is recommended that this Organisation is retained on the Outside Bodies list but is a North Downs Ward Member appointment	No	No	No	Yes	Yes - offered to North Downs Ward Member first	1 Appointee - Committee Member - Annually

Organisation and Purpose	Recommendation	Is this an appointment to a strategic body and/or is there a statutory requirement?	Does the council provide funding to this body - is it of a significant level, is a member appointment essential to oversee the funding	Is there a legal requirement for a council appointment if a charitable trust	Is there a community interest?	7 - Automatic Appointment?	Other Information
Kent and Medway Economic Partnership Board - chaired by the private sector and is made up of twenty one members, 17 business representatives, 14 local authority leaders and one representative from higher and further education. The board has sought to ensure that there is a balanced representation of businesses and local authorities, reflecting Kent and Medway's geography and the diversity of its business base.	It is recommended that this Organisation is retained on the Outside Bodies list and appointed by P&R Committee	Yes	Yes	Yes	No	Leader of the Council automatically appointed	1 Appointee - Committee Member - Annually
Local Government Association General Assembly - to realise a shared vision of local government that enables local people to shape a distinctive and better future for their locality and its communities	It is recommended that this Organisation is retained on the Outside Bodies list and appointed by P&R Committee	Yes - as a Member of the LGA	membership fee	Yes	No	Leader of the Council (voting) and of the Opposition (non-voting)	1 Non-elected, Non-Voting Committee Member and 1 Non-Elected, Voting Committee Member - annually
Maidstone Area Arts Partnership - acts as an umbrella organisation to encourage and promote visual and performing arts organisations in Maidstone	It is recommended that this Organisation is retained on the Outside Bodies list but is appointed by HCL Committee and reduced to two Members	No	No	No	No	MBC Mayor (honorary President) plus three	2 Appointees - Annually - CURRENTLY VACANT
Maidstone Cycling Forum - to provide the voice of the Maidstone cycling community, representing their views, to educate the public about the health, social and environmental benefits of cycling	It is recommended that this is retained on the Outside Bodies list and is appointed by SPS&T Committee	No	No	No	No	Member of SPS&T	2 Appointees - Committee Member (and one as a non-voting observer)
Maidstone Mediation - the charity offers free confidential mediation service to people who are involved in interpersonal conflict or dispute between neighbours, victims and their offenders, people in the workplace and parents and their children.	It is recommended that this is retained on the Outside Bodies list and is appointed by CHE Committee	No - although as the Council provide funding it should keep a watching brief	£10,000 funding	No	No	No	1 Appointee - Committee Member - 2 years term - Cllr English until 2/11/17

Organisation and Purpose	Recommendation	Is this an appointment to a strategic body and/or is there a statutory requirement?	Does the council provide funding to this body - is it of a significant level, is a member appointment essential to oversee the funding	Is there a legal requirement for a council appointment if a charitable trust	Is there a community interest?	7 - Automatic Appointment?	Other Information
Maidstone Mind - the aim of this organisation is to support and empower anyone over the age of 18 years old who is experiencing emotional and mental health difficulties	It is recommended that this is retained on the Outside Bodies list and is appointed by CHE Committee		No	No	No	No	1 Appointee - Committee Member - 4 year term - Cllr Grigg until 17/10/17
Maidstone Sea Cadets - A uniformed, disciplined youth movement based upon the customs and traditions of the Royal Navy	It is recommended that this is retained on the Outside Bodies list and appointed by HCL Committee	No - but supported by MBC through a reduced rental lease on the Master's Tower until 5 March 2019	No	No	No	No	1 Appointee - Trustee - 4 year term - Cllr Cuming until 8/4/18
Maidstone Street Pastors - an inter-denominational church response to urban problems, engaging with people on the streets to listen, care and help	It is recommended that this is not retained on the Outside Bodies list but is a High Street Ward Member appointment	No	No	No	Yes	Yes - but offered to High Street Ward Members first	1 Appointee - Committee Member - 3 years term - Cllr Mrs Joy until 14/5/19
One Maidstone (Maidstone Town Centre Management Liaison Group)- to promote the well-being of Maidstone town centre and make it as attractive as possible	It is recommended that this is retained on the Outside Bodies list and appointed by P&R Committee	No - but pivotal to good working relationships	No	Yes	Yes	Cllr English - for life as a Director - 3 others on Liaison Group	3 Appointees - Board Member - <b>THREE VACANCIES</b>
Maidstone YMCA - To provide facilities for physical, recreation and social meeting place for the people of Maidstone	It is recommended that this is not retained on the Outside Bodies list	No	No	No	No	No	2 Appointees - One Board Member and 1 Observer - 1 year - <b>TWO VACANCIES</b>
Maidstone-Beauvais Twinning Association - the organisation holds regular events for its members and offers advice and help for visitors who wish to travel to Maidstone's twin town on Beauvais in France	It is recommended that this is retained on the Outside Bodies list and appointed by the HCL Committee	No	No	No	No	No	4 appointees - Committee Member - Annually Cllr Hinder- Chair appointed until 8/9/18 + <b>THREE VACANCIES</b>

Organisation and Purpose	Recommendation	Is this an appointment to a strategic body and/or is there a statutory requirement?	Does the council provide funding to this body - is it of a significant level, is a member appointment essential to oversee the funding	Is there a legal requirement for a council appointment if a charitable trust	Is there a community interest?	7 - Automatic Appointment?	Term of Appointment and Type of Role
Medway Valley Line Steering Group	It is recommended that this is retained on the Outside Bodies list and appointed by the SPS&T Committee	No	No	No	No	No	2 Appointees - Member - Cllr English and Willis - open ended, term ceases when no longer a Cllr
Mid Kent Downs Steering Group	It is recommended that this Organisation not be retained on the Outside Bodies list and formally disbanded as this was originally set up by the Council	No	No	No	Yes	Yes - North Downs Ward Member	Member - Annually
PATROLAJC - Membership of the Joint Committee is required for Councils to undertake civil enforcement of parking in order that they can access independent adjudication	It is recommended that this is retained on the Outside Bodies list and appointed by the SPS&T Committee	Yes	No	Yes	No	No	1 Appointee - Committee Member - 4 year term - Cllr English until 2/11/19
Quality Bus Partnership	It is recommended that this is retained on the Outside Bodies list and appointed by the SPS&T Committee	No	No	No	No	A member of SPS&T	1 Appointee - Member - Cllr Willis ongoing
Relate West and Mid Kent - offers advice, relationship counselling, mediation, workshops etc	It is recommended that this is retained on the Outside Bodies list and appointed by the CHE Committee	No	£1,500	No	No	No	1 Appointee - Committee Member - 2 years term - <b>ONE VACANCY</b>
Relief in Need Charities - dispenses funds to worthy cases of need within the Maidstone borough	It is recommended that this is retained on the Outside Bodies list	No	No	No	No	Mayor - ex-officio, 3 Trustees	3 Appointees - Trustees - 4 year term Cllrs Hinder & Daley until 2019, Mrs Parvin until 2019

Organisation and Purpose	Recommendation	Is this an appointment to a strategic body and/or is there a statutory requirement?	Does the council provide funding to this body - is it of a significant level, is a member appointment essential to oversee the funding	Is there a legal requirement for a council appointment if a charitable trust	Is there a community interest?	7 - Automatic Appointment?	Term of Appointment and Type of Role
Rochester Bridge Trust - concerned with the maintenance and improvement of Rochester Bridges and the Medway Tunnel as well as the promotion and maintenance of other crossings over the River Medway	It is recommended that this be retained on the Outside Bodies list and appointed by SPS&T Committee	Yes - important to the transport	No	No	No	No	1 Appointee - Committee Member - 4 year term - Cllr Butler until 31/5/19
South East Employers - aims to be an active and influential Employers organisation for local government in the South/South East of England	It is recommended that this be retained on the Outside Bodies list and appointed by the Employment Committee	Yes	No	No	No	Possibly 1 Member should be Chair of Employment Committee	1 Committee Member and 1 Substitute - Annually
South East Rail Passenger Group	It is recommended that this be retained on the Outside Bodies list and appointed by the SPS&T Committee	No	No	No	No	A member of SPS&T	2 Appointees - Committee Members - Cllrs Willis and Pickett ongoing
Upper Medway Internal Drainage Board - general supervision of all matters relating to land drainage	It is recommended that this be retained on the Outside Bodies list and appointed by the P&R Committee	No	No	No	No	No	2 Appointees - 2 Board Members - 2 year term - <b>TWO VACANCIES</b>
Vinters Valley Park Trust - to manage and improve the whole of the Park for the benefit of the public as an open space for quiet informal recreation and wildlife conservation	It is recommended that this be retained on the Outside Bodies list and appointed by the CHE Committee	No	No	No	No	No	1 Appointee - Committee Member - 4 year term plus one Trustee - Cllr Harper and Cllr Cox - until 9/18
West Kent Health and Wellbeing Board	It is recommended that this be retained on the Outside Bodies list and appointed by P&R Committee	Yes	No	No	No	Leader of the Council automatically appointed	1 Appointee - Committee Member - Annually
KCC Youth and Community Management Committee (Maidstone) - provides personal and social development opportunities	It is recommended that this is not retained on the Outside Bodies list as it does not appear to be operational	No	No	No	No	No	1 Appointee - Committee Member - Cllr Harper (4 year term) - until 9/18

KEY

	Outside Bodies to be retained
	Retained on Outside Bodies list but Ward Member appointee
	Not retained on Outside Bodies list and deleted
	Retained on Outside Bodies list but appointed by Committee

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## **MAIDSTONE BOROUGH COUNCIL**

### **COUNCIL**

**28 FEBRUARY 2018**

### **REPORT OF THE POLICY AND RESOURCES COMMITTEE HELD ON 14 FEBRUARY 2018**

#### **STRATEGIC PLAN 2015-20, 2018-19 REFRESH**

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

To consider the Strategic Plan, which has been refreshed for 2018-19.

##### **Recommendation Made**

That the Strategic Plan 2015-20, 2018-19 Update is recommended to Full Council for approval.

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

Each Service Committee has considered changes to the specific areas within the Strategic Plan relevant to the committee. The suggestions for changes for each committee were then compiled into one document for the Policy and Resources Committee to agree a final draft and recommend it to council.

At its meeting of 14 February 2018, the Policy and Resources Committee requested that the word 'Green' be added to the 'Safe and Clean' priority, and that the Chief Executive make changes to the plan to reflect this in consultation with the Chairman and Vice Chairman of the Policy and Resources Committee. The requested changes have been made and the updated Strategic Plan is attached as Appendix A.

##### **Alternatives Considered and Why Not Recommended**

The Policy and Resources Committee could have decided not to update the plan. However this would mean the current Strategic Plan would be out of date, and would not reflect changes to legislation, progress on policies and projects and changes to the council's financial position since the plan was last adopted by Council. If not updated, then the plan would not reflect the wishes of the service committees that have contributed to the updated plan.

##### **Background Documents**

Appendix A – Strategic Plan 2015-20, 2018-10 Refresh

STRATEGIC PLAN 2015-20, 2018-19 REFRESH

Maidstone Borough Council's  
**Strategic Plan**  
2015-2020

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# Foreword from the Leader, Councillor Fran Wilson



The Strategic Plan has been updated for 2018-19. As a result the plans and strategies created and adopted over the last year will be implemented and delivered over the next two years of the plan and beyond.

Despite a reduction in funding I am pleased to report that we do have a balanced budget. In addition we have been successful in gaining additional funding for the borough as part of a Business Rates Retention pilot for Kent and Medway. This one-off sum of money will be used to deliver sustainable projects to achieve our top three priorities in 2018 – 19.

Our primary focus in 2018/2019 are targeted toward our core priorities:

- A Home for Everyone
- Providing a Safe, Clean and Green environment
- Regenerating the Town Centre

Our overarching vision for residents is to continue to provide a pleasant and safe environment for everyone to enjoy.

All residents have the right to live in a home of a good standard and maintain a healthy lifestyle and our borough should offer a rich and diverse environment, with a successful economy and a number of reliable transport networks.

Our residents have identified 'safe and clean' as their top priority. In support of this we will be:

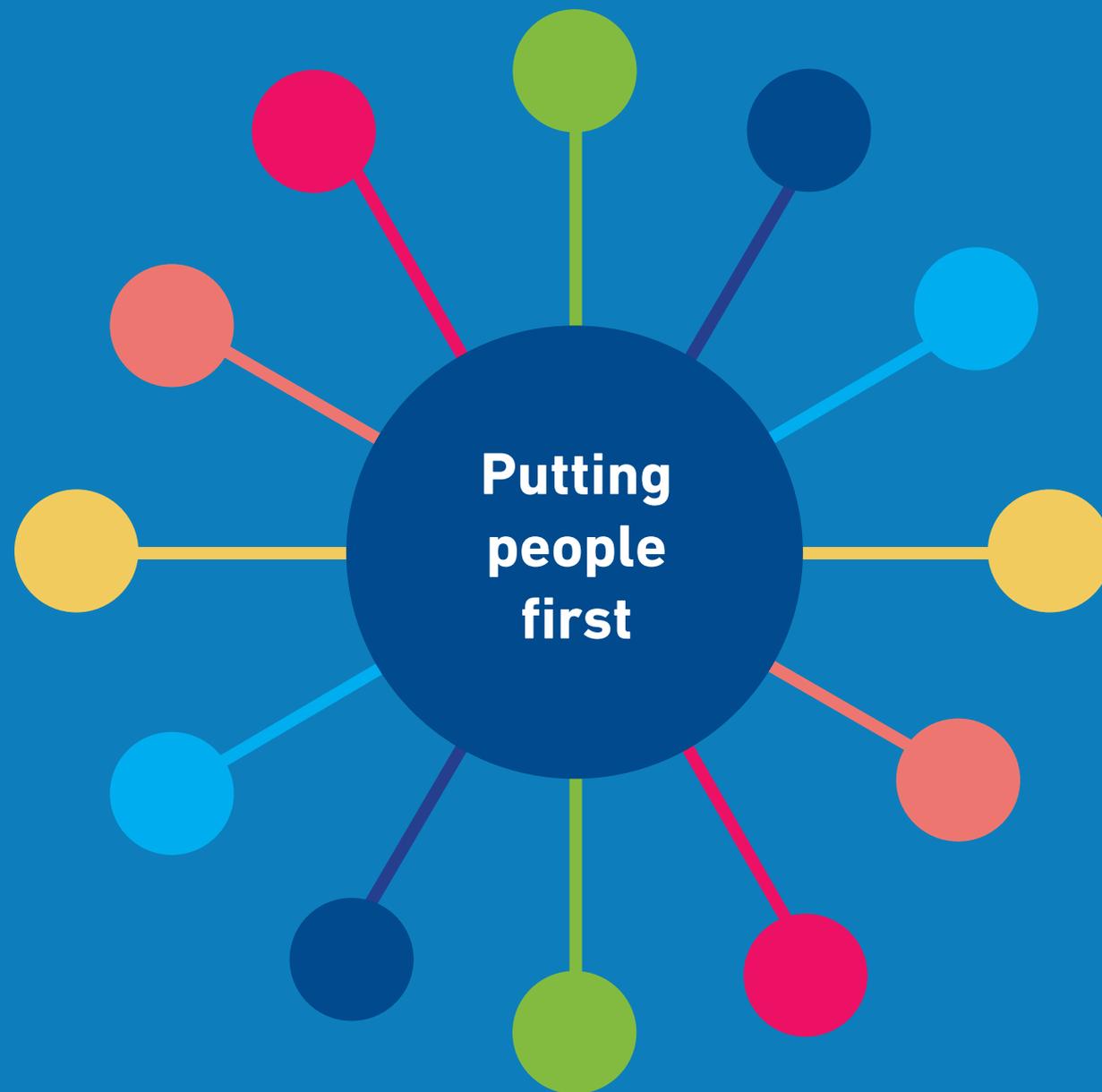
- Refreshing our Biodiversity Action Plan in 2018-19
- Delivering our Parks and Open Spaces Strategy
- Continuing our work to ensure the borough maintains and improves our green spaces
- Adopting and delivering an Air Quality Development Plan Document

Moving forward we will be working hard to ensure we look after our rural and urban landscapes with robust planning policies and supporting plans such as the biodiversity action plan. This will ensure our environment is protected for future generations.

**Fran Wilson**  
Leader of the Council

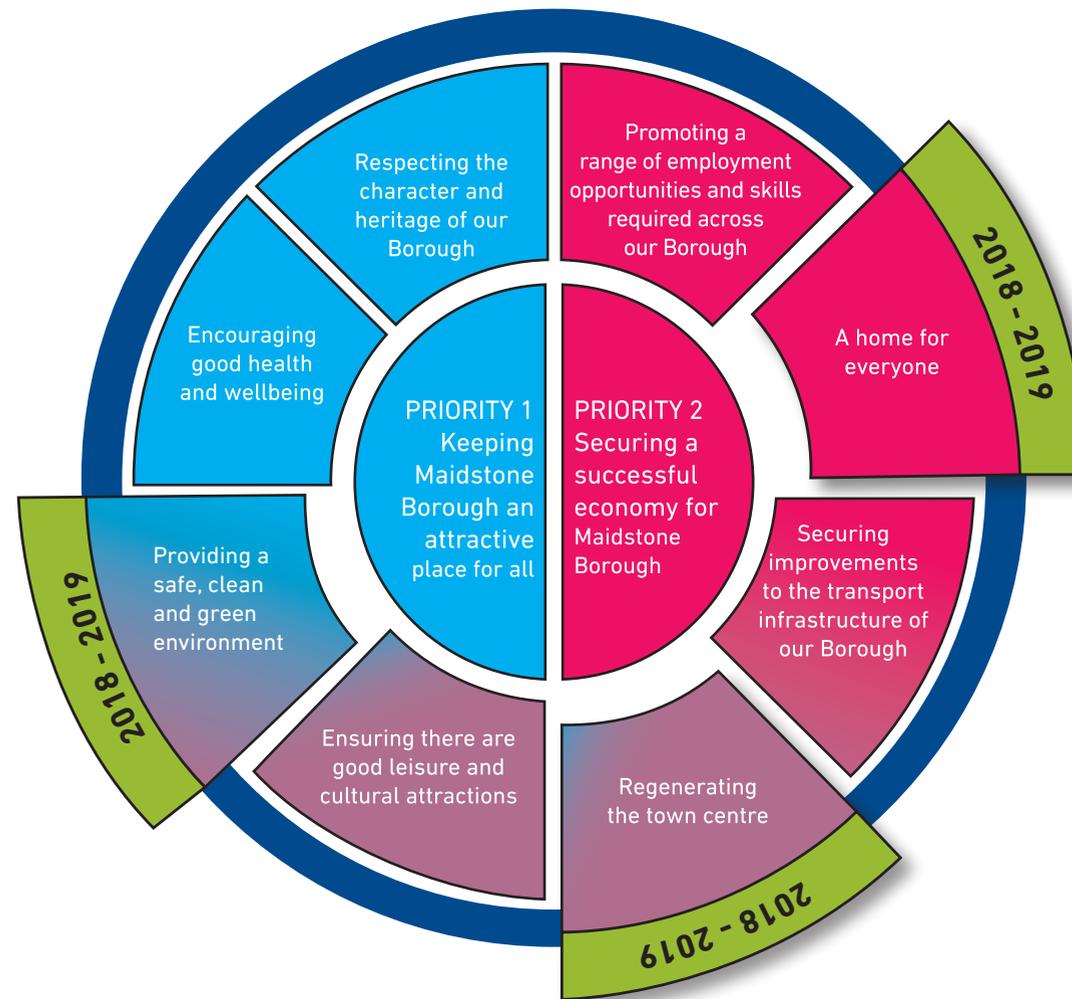


# Our Mission



# 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.



## Providing a Safe, Clean and Green Environment

Maidstone Borough Council is committed to creating an attractive environment which is safe, clean and green. Our borough does not experience high levels of crime and through the Community Safety Partnership, we aim to protect the most vulnerable people in our community.

We value our environment and we want to ensure our urban and rural landscapes are protected. We act proactively to keep our Borough clean and our recycling levels have reached 49.9%. Maidstone has areas of poor air quality due to high concentrations of nitrogen dioxide associated with road traffic and has designated the urban area of the borough as an Air Quality Management Zone.

### We want:

People to feel safe in the borough and experience an attractive, clean and safe environment.

### We will commit to:

- Investing to improve street infrastructure and the efficiency of cleansing services in accordance with our medium term financial strategy
- Delivering the Waste and Recycling Strategy
- Delivering the Community Safety Plan 2018
- Delivering the Low Emissions Strategy
- Adopting and Delivering an Air Quality DPD
- Delivering the Biodiversity Action Plan

## Encouraging Good Health and Wellbeing

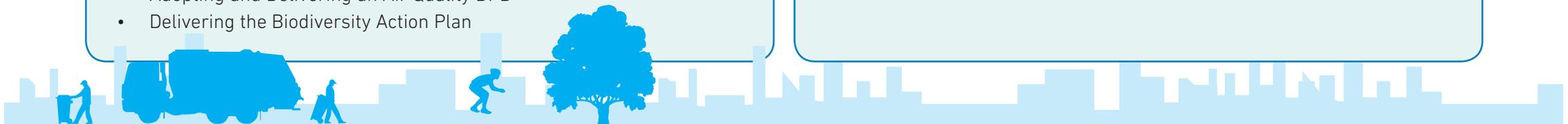
Deprivation in the borough is lower than average, however 14.8% of children (under 16 years old) in Maidstone live in poverty. There is a difference in life expectancy of men and women; women are expected to live 3 years longer than men and there is a 11 year gap between the ward with the highest life expectancy and the one with the lowest life expectancy

### We want:

- To address the social determinants of health through our role in services like Housing, Environmental Health and Community Development and our provider role in terms of leisure activities
- To improve health outcomes for residents and reduce health inequality

### We will commit to:

- Delivering our Housing Strategy
- Delivering our Health and Wellbeing Action Plan
- Delivering our Parks and Open spaces 10 year strategic plan



## Respecting the Character and Heritage of our Borough

Maidstone is a largely rural borough with high quality landscapes, countryside and urban green spaces and associated rich bio-diversity. Our borough has many attractive and protected buildings and we want these to remain in place for future generations. Our focus on economic prosperity embraces the need to protect and enhance these features so that the borough remains a great place to live, work and visit.

### We want:

- Thriving and resilient urban and rural communities
- To continue to listen to our communities
- To continue to respect our heritage and natural environment
- To continue to devolve services where we can and work with Kent County Council to do the same

### We will commit to:

- Delivering the Local Plan
- Delivering the Green and Blue Infrastructure Strategy
- Delivering our Parks and Open Spaces 10 year strategic plan
- Delivering and honouring our Parish Charter
- Working with our Parishes and Communities on the design of their neighbourhoods
- Delivering the Biodiversity Action Plan

## Ensuring there are Good Leisure and Cultural Attractions

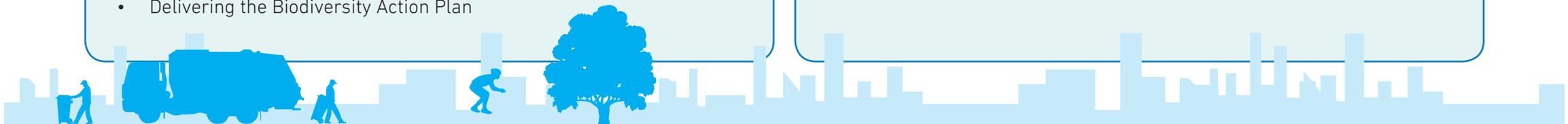
There is always something to see or do in our borough reflecting the wide variety of venues, facilities and good quality public spaces. This not only enhances quality of life for Maidstone residents but also contributes significantly to the local economy. Our population is increasing at the highest rate in Kent. We are also growing as a destination for visitors and so our leisure and culture offer has continued importance for those living in and visiting the borough.

### We want:

Maidstone to have a leisure and cultural offer which attracts visitors and meets the needs of our residents.

### We will commit to:

- Delivering the Destination Management Plan
- Delivering the Festival and Events Strategy
- Delivering the Museum's 20 year plan
- Delivering the Parks and Open Spaces 10 year Strategic Plan



## Regenerating the Town Centre

Maidstone has a thriving town centre benefiting from its role as the county town and has a diverse mix of residential, business, retail, cultural uses and public services. The changing economic environment has created challenges and the need for further investment in the town centre to meet the expectations of residents, businesses and visitors.

### **We want:**

To ensure we have a thriving and attractive town centre that values our heritage and is fit for the future.

### **We will commit to:**

- Delivering the Local Plan
- Delivering the Housing and Regeneration Strategy
- Delivering the Destination Management Plan
- Delivering Phase 3 of the Public Realm

## Securing Improvements to the Transport Infrastructure for our Borough

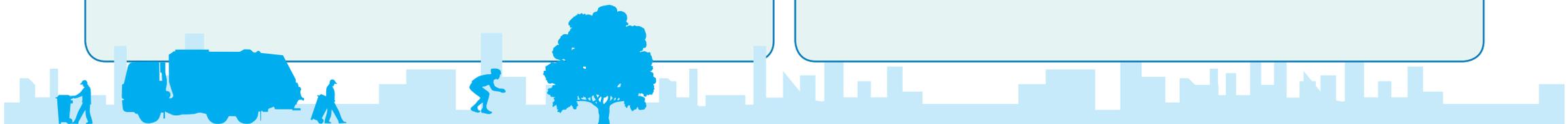
Maidstone is strategically situated between London and the channel ports and is serviced by two motorway networks, the M20 and the M2, with rail connections to central London. We do however recognise that travelling in and around the borough by car during peak periods can be difficult due to congestion. The bus transport network serving Maidstone town is relatively strong whilst rural transport presents distinct challenges

### **We want:**

A sustainable transport network that meets the needs of residents, businesses and visitors.

### **We will commit to:**

- Delivering the Integrated Transport Strategy
- Delivering the Walking and Cycling Strategy



## A Home for Everyone

The supply of new affordable housing within the borough has been greater than in neighbouring authorities, although still less than historical levels. 303 new affordable homes were built in the borough in 2016/17. 13% of Maidstone households live in socially rented accommodation which is comparable to the rest of Kent.

### **We want:**

To have enough homes to meet our residents' long term needs, to include homes for affordable rent and affordable home ownership. These must be economically sustainable for all our residents.

### **We will commit to:**

- Delivering the Local Plan
- Delivering the Housing Development and Regeneration Investment Plan
- Delivering the Housing Strategy
- Delivering the Temporary Accommodation Strategy

## Range of Employment Skills and Opportunities Across the Borough

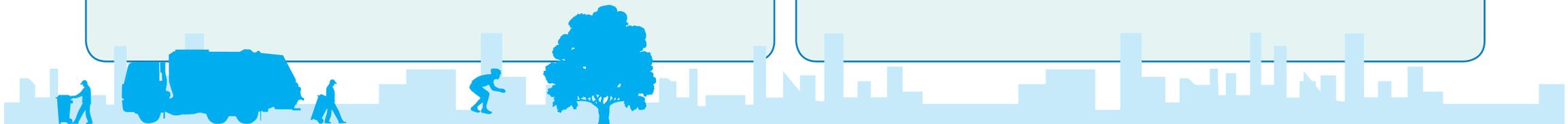
There were 77,500 people employed in the Maidstone economy in 2016/17 with a high proportion in the public sector, reflecting the town's status as Kent's County Town and administrative capital. There were 7,195 registered businesses in Maidstone in 2017.

### **We want:**

To meet the skills needs of our residents and employers, supporting existing businesses and attracting new ones.

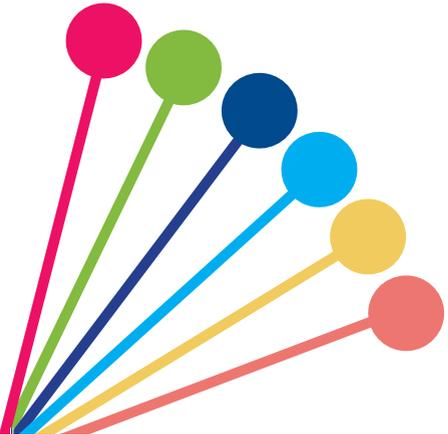
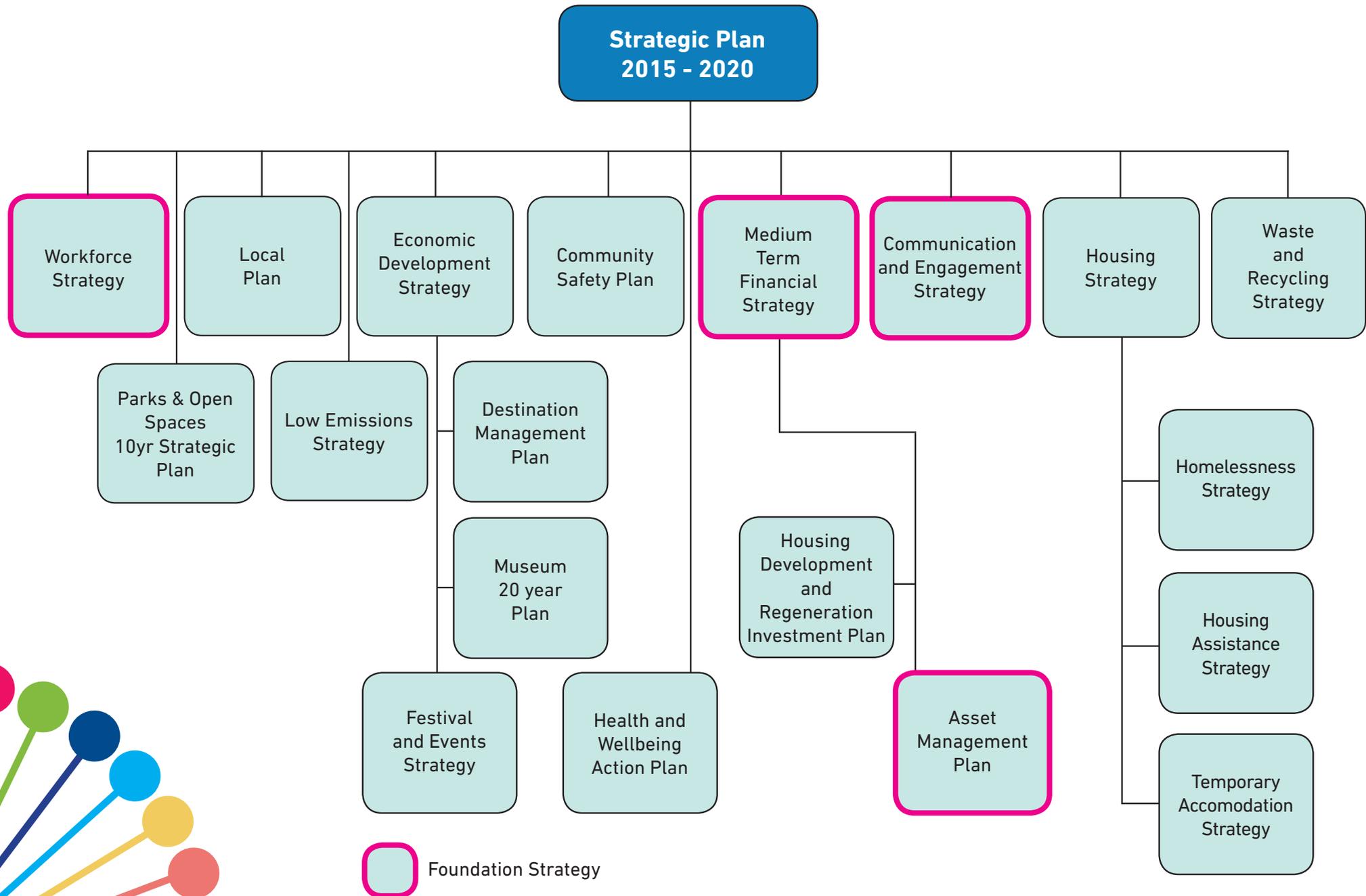
### **We will commit to:**

- Delivering our Economic Development Strategy
- Working with businesses to support them to grow and develop



# Strategy Map

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# Our Values



## Services

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





# Agenda Item 17

## MAIDSTONE BOROUGH COUNCIL

### COUNCIL

28 FEBRUARY 2018

#### REPORT OF THE POLICY AND RESOURCES COMMITTEE – MEDIUM TERM FINANCIAL STRATEGY & BUDGET PROPOSALS 2018/19

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

To consider the proposed Revenue and Capital Estimates for 2018/19, including service savings and growth, in accordance with the agreed budget strategy and in the context of the Medium Term Financial Strategy and the Strategic Revenue Projection.

To calculate and approve the Council Tax requirement for 2018/19.

To adopt the Treasury Management Strategy and prudential indicators.

##### **Recommendations Made**

1. That the revised revenue estimates for 2017/18 be agreed as set out in Appendix A.
2. That the minimum level of General Fund Balances be set at £2m for 2018/19.
3. That the proposed Council Tax of £252.90 at Band D for 2018/19 be agreed.
4. That the revenue estimates for 2018/19 incorporating the growth and savings items set out in Appendix A be agreed.
5. That the Statement of Earmarked Reserves and General Fund Balances as set out in Appendix A be agreed.
6. That the Capital Programme as set out in Appendix A be agreed.
7. That the funding of the Capital Programme as set out in Appendix A be agreed.
8. That the Medium Term Financial Strategy as set out in Appendix A be agreed.
9. That the Strategic Revenue Projection, as set out in Appendix A as the basis for future financial planning, be endorsed.
10. That it be noted that the Council's Council Tax base for the year 2018/19 has been calculated as 60,921.6 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) regulations 1992.

11. That it be noted that in accordance with Government guidance the yield from business rates has been calculated as £56,621,934.
12. That it be noted that the individual parish area tax bases set out in Appendix B are calculated in accordance with regulation 6 of the Regulations and are the amounts of the Council Tax Base for the year for dwellings in those parts of the Council's area to which a special item relates.
13. That the Council Tax requirement for the Council's own purposes for 2018/19 (excluding Parish precepts) is £15,407,072.
14. That the following amounts now be calculated by the Council for the year 2018/19 in accordance with Section 32-36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011:-
  - (a) £89,367,784 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(2) of the Act taking into account all precepts issued to it by Parish Councils.
  - (b) £72,149,614 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3) of the Act.
  - (c) £17,218,170 being the amount by which the aggregate at 14(a) above exceeds the aggregate at 14(b) above, calculated by the Council in accordance with Section 32(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 32(4) of the Act).
  - (d) £282.63 being the amount at 14(c) above (Item R), all divided by the figure stated at 10 above (Item T in the formula in section 33(1) of the Act), calculated by the Council, in accordance with Section 33 of the Act, as the basic amount of its Council Tax for the year (including parish precepts).
  - (e) £1,811,097 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Appendix B).
  - (f) £252.90 being the amount at 14(d) above less the result given by dividing the amount at 14(e) above by the tax base given in 10 above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to

which no Parish precept relates.

15. That it be noted that for the year 2018/19 Kent County Council, the Kent Police & Crime Commissioner and the Kent & Medway Fire & Rescue Authority have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:-

<u>Valuation Bands</u>	<u>KCC PRECEPT</u> £	<u>KCC ADULT SOCIAL CARE</u> £	<u>KPCC</u> £	<u>KMFRA</u> £
A	779.76	45.36	112.77	50.34
B	909.72	52.92	131.56	58.73
C	1039.68	60.48	150.36	67.12
<b>D</b>	<b>1169.64</b>	<b>68.04</b>	<b>169.15</b>	<b>75.51</b>
E	1429.56	83.16	206.74	92.29
F	1689.48	98.28	244.33	109.07
G	1949.40	113.40	281.92	125.85
H	2339.28	136.08	338.30	151.02

16. That, having calculated the aggregate in each case of the amounts at 14 (d), and 15 above, the Council, in accordance with Section 30 (2) of the Local Government Finance Act 1992, hereby sets out in Appendix D, the amounts of Council Tax for the year 2018/19 for each of the categories of dwellings shown.
17. That the Treasury Management Strategy 2018/19 and the Treasury Management and Prudential Indicators, outlined in Appendix A to this report, be adopted.

### **Reasons for Recommendation**

At its meeting on 25 October 2017, Council agreed a Medium Term Financial Strategy (MTFS) for the next five years. Whilst the Council is in a relatively strong financial position currently, there is a high degree of uncertainty about the medium term position. Given the uncertainty about the future, various potential scenarios were modelled in the MTFS, representing (a) favourable, (b) neutral and (c) adverse sets of circumstances. Projections were prepared for each of the scenarios modelled and the MTFS stated that budget proposals would be sought to address all the potential scenarios. The 'neutral' budget proposals have been considered by Service Committees and the Policy and Resources Committee for their respective areas. Policy and Resources Committee also considered the capital programme at its meeting on 24<sup>th</sup> January. Once each Committee had considered the budget proposals, the Policy and Resources

Committee considered the Budget as a whole at its meeting on 14<sup>th</sup> February 2018 and recommended it to Council for adoption.

At the Policy and Resources Committee held on 14 February 2018, the Committee recommended that £20,000 be transferred from the Communications budget to the Environmental Enforcement budget. This recommendation has been incorporated into the budget book attached as Appendix A.

The Policy and Resources Committee considered the approach to allocating the proceeds from the Business Rates Retention Pilot Financial Sustainability Fund at its meeting on 24<sup>th</sup> January 2018. As this is likely to be a one-off contribution, rather than an ongoing addition to the budget, this will be treated as a discrete, earmarked item, separate from the main revenue budget. At its meeting on 14<sup>th</sup> February 2018, Policy and Resources Committee considered a number of projects to be funded from the Financial Sustainability Fund. It was agreed that these projects be given further consideration regarding their priority and scope by the Committee.

The recommendations contained in this report allow the Council to set the budget, including the Council Tax rate, for 2018/19 according to the specific provisions contained within the Local Government Finance Act 1992.

### **Alternatives Considered and Why Not Recommended**

The Council could choose not to pass a budget. However, this would be contrary to the Local Government Act 2003.

The Council could choose to amend the budget. Any amendments would be additional to the recommendations already made by the Service Committees, as well as the recommendation made by the Policy and Resources Committee. It is important that the Council has a balanced budget after taking account of any amendments. The Director of Finance and Business Improvement (section 151 Officer) must provide confirmation to Council that "the budget calculations are based upon robust estimates and that the level of reserves is sufficient for the purposes of the budget exercise". Care must be taken in amending the budget so that the Director of Finance and Business Improvement is able to make the necessary confirmation.

### **Guidance from the Monitoring Officer**

The Local Government Act 2003 (as amended) requires Council to adopt the annual budget which is recommended by the Policy and Resources Committee. The Council has a statutory obligation to set a balanced budget differentiated by services, which is sufficient to meet estimated revenue expenditure, levies, contingencies, any deficits estimated to be brought forward from previous years, and any amounts required to be transferred between funds required under the Local Government Finance Act 1992 and related legislation.

In compliance with the principles of administrative law, members are required to take into account relevant considerations and disregard irrelevant ones. Any decision made must be one that only a reasonable authority, properly directing itself could have reached.

Members must act prudently taking into account the professional advice of officers, in particular the statutory obligations placed upon the Director of Finance and Business Improvement, the S151 officer. Members can make alternative proposals in achieving a balanced budget but are exposed to a personal risk if they disregard clearly expressed professional advice.

Members are required to have regard to the guidance of the S151 officer on the budget estimates and adequacy of reserves. The wider duties placed on the Council relating to its financial affairs must be taken into account. This includes the distinction between revenue and capital expenditure specified within the Local Government and Housing Act 1989.

Prudential borrowing limits must be set by the Council having regard to the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code. The Code sets a framework for self-regulation of capital spending, enabling Councils to invest in capital projects without any limit, so long as they are affordable, prudent and sustainable taking into account prudential indicators which must be monitored.

It is a criminal offence for a member with arrears of Council Tax which have been outstanding for two months or more to attend any meeting of the Council or one of its committees at which a decision affecting the budget is to be made – the Local Government Finance Act 1992, section 106. To avoid criminal liability, relevant members must make a declaration at the outset of the meeting that he or she is in arrears and will not be voting on the decision for that reason. The member concerned must then abstain from voting.

Having set a budget for the new municipal year, the Council is under a duty to monitor that budget during the year and to take remedial action if at any time it appears likely that expenditure will exceed available resources.

## **Background Documents**

Appendix A: Budget Book

Appendix B: Schedule of Council Tax Base and Additional Council Tax in Parts of the Area with Parish Precepts

Appendix C: Schedule of Council Tax levels for all Bands and all Parts of the Area

**MAIDSTONE BOROUGH COUNCIL**

**REVENUE AND  
CAPITAL ESTIMATES**

**2018/19**

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**STATEMENT OF ROBUSTNESS OF ESTIMATES AND ADEQUACY OF RESERVES**

**1. INTRODUCTION**

- 1.1 Section 25 of the Local Government Act 2003 requires that a local authority's Chief Finance Officer must report on:
- the robustness of the estimates made for the purposes of the budget calculations; and
  - the adequacy of the proposed financial reserves.
- 1.2 The following statement seeks to fulfil this requirement in respect of the 2018/19 budget setting process for Maidstone Borough Council. I acknowledge my responsibility for ensuring the robustness of the estimates and the adequacy of the reserves as part of the process.
- 1.3 The context for the budget setting process is set out in the Council's Medium Term Financial Strategy (MTFS), which is included as section 7 of this Appendix. The MTFS covers both revenue and capital budgets and underpins the budget setting process over the coming five year period. It sets out in financial terms how the Council will deliver its Strategic Plan. The constraints include the overall economic outlook, the financial resources available to the Council, and current service pressures. The MTFS identifies a gap between spending plans and available resources, and sets out how this can be addressed.

**2. ROBUSTNESS OF ESTIMATES**

- 2.1 The budget contains estimates of future income and expenditure, which like any future events are subject to risk and uncertainty. The way in which the estimates have been drawn up has sought to mitigate this risk as much as possible.
- 2.2 It has done this, first of all, by adopting a structured approach in preparing the estimates. The budget estimates are the outcome of an exhaustive process, which commenced with Members agreeing underlying assumptions and a plan for developing a Medium Term Financial Strategy at the meeting of Policy and Resources Committee on 28 June 2017. The MTFS recognises that there is a high degree of uncertainty about the medium term financial position, and therefore incorporates various potential scenarios, representing favourable, neutral and adverse sets of circumstances. Budget proposals were developed to address the neutral and adverse scenarios. The neutral scenario budget proposals were subject to consultation with the relevant Service Committees.
- 2.3 There has been a thorough assessment of future spending pressures. In drawing up Strategic Revenue Projections, careful estimates have been made of the way in which spending is likely to increase and the potential sources of new spending pressures. There is considerable uncertainty about the impact of the new local government funding regime that is due to be implemented in 2020. For example, there will be severe pressures to spend money elsewhere in the public sector. Furthermore, there is a risk that, in assessing 'fair funding' levels for different local authorities, there will be a transfer of resources away from district councils to councils with direct responsibility for adults' and children's social care. An allowance has been made for the

potential impact of this change, in the form of an additional budget contingency of £1.3 million per annum.

- 2.4 Future financial projections have been checked against current performance as reported through the Council’s regular quarterly budget monitoring. The budget estimates have been reviewed in the light of the latest (2017/18 Quarter 3) budget monitoring information. Overall, current budget monitoring indicates a positive position, but where appropriate additional contingency has been included in respect of overspends that are likely to continue into 2018/19.
- 2.5 The table below sets out the specific factors that have been taken into account in the process of drawing up the MTFs and setting the 2018/19 budget.

The Council's corporate objectives and key priorities	The estimates reflect the level of resources required to achieve the key outcomes from the Council’s priorities within the Strategic Plan. The estimates also include resources to deliver the outcomes of other key strategies including partnership working.
Consultation with Council Taxpayers	The results of the 2017 Residents’ Survey and the views expressed in prior year consultations have been taken into account when developing the Medium Term Financial Strategy and budget proposals.
Consultation with Business Ratepayers	The Council discusses its Medium Term Financial Strategy with representatives of the business community and publishes details of budget proposals. Business ratepayers may make written representations and these will be considered as part of the budget process.
Consultation with Service Committees	The Policy & Resources Committee has consulted each of the Service Committees on the budget proposals. None of the Service Committees has proposed any changes to the initial budget proposals.
The level of funding likely from Central Government towards the costs of local services	The level of Revenue Support Grant has fallen to zero with effect from 2017/18 and this is reflected in the Strategic Revenue Projections. Other government grants are normally service specific and the amount and future risk is considered as part of the service budget and service risk assessment.
Retained element of business rates	Since 1 April 2013 a proportion of business rates income has been retained by the Council, separately from Revenue Support Grant. The amount of business rates income due to the Council under existing arrangements has been projected using prudent assumptions and has been reflected in the Strategic Revenue Projections. Additional income is anticipated as a result of the Council’s participation in the Kent & Medway Business Rates Pool and will be earmarked as a separate exercise from the main budget setting process.

<p>Council Tax Base</p>	<p>The recommended council tax base for 2018/19 is 60,921.6 and represents a 2.5% increase in the tax base over the 2017/18 figure.</p>
<p>Power of the Secretary of State to require a local referendum in respect of rising Council Tax levels</p>	<p>The Localism Act 2011 contained requirements for the Council to hold a referendum in circumstances where it plans an increase in council tax that is considered excessive and due regard has been paid to this requirement. This is consistent with the objective of the Medium Term Financial Strategy for the revenue budget to achieve a balanced budget whilst maintaining a reasonable level of council tax increase.</p>
<p>The Prudential Code and its impact on Capital Planning</p>	<p>The Council uses a number of sources for the financing of its capital expenditure. The main source in recent years has been New Homes Bonus but financing also includes the use of capital receipts, capital grants and contributions and revenue resources.</p> <p>Within the current strategy it is envisaged that the Council will use prudential borrowing in future, in line with the requirements of the Prudential Code. A major objective of the Prudential Code is to ensure, within a clear framework, that the capital expenditure plans of the authority are affordable, prudent and sustainable. These principles are set out in the Medium Term Financial Strategy statement for capital with specific details contained in the Council's Treasury Management Strategy.</p>
<p>The Council's Capital Programme</p>	<p>The Council's capital programme is based on the principles of prioritisation, affordability and deliverability. The Council has adopted a Medium Term Financial Strategy for capital which sets out the planning process and priorities for capital.</p>
<p>Interest Rates</p>	<p>Interest costs and returns have been assumed based on the advice of the Council's treasury management advisors as set out in the Treasury Management Strategy. Where prudential borrowing is undertaken, interest costs are fixed at the start of the loan term.</p>
<p>Adequacy of Balances</p>	<p>At the start of 2018/19 it is anticipated that the uncommitted general fund balance will be £4.2m, falling to £4.0m by 31st March 2019. The adequacy of reserves is discussed in more detail below.</p>
<p>Earmarked Reserves</p>	<p>The Council maintains a series of Earmarked Reserves to manage more effectively the resources set aside for specific activities. By 31 March 2019 these reserves are estimated to be £2.3m.</p>

Pay and Price Inflation	The MTFS takes account of the impact of inflation on service expenditure, based on current predictions of the future level of inflation. Included within the budget is suitable provision for these increases.
Fees and Charges	The Council's strategy is to maximise income, subject to market conditions, opportunities, comparable charges elsewhere and the impact of charges on the delivery of key objectives. The Council has approved a policy on the use of fees and charges and service managers have regard to that policy when proposing changes to fees and charges. Increased levels of fees and charges are incorporated in the 2018/19 budget where these have been proposed and subsequently agreed by Members.
Growth Pressures	The Budget for 2018/19 and the projections within the MTFS for the revenue budget include all known and quantified key priorities and growth pressures that the Council is aware of at the present time. New priorities and growth pressures are anticipated to emerge over the period and in consequence, the strategy will be updated at least annually. There is an expectation that expenditure on expanding and improving services should be accommodated by direct charges to service users or reductions elsewhere within the Council's budget from efficiencies and low priority services through a prioritisation process.
Achieving budget savings	The MTFS depends on the delivery of budgeted savings. The Council has a good track record of delivering planned savings and regular budget monitoring ensures that prompt action is taken where savings are delayed. The deliverability of future savings is assessed as part of the budget preparation process.
Financial Management	The Council's financial information, management and reporting arrangements are sound and its procedures in relation to budget under / overspends are clear. Collection rates for council tax and business rates remain satisfactory. The Council's external auditor has found the Council's budgetary control procedures to be sound and is satisfied with the overall internal financial control arrangements, the Council's arrangements for ensuring the legality of transactions and has given an unqualified opinion on the 2016/17 Accounts. It is anticipated that a similar position will be reported for future years.

<p>Insurance Arrangements and Business Continuity</p>	<p>Risks identified via the preparation of Service Risk Registers have wherever possible been mitigated to an acceptable level. Any remaining risks have been transferred to an external insurance provider where possible. In addition, specific arrangements are in place to ensure the continuity of business in the event of both major and minor disruptions to services. As insurance premiums are reactive to the external perception of the risks faced by local authorities and to market pressures, both risks and excess levels are kept under constant review. The Council has a well established Business Continuity Plan for key services.</p>
<p>Corporate Governance and Risk Management</p>	<p>The Council has adopted a local Code of Corporate Governance based upon the requirements of the CIPFA/SOLACE Corporate Governance framework. This incorporates risk management and the Council has a risk management strategy involving the preparation of risk registers at a Corporate level and for each Service area. The Council has had an established and effective Audit Committee since 2007.</p>

### **3. Adequacy of Reserves**

3.1 The Council maintains reserves as a financial safety net to allow for unforeseen circumstances. There is no statutory definition of a minimum level of reserves. Rather, it is accepted that minimum prudent level of reserves that the Council should maintain is a matter of judgement.

3.2 The Council has set a target for the minimum General Fund balance of £2 million. It is useful to establish a benchmark in this way but in the end the appropriate level of reserves is likely to fluctuate depending on the degree of risk that the Council faces. It is even possible that a given level of reserves may be excessive, if there is no likelihood of their being required, and there is an opportunity cost from failing to use the money in some more productive way.

3.3 The corporate risks faced by the Council, which might give rise to a call on reserves, include the following:

- breakdown of governance controls
- legal / compliance breaches
- inadequate workforce capacity / skills
- project failure
- ICT system failure / security
- poor partner relationships
- housing pressures continue to increase
- financial restrictions.

These risks are kept under regular review and mitigations developed as appropriate.

3.4 Specific financial risks facing the Council include the following:

- Failure to contain expenditure within agreed budgets

- Fees and Charges fail to deliver sufficient income
- Commercialisation fails to deliver additional income
- Planned savings are not delivered
- Shared services fail to meet budget
- Council holds insufficient balances
- Inflation rate predictions underlying MTFS are inaccurate
- Adverse impact from changes in local government funding
- Constraints on council tax increases
- Capital programme cannot be funded
- Increased complexity of government regulation
- Collection targets for Council Tax and Business Rates missed
- Business Rates pool fails to generate sufficient growth.

These risks are likewise kept under regular review and mitigating actions taken. The financial risks, and an up to date evaluation of each, are reported to each meeting of the Audit, Governance and Standards Committee.

- 3.5 The Council's risk management strategy and policies seek to identify risk such those outlined above and to promote appropriate mitigations. Nevertheless, there will remain a degree of residual risk, and it is for this reason that it is appropriate to hold reserves.
- 3.6 The uncommitted General Fund balance as at 31 March 2018 is projected to be £4.2 million. Other earmarked balances total £2.1 million. As at 31 March 2019, the General Fund balance is projected to be £4.0 million with earmarked balances totalling £2.3 million. This is above the minimum level of balances set by the Council but is appropriate given the variety and potential severity of risks that the Council faces.
- 3.7 Taking into account the risks that the Council faces, and the overall scale and scope of the Council's activities, I consider the level of reserves to be adequate but not excessive. The level of reserves remains under regular review and is reported to Members as part of the quarterly budget monitoring process.

## 4. Conclusion

- 4.1 I am of the opinion that the approach taken in developing the 2018/19 budget meets the requirements contained in the Local Government Act 2003 to ensure the robustness of the estimates and the adequacy of reserves.

Mark Green  
Director of Finance and Business Improvement

Date: 28 February 2018

**REVENUE ESTIMATE 2018/19 TO 2022/23  
STRATEGIC REVENUE PROJECTION (Neutral)**

2017/18 £000		2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
<b>AVAILABLE FINANCE</b>						
14,732	COUNCIL TAX	15,407	15,951	16,514	17,097	17,700
	TARIFF / TOP-UP ADJUSTMENT		-1,589	-1,589	-2,889	-2,889
3,044	RETAINED BUSINESS RATES	3,136	3,254	3,319	3,385	3,453
1,025	BR GROWTH	1,237	1,250	0	500	500
96	COLLECTION FUND ADJUSTMENT	-418				
<b>18,897</b>	<b>BUDGET REQUIREMENT</b>	<b>19,362</b>	<b>18,866</b>	<b>18,244</b>	<b>18,094</b>	<b>18,765</b>
19,293	OTHER INCOME	19,509	19,707	19,897	20,090	20,285
<b>38,190</b>	<b>TOTAL RESOURCES AVAILABLE</b>	<b>38,871</b>	<b>38,573</b>	<b>38,142</b>	<b>38,184</b>	<b>39,050</b>
<b>EXPECTED SERVICE SPEND</b>						
36,500	<b>CURRENT SPEND</b>	38,190	38,871	38,573	38,142	38,184
<b>INFLATION &amp; CONTRACT INCREASES</b>						
560	PAY, NI & INFLATION INCREASES	960	826	852	878	905
	MAIDSTONE HOUSE RENT INCREASE	40	40			
<b>NATIONAL INITIATIVES</b>						
25	LOSS OF ADMINISTRATION GRANT	100				
0	PENSION DEFICIT FUNDING	34	36	150	150	150
180	PLANNING SERVICE	70				
<b>LOCAL PRIORITIES</b>						
94	HOMELESSNESS PREVENTION	36				
235	TEMPORARY ACCOMMODATION	100				
	HEATHER HOUSE	25				
200	REPLACE CONTINGENCY					
50	MUSEUM					
200	LOCAL PLAN REVIEW	0				
	PLANNING APPEALS	400	-400			
	PLANNING ENFORCEMENT	100	-100			
96	MOTE PARK CAFÉ - NEW CONTRACT	-56				
	LOSS OF INTEREST INCOME	120				
	MARKET - LOSS OF INCOME	40				
	REVENUE COSTS OF CAPITAL PROGRAMME	123	487	470	350	315
50	GROWTH PROVISION	50	50	50	50	50
<b>38,190</b>	<b>TOTAL PREDICTED REQUIREMENT</b>	<b>40,331</b>	<b>39,810</b>	<b>40,094</b>	<b>39,570</b>	<b>39,604</b>
<b>SAVINGS REQUIRED</b>		<b>-1,461</b>	<b>-1,237</b>	<b>-1,953</b>	<b>-1,386</b>	<b>-554</b>
<b>SAVINGS IDENTIFIED</b>		<b>1,558</b>	<b>1,007</b>	<b>1,014</b>	<b>860</b>	<b>608</b>
<b>PROJECTED EARLY DELIVERY OF SAVINGS</b>		<b>-97</b>	<b>97</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SURPLUS / DEFICIT</b>		<b>0</b>	<b>-133</b>	<b>-939</b>	<b>-526</b>	<b>54</b>

## APPENDIX A

### THE MAIDSTONE BOROUGH COUNCIL STATEMENT OF COUNCIL TAX REQUIREMENT - 2018/19

	£	£	<b>BAND D</b> £
<b>MAIDSTONE BOROUGH COUNCIL NET SPEND</b>		19,361,980	317.82
<b>ADD:</b>			
Parish Precepts		1,811,097	29.73
<b>DEDUCT:</b>			
Retained Business Rates	-3,135,707		
Retained Business Rates Growth	-1,237,336		
Collection Fund Adjustment	<u>418,136</u>	-3,954,907	-64.92
<b>TOTAL COUNCIL TAX REQUIREMENT</b>		<u>17,218,170</u>	<u>282.63</u>
<b>ADD PRECEPTS</b>			
Kent County Council Precept		71,256,340	1,169.64
Kent County Council Adult Social Care Charge		4,145,106	68.04
Kent Police & Crime Commissioner Precept		10,304,889	169.15
Kent & Medway Fire & Rescue Authority Precept		<u>4,600,423</u>	<u>75.51</u>
<b>TOTAL COUNCIL TAX REQUIREMENT</b>		<u>107,524,928</u>	<u>1,764.97</u>
<b>MAIDSTONE BOROUGH COUNCIL (EXCLUDING PARISH PRECEPTS)</b>			252.90
<b>TOTAL COUNCIL TAX (EXCLUDING PARISH PRECEPTS)</b>			1,735.24
<b>TAX BASE</b>			60,921.6

**MAIDSTONE BOROUGH COUNCIL REVENUE ESTIMATES**

**REVISED ESTIMATE 2017/18 AND ESTIMATE 2018/19**

**COMMITTEE SUMMARY**

<b>Cost Centre/Service</b>	<b>Original Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 £</b>
Policy & Resources	6,564,030	7,370,240	7,518,050
Strategic Planning, Sustainability & Transportation	-1,020,660	-1,094,760	-1,227,240
Communities, Housing & Environment	8,773,840	8,042,550	7,944,440
Heritage, Culture & Leisure	410,590	1,449,590	1,333,460
	<b>14,727,800</b>	<b>15,767,620</b>	<b>15,568,710</b>
Slippage	-314,500	-238,670	-395,904
	<b>14,413,300</b>	<b>15,528,950</b>	<b>15,172,806</b>
Transfers to and from General Balances	-78,540	-1,081,690	10,000
Transfers to and from Earmarked Reserves	4,562,130	4,449,630	4,179,310
<b>Net Revenue Expenditure</b>	<b>18,896,890</b>	<b>18,896,890</b>	<b>19,362,116</b>

**SUMMARY ESTIMATE 2018/19 - BY COMMITTEE**

<b>Cost Centre/Service</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 (Expenditure) £</b>	<b>Estimate 2018/19 (Income) £</b>	<b>Estimate 2018/19 £</b>
<b>Policy &amp; Resources</b>					
Contingency	200,000	342,520	248,210		248,210
Unapportionable Central Overheads	1,751,580	1,787,370	1,777,370		1,777,370
Non Service Related Government Grants	-4,001,420	-3,864,370		-3,218,600	-3,218,600
Appropriation Account	1,010,710	964,920	980,940		980,940
<b>Balances, Pensions &amp; Appropriations Total</b>	<b>-1,039,130</b>	<b>-769,560</b>	<b>3,006,520</b>	<b>-3,218,600</b>	<b>-212,080</b>
Business Support & Enterprise		22,000			0
Town Centre Management Sponsorship		15,000			0
Business Terrace	69,820	70,640	167,590	-94,370	73,220
Phase 3 -Business Terrace Expansion			72,390	-71,950	440
<b>Business Support Total</b>	<b>69,820</b>	<b>107,640</b>	<b>239,980</b>	<b>-166,320</b>	<b>73,660</b>
Council Tax Collection	-328,900	-303,190	116,620	-418,060	-301,440
Council Tax Benefits Administration	-163,800	-158,480		-158,480	-158,480
NNDR Collection	-240,370	-227,780	17,120	-250,970	-233,850
Registration Of Electors	59,210	120,600	49,030	-2,290	46,740
Elections	102,250	115,270	117,290	-420	116,870
External Interest Payable	124,980	124,980	231,610		231,610
Interest & Investment Income	-220,000	-220,000		-100,000	-100,000
<b>Central Services to the Public Total</b>	<b>-666,630</b>	<b>-548,600</b>	<b>531,670</b>	<b>-930,220</b>	<b>-398,550</b>
Palace Gatehouse	-10,660	-7,620	2,450	-10,100	-7,650
Archbishops Palace	-99,210	-98,930	39,590	-139,340	-99,750
Parkwood Industrial Estate	-307,340	-313,420	12,700	-329,390	-316,690
Industrial Starter Units	-20,170	-23,660	28,290	-51,210	-22,920
Parkwood Equilibrium Units	-39,030	-55,530	50,940	-110,170	-59,230
Sundry Corporate Properties	-97,100	17,870	69,740	-368,900	-299,160
Parks Dwellings	-16,580	-50,390	25,300	-76,190	-50,890
Chillington House	-34,630	-24,500	8,500	-33,330	-24,830
Phoenix Park Units	-217,910	-214,940	16,870	-233,740	-216,870
Granada House - Commercial	-115,840	-111,760	27,990	-139,970	-111,980
Granada House - Residential	-105,950	-105,060	940	-107,010	-106,070
Heronden Road Units		-122,310	6,140	-157,570	-151,430
<b>Commercial Investments Total</b>	<b>-1,064,420</b>	<b>-1,110,250</b>	<b>289,450</b>	<b>-1,756,920</b>	<b>-1,467,470</b>
Performance & Development	14,800	9,030	9,240		9,240
Corporate Projects	42,840	46,450	40,450		40,450
Press & Public Relations	40,050	31,330	30,990		30,990
Corporate Management	103,000	101,740	92,060		92,060
<b>Corporate Management Total</b>	<b>200,690</b>	<b>188,550</b>	<b>172,740</b>	<b>0</b>	<b>172,740</b>
Economic Development Section	228,320	284,390	278,630		278,630
Head of Economic and Commercial Dev.	95,500	102,340	98,920		98,920
Democratic Services Section	136,030	135,770	162,090		162,090
Mayoral & Civic Services Section	104,710	104,670	105,390		105,390
Chief Executive	160,680	168,710	173,810		173,810
Communications Section	78,900	196,320	178,340		178,340
Policy & Information	213,120	214,930	220,470		220,470
Head of Policy and Communications	104,850	105,130	107,230		107,230
Democratic & Admin.Services Manager	45,960				0
Registration Services Section	128,850	129,860	134,040		134,040
Director of Finance & Business Imp.	134,010	136,030	137,330		137,330
Accountancy Section	641,910	673,500	699,130	-14,380	684,750
Director of Regeneration & Place	134,110	135,240	136,570		136,570
Property & Procurement Manager	81,060	41,760			0
Procurement Section	69,980	68,040	148,090	-76,050	72,040
Property & Projects Section	264,330	251,650	258,710		258,710
Facilities & Corporate Support Section	409,710	367,910	418,910		418,910
Improvement Section	240,900	283,630	251,170		251,170
Executive Support	156,820	155,920	159,900		159,900
Head of Commissioning & Business Improvement		209,010	126,130		126,130
Customer Services Manager	75,190				0
Customer Services Section	613,410	639,480	599,020		599,020
<b>Corporate Support Services Total</b>	<b>4,118,350</b>	<b>4,404,290</b>	<b>4,393,880</b>	<b>-90,430</b>	<b>4,303,450</b>
Civic Occasions	34,850	35,850	36,390		36,390
Members Allowances	342,540	365,840	371,000		371,000
Members Facilities	40,100	39,340	39,940		39,940
Subscriptions	18,100	7,240	7,390		7,390
<b>Democratic Representation Total</b>	<b>435,590</b>	<b>448,270</b>	<b>454,720</b>	<b>0</b>	<b>454,720</b>
Economic Dev - Promotion & Marketing	800	36,320	4,130	-3,500	630
<b>Economic Development Total</b>	<b>800</b>	<b>36,320</b>	<b>4,130</b>	<b>-3,500</b>	<b>630</b>
Economic Research		6,750			0
<b>Economic Research Total</b>	<b>0</b>	<b>6,750</b>	<b>0</b>	<b>0</b>	<b>0</b>
Emergency Centre	29,080	36,280	32,960		32,960
<b>Emergency Planning Total</b>	<b>29,080</b>	<b>36,280</b>	<b>32,960</b>	<b>0</b>	<b>32,960</b>
Housing Benefits Administration	-450,700	-437,220		-337,220	-337,220

Cost Centre/Service	Original Approved Estimate 2017/18 £	Revised Estimate 2017/18 £	Estimate 2018/19 (Expenditure) £	Estimate 2018/19 (Income) £	Estimate 2018/19 £
<b>Housing Benefit Administration Total</b>	<b>-450,700</b>	<b>-437,220</b>	<b>0</b>	<b>-337,220</b>	<b>-337,220</b>
Medway Conservancy	108,870	108,870	115,400		115,400
<b>Levies Total</b>	<b>108,870</b>	<b>108,870</b>	<b>115,400</b>	<b>0</b>	<b>115,400</b>
Town Hall	81,470	85,110	90,380	-3,990	86,390
South Maidstone Depot	133,430	134,350	136,770		136,770
The Link King Street	91,730	97,310	349,600	-241,390	108,210
Maidstone House	1,057,670	1,159,540	1,239,540	-124,430	1,115,110
<b>Office Accommodation Total</b>	<b>1,364,300</b>	<b>1,476,310</b>	<b>1,816,290</b>	<b>-369,810</b>	<b>1,446,480</b>
Rent Allowances	-203,330	-222,790	44,769,080	-44,991,870	-222,790
Non HRA Rent Rebates	-5,000	-4,550	450,670	-455,220	-4,550
Discretionary Housing Payments	1,000	1,210	251,400	-250,190	1,210
<b>Rent Rebates Total</b>	<b>-207,330</b>	<b>-226,130</b>	<b>45,471,150</b>	<b>-45,697,280</b>	<b>-226,130</b>
Mid Kent Improvement Partnership		290	141,650	-141,090	560
Revenues Section	344,570	448,720	773,010	-333,350	439,660
Benefits Section	432,300	437,610	747,740	-309,710	438,030
Head of Revenues & Benefits		85,280	107,880	-42,070	65,810
Revenues & Benefits Business Support	136,010	143,650	388,000	-253,130	134,870
Fraud & Visiting Partnership Section	47,300	62,120	215,640	-163,350	52,290
Mid Kent Audit Partnership	196,370	204,010	700,440	-494,480	205,960
Legal Services Section	483,150	482,850	551,030	-60,000	491,030
Revenues & Benefits Manager	233,980				0
Mid Kent ICT Services	680,060	681,410	1,583,830	-890,610	693,220
GIS Section	102,440	102,850	173,690	-68,790	104,900
Director of Mid Kent Services	24,820	39,020	119,040	-80,700	38,340
Mid Kent HR Services Section	360,880	370,170	627,650	-248,720	378,930
MBC HR & Payroll Section	228,400	145,930	228,510	-19,530	208,980
I.T. Operational Services	327,190	383,380	244,330		244,330
Central Telephones	60,200	60,200	61,400		61,400
<b>Shared Services Total</b>	<b>3,657,670</b>	<b>3,647,490</b>	<b>6,663,840</b>	<b>-3,105,530</b>	<b>3,558,310</b>
Mid Kent ITC Software	187,420	187,420	521,820	-334,400	187,420
Youth Development Programme	48,200	48,250	48,620	-170	48,450
Internal Printing	-85,240	-87,290	49,860	-136,130	-86,270
Debt Recovery Service	-143,310	-147,150	727,550	-876,000	-148,450
<b>Trading Accounts Total</b>	<b>7,070</b>	<b>1,230</b>	<b>1,347,850</b>	<b>-1,346,700</b>	<b>1,150</b>
<b>Policy &amp; Resources</b>	<b>6,564,030</b>	<b>7,370,240</b>	<b>64,540,580</b>	<b>-57,022,530</b>	<b>7,518,050</b>

**POLICY & RESOURCES COMMITTEE**

<b>Subjective Analysis</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 £</b>
Employee Direct	8,446,060	8,803,050	9,415,090
Employee Other	1,876,060	2,058,250	1,748,400
Repairs & Maintenance	380,120	406,170	404,020
Utilities	373,430	373,430	405,060
Premises Other	1,423,800	1,626,550	1,493,310
Vehicle & Transport	154,380	149,660	152,160
Equipment & Furniture	1,086,570	1,135,900	1,113,790
Supplies & Services Other	574,610	1,420,630	804,150
Printing & Stationery	205,800	181,900	145,430
Professional Services	544,370	687,070	576,030
Security & Protection	34,960	35,450	36,150
Subsistence & Training	165,760	108,510	162,340
Allowances	332,280	355,580	360,910
Grants & Contributions Paid	233,740	246,940	345,910
General Insurances	13,160	14,890	15,310
Information & Communications	25,350	8,910	9,400
Agency & Contractor	839,440	823,010	894,600
Benefits	46,974,200	45,471,150	45,471,150
Leasing & Capital Charges	1,017,140	971,350	987,370
Grants & Contributions Received	-54,621,320	-53,699,840	-52,927,960
Income Other	-1,258,890	-1,334,420	-1,156,040
Fees & Charges	-866,150	-917,290	-1,092,050
Rent	-1,390,840	-1,556,610	-1,846,480
<b>Policy &amp; Resources</b>	<b>6,564,030</b>	<b>7,370,240</b>	<b>7,518,050</b>

**SUMMARY ESTIMATE 2018/19 - BY COMMITTEE**

<b>Cost Centre/Service</b>	<b>Original Approved Estimate 2017/18</b>	<b>Revised Estimate 2017/18</b>	<b>Estimate 2018/19 (Expenditure)</b>	<b>Estimate 2018/19 (Income)</b>	<b>Estimate 2018/19</b>
	£	£	£	£	£
<b>Strategic Planning, Sustainability and Transportation</b>					
Building Regulations Chargeable	-320,160	-320,160	6,820	-326,850	-320,030
Building Control	-990	-990	2,000	-3,020	-1,020
Street Naming & Numbering	-49,000	-49,000		-49,000	-49,000
<b>Building Control Total</b>	<b>-370,150</b>	<b>-370,150</b>	<b>8,820</b>	<b>-378,870</b>	<b>-370,050</b>
Land Charges	-233,400	-234,010	36,350	-335,550	-299,200
<b>Central Services to the Public Total</b>	<b>-233,400</b>	<b>-234,010</b>	<b>36,350</b>	<b>-335,550</b>	<b>-299,200</b>
Development Management Section	787,690	898,560	864,420		864,420
Spatial Policy Planning Section	442,350	398,530	396,470		396,470
Head of Planning and Development	102,100	161,070	104,430		104,430
Development Mgt.Enforcement Section	143,850	146,890	169,160		169,160
Building Surveying Section	358,410	358,490	367,640		367,640
Heritage Landscape and Design Section	171,560	170,790	175,700		175,700
Planning Business Management	107,200	117,720	72,220		72,220
Parking Services Section	310,600	308,580	433,040	-109,410	323,630
<b>Corporate Support Services Total</b>	<b>2,423,760</b>	<b>2,560,630</b>	<b>2,583,080</b>	<b>-109,410</b>	<b>2,473,670</b>
Development Control Advice	-115,000	-115,000		-115,000	-115,000
Development Control Applications	-1,295,980	-1,304,440	125,320	-1,559,060	-1,433,740
Development Control Appeals	119,410	119,410	121,800		121,800
Development Control Enforcement	64,520	64,520	165,810		165,810
<b>Development Control Total</b>	<b>-1,227,050</b>	<b>-1,235,510</b>	<b>412,930</b>	<b>-1,674,060</b>	<b>-1,261,130</b>
Environment Improvements	17,170	16,440	16,450		16,450
Name Plates & Notices	17,600	17,600	17,950		17,950
<b>Network &amp; Traffic Management Total</b>	<b>34,770</b>	<b>34,040</b>	<b>34,400</b>	<b>0</b>	<b>34,400</b>
On Street Parking	-273,530	-297,440	410,250	-698,710	-288,460
Residents Parking	-223,000	-223,180	45,090	-267,180	-222,090
Pay & Display Car Parks	-1,580,200	-1,598,710	388,090	-2,138,340	-1,750,250
Non Paying Car Parks	9,300	9,700	10,000	-10	9,990
Off Street Parking - Enforcement	-188,370	-164,530	167,780	-327,750	-159,970
Mote Park Pay & Display	-175,180	-175,020	29,530	-203,910	-174,380
Mote Park - Enforcement	24,660				0
Sandling Road Car Park	-111,770	-111,770	128,600	-240,100	-111,500
<b>Parking Services Total</b>	<b>-2,518,090</b>	<b>-2,560,950</b>	<b>1,179,340</b>	<b>-3,876,000</b>	<b>-2,696,660</b>
Planning Policy	200,000	31,950	200,000		200,000
Neighbourhood Planning		4,740	0		
Conservation	-11,470	-11,470	10,000	-21,470	-11,470
<b>Planning Policy Total</b>	<b>188,530</b>	<b>25,220</b>	<b>210,000</b>	<b>-21,470</b>	<b>188,530</b>
Park & Ride	198,900	188,390	563,950	-366,720	197,230
Socially Desirable Buses	63,780	63,780	48,130		48,130
Other Transport Services	-9,300	-9,300	15,700	-25,250	-9,550
<b>Public Transport Total</b>	<b>253,380</b>	<b>242,870</b>	<b>627,780</b>	<b>-391,970</b>	<b>235,810</b>
Mid Kent Planning Support Service	396,070	430,230	671,930	-237,470	434,460
Mid Kent Local Land Charges Section	31,520	12,870	135,090	-102,160	32,930
<b>Shared Services Total</b>	<b>427,590</b>	<b>443,100</b>	<b>807,020</b>	<b>-339,630</b>	<b>467,390</b>
<b>Strategic Planning, Sustainability and Transportation</b>	<b>-1,020,660</b>	<b>-1,094,760</b>	<b>5,899,720</b>	<b>-7,126,960</b>	<b>-1,227,240</b>

**STRATEGIC PLANNING, SUSTAINABILITY & TRANSPORTATION COMMITTEE**

<b>Subjective Analysis</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 £</b>
Employee Direct	3,103,070	3,086,730	3,131,280
Employee Other	29,290	114,400	-51,510
Repairs & Maintenance	182,720	195,150	192,650
Utilities	13,240	13,040	14,350
Premises Other	241,530	259,740	255,980
Vehicle & Transport	512,680	494,430	507,720
Equipment & Furniture	80,310	74,960	76,480
Supplies & Services Other	228,730	219,940	208,660
Printing & Stationery	27,330	35,530	36,220
Professional Services	611,070	517,850	675,400
Security & Protection	71,000	95,740	172,420
Subsistence & Training	2,550	13,350	2,590
Grants & Contributions Paid	65,350	65,500	65,820
General Insurances	7,520	9,240	9,470
Information & Communications	5,000	470	500
Agency & Contractor	590,820	588,420	601,690
Grants & Contributions Received	-493,190	-499,810	-465,040
Income Other	-268,960	-276,660	-277,270
Fees & Charges	-6,026,960	-6,051,820	-6,377,620
Rent	-3,760	-50,960	-7,030
<b>Strategic Planning, Sustainability &amp; Transportation</b>	<b>-1,020,660</b>	<b>-1,094,760</b>	<b>-1,227,240</b>

**SUMMARY ESTIMATE 2017/18 - BY COMMITTEE**

<b>Cost Centre/Service</b>	<b>Original Approved Estimate 2017/18</b>	<b>Revised Estimate 2017/18</b>	<b>Estimate 2018/19 (Expenditure)</b>	<b>Estimate 2018/19 (Income)</b>	<b>Estimate 2018/19</b>
	£	£	£	£	£
<b>Communities, Housing &amp; Environment</b>					
Grants	205,270	206,270	195,270		195,270
Delegated Grants	2,100	2,100	2,100		2,100
Parish Services	130,170	130,170	127,320		127,320
<b>Central Services to the Public Total</b>	<b>337,540</b>	<b>338,540</b>	<b>324,690</b>	<b>0</b>	<b>324,690</b>
Social Inclusion		40,510			0
<b>Community Development Total</b>	<b>0</b>	<b>40,510</b>	<b>0</b>	<b>0</b>	<b>0</b>
Community Safety	66,440	66,440	42,770		42,770
Building Safer Communities			32,250	-32,250	0
C C T V	192,350	191,310	214,410	-21,100	193,310
<b>Community Safety Total</b>	<b>258,790</b>	<b>257,750</b>	<b>289,430</b>	<b>-53,350</b>	<b>236,080</b>
Head of Environment and Public Realm	86,660	86,750	92,090		92,090
Environmental Ops.Enforcement Section	317,340				0
Community Partnerships & Resilience Section	127,950	476,380	473,340		473,340
Licensing Section	104,300	104,460	107,050		107,050
Environmental Protection Section	237,070	235,860	240,820		240,820
Food and Safety Section	292,700	290,620	249,630		249,630
Depot Services Section	432,680	636,760	653,460		653,460
Head of Housing & Community Services	102,800	102,960	104,760		104,760
Housing & Enabling Section	328,060	197,540	199,990		199,990
Housing & Inclusion Section	501,660	552,390	555,420		555,420
Housing & Health Section	282,440	263,340	288,790		288,790
<b>Corporate Support Services Total</b>	<b>2,813,660</b>	<b>2,947,060</b>	<b>2,965,350</b>	<b>0</b>	<b>2,965,350</b>
Drainage	31,700	31,700	31,720		31,720
<b>Flood Defences &amp; Land Drainage Total</b>	<b>31,700</b>	<b>31,700</b>	<b>31,720</b>	<b>0</b>	<b>31,720</b>
Homeless Temporary Accommodation	424,450	416,270	895,100	-336,070	559,030
Homelessness Prevention	245,400	288,100	284,640		284,640
Aylesbury House	20,170	23,080	100,710	-58,640	42,070
Magnolia House	-5,960	-8,270	36,820	-39,040	-2,220
Marsham Street	31,360	40,160	85,790	-39,070	46,720
Sundry Temporary Accommodation (TA) Properties	7,180	3,980	23,850	-43,480	-19,630
2 Bed Property - Temporary Accommodation		3,990	30,490	-41,640	-11,150
3 Bed Property - Temporary Accommodation		-80	18,240	-28,040	-9,800
4 bed Property - Temporary Accommodation		-970	10,200	-19,600	-9,400
<b>Homelessness Total</b>	<b>722,600</b>	<b>766,260</b>	<b>1,485,840</b>	<b>-605,580</b>	<b>880,260</b>
Housing Register & Allocations	10,000	10,000	10,200		10,200
<b>Housing Advice Total</b>	<b>10,000</b>	<b>10,000</b>	<b>10,200</b>	<b>0</b>	<b>10,200</b>
Strategic Housing Role	13,500	13,500	13,770		13,770
<b>Housing Strategy Total</b>	<b>13,500</b>	<b>13,500</b>	<b>13,770</b>	<b>0</b>	<b>13,770</b>
Marden Caravan Site (Stilebridge Lane)	19,020	18,950	48,500	-29,510	18,990
Ulcombe Caravan Site (Water Lane)	6,930	6,850	45,570	-38,690	6,880
<b>Other Council Properties Total</b>	<b>25,950</b>	<b>25,800</b>	<b>94,070</b>	<b>-68,200</b>	<b>25,870</b>
Private Sector Renewal	-47,370	-47,370	2,680	-50,000	-47,320
HMO Licensing	-13,380	-13,380		-14,380	-14,380
<b>Private Sector Housing Renewal Total</b>	<b>-60,750</b>	<b>-60,750</b>	<b>2,680</b>	<b>-64,380</b>	<b>-61,700</b>
Public Health - Obesity			94,000	-94,000	0
Public Health - Misc Services		13,620	58,300	-58,300	0
<b>Public Health Total</b>	<b>0</b>	<b>13,620</b>	<b>152,300</b>	<b>-152,300</b>	<b>0</b>
Recycling Collection	562,060	638,250	1,941,040	-1,227,410	713,630
<b>Recycling Total</b>	<b>562,060</b>	<b>638,250</b>	<b>1,941,040</b>	<b>-1,227,410</b>	<b>713,630</b>
Licences	-6,800	-6,800	25,210	-28,890	-3,680
Licensing Statutory	-71,040	-71,040	61,330	-131,320	-69,990
Licensing Non Chargeable	7,030	7,030	7,350		7,350
Dog Control	24,150	24,150	28,610	-3,900	24,710
Health Promotion		1,750			0
Health Improvement Programme	8,800	8,800	8,980		8,980
Pollution Control - General	25,940	232,110	38,970	-11,590	27,380
Contaminated Land			1,020	-1,000	20
Environmental Enforcement	13,580	13,580	36,320	-2,520	33,800
Food Hygiene	8,840	8,840	10,960	-1,910	9,050
Sampling	3,300	3,300	3,370		3,370
Occupational Health & Safety	23,670	23,670	24,720	-570	24,150
Infectious Disease Control	960	1,000	980		980
Noise Control	1,160	1,200	1,200		1,200
Pest Control	-12,000	-12,000	150	-12,120	-11,970
Public Conveniences	139,590	128,460	137,400		137,400
Licensing - Hackney & Private Hire	-68,400	-68,400	72,870	-138,920	-66,050
<b>Regulatory Services Total</b>	<b>98,780</b>	<b>295,650</b>	<b>459,440</b>	<b>-332,740</b>	<b>126,700</b>
Street Cleansing	967,030	967,940	985,870	-33,260	952,610
<b>Street Cleansing Total</b>	<b>967,030</b>	<b>967,940</b>	<b>985,870</b>	<b>-33,260</b>	<b>952,610</b>
Commercial Waste Services	-66,090	-69,550	117,200	-188,170	-70,970

Cost Centre/Service	Original Approved Estimate 2017/18 £	Revised Estimate 2017/18 £	Estimate 2018/19 (Expenditure) £	Estimate 2018/19 (Income) £	Estimate 2018/19 £
<b>Trade Waste Total</b>	-66,090	-69,550	117,200	-188,170	-70,970
Fleet Workshop & Management	749,940	707,210	679,010		679,010
MBS Support Crew	-59,920	-52,300	104,410	-175,190	-70,780
Grounds Maintenance	1,316,850				0
Grounds Maintenance - Commercial		59,810	127,070	-100,170	26,900
<b>Trading Accounts Total</b>	2,006,870	714,720	910,490	-275,360	635,130
Household Waste Collection	1,052,200	1,111,550	1,310,340	-149,240	1,161,100
<b>Waste Collection Total</b>	1,052,200	1,111,550	1,310,340	-149,240	1,161,100
<b>Communities, Housing &amp; Environment</b>	<b>8,773,840</b>	<b>8,042,550</b>	<b>11,094,430</b>	<b>-3,149,990</b>	<b>7,944,440</b>

**COMMUNITIES, HOUSING & ENVIRONMENT COMMITTEE**

<b>Subjective Analysis</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 £</b>
Employee Direct	4,638,170	3,447,900	3,341,360
Employee Other	196,770	89,920	20,790
Repairs & Maintenance	197,770	209,590	207,370
Utilities	50,270	61,360	60,680
Premises Other	198,100	245,600	207,050
Vehicle & Transport	413,650	395,390	386,780
Equipment & Furniture	348,800	328,140	312,480
Supplies & Services Other	892,060	926,070	693,710
Printing & Stationery	10,670	10,670	10,060
Professional Services	1,310,160	1,143,320	1,107,920
Security & Protection	50,240	50,240	10,440
Subsistence & Training	200	5,860	100
Grants & Contributions Paid	367,440	571,500	350,060
General Insurances	6,950	4,490	4,700
Information & Communications	53,420	58,050	44,960
Agency & Contractor	2,942,870	3,895,450	4,143,560
Leasing & Capital Charges	248,650	192,410	192,410
Grants & Contributions Received	-234,550	-598,160	-234,550
Income Other	-1,003,860	-1,067,780	-1,072,000
Fees & Charges	-1,215,210	-1,275,860	-1,237,860
Rent	-698,730	-651,610	-605,580
<b>Communities, Housing &amp; Environment</b>	<b>8,773,840</b>	<b>8,042,550</b>	<b>7,944,440</b>

**SUMMARY ESTIMATE 2018/19 - BY COMMITTEE**

<b>Cost Centre/Service</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 (Expenditure) £</b>	<b>Estimate 2018/19 (Income) £</b>	<b>Estimate 2018/19 £</b>
<b>Heritage, Culture &amp; Leisure</b>					
Cemetery	-98,240	38,910	183,820	-142,270	41,550
National Assistance Act	-490	-490	2,040	-2,510	-470
Crematorium	-829,770	-753,260	457,300	-1,216,090	-758,790
Maintenance of Closed Churchyards	1,000		5,000		5,000
<b>Bereavement Services Total</b>	<b>-927,500</b>	<b>-714,840</b>	<b>648,160</b>	<b>-1,360,870</b>	<b>-712,710</b>
Leisure Services Section		52,120	53,810		53,810
Cultural Services Section	509,340	484,300	501,790		501,790
Visitor Economy Section		87,070	99,190	-11,390	87,800
Maidstone Culture & Leisure Section	137,620				0
Parks & Leisure Services Section	158,400				0
Bereavement Services Section	170,340	156,790	153,490		153,490
Market Section	76,000	74,330	76,880		76,880
<b>Corporate Support Services Total</b>	<b>1,051,700</b>	<b>854,610</b>	<b>885,160</b>	<b>-11,390</b>	<b>873,770</b>
Cultural Development Arts	28,110	17,040	14,800		14,800
Museum	275,900	302,560	372,340	-94,810	277,530
Carriage Museum	28,800	32,880	37,060	-2,000	35,060
Museum-Grant Funded Activities		56,380			0
Museum Café		-3,200	37,550	-41,010	-3,460
Hazlitt Arts Centre	266,450	266,270	267,680		267,680
Festivals and Events	-3,260	-3,260	28,490	-41,410	-12,920
<b>Culture &amp; Heritage Total</b>	<b>596,000</b>	<b>668,670</b>	<b>757,920</b>	<b>-179,230</b>	<b>578,690</b>
Market	-171,440	-176,500	176,000	-312,080	-136,080
<b>Economic Development Total</b>	<b>-171,440</b>	<b>-176,500</b>	<b>176,000</b>	<b>-312,080</b>	<b>-136,080</b>
Mote Park Adventure Zone				-57,000	-57,000
Parks & Open Spaces	59,230	857,850	806,170	-55,360	750,810
River Park	35,410				0
Playground Maintenance & Improvements	20,920	131,810	134,330		134,330
Parks Pavilions	25,080	22,300	25,410	-10	25,400
Mote Park	39,230	186,320	241,560	-54,140	187,420
Mote Park Cafe	9,210	6,000	236,980	-287,910	-50,930
Cobtree Manor Park	-132,890	-176,760	122,780	-178,810	-56,030
Kent Life	340	-400	44,250	-61,900	-17,650
Cobtree Manor Park Visitor Centre	-5,850	-7,630	243,850	-271,180	-27,330
Allotments	11,040	11,040	11,260		11,260
<b>Open Spaces Total</b>	<b>61,720</b>	<b>1,030,530</b>	<b>1,866,590</b>	<b>-966,310</b>	<b>900,280</b>
Lettable Halls	-2,490	10	6,800	-7,360	-560
Community Halls	46,930	44,890	88,830	-16,380	72,450
Leisure Centre	-218,370	-223,470	-23,600	-200,000	-223,600
Cobtree Golf Course	-66,830	-67,160	103,650	-156,950	-53,300
<b>Recreation &amp; Sport Total</b>	<b>-240,760</b>	<b>-245,730</b>	<b>175,680</b>	<b>-380,690</b>	<b>-205,010</b>
Tourism	26,100	18,080	33,900	-15,150	18,750
Museum Shop	-18,740	-18,740	25,970	-44,640	-18,670
Leisure Services Other Activities	33,510	33,510	34,440		34,440
<b>Tourism Total</b>	<b>40,870</b>	<b>32,850</b>	<b>94,310</b>	<b>-59,790</b>	<b>34,520</b>
<b>Heritage, Culture &amp; Leisure</b>	<b>410,590</b>	<b>1,449,590</b>	<b>4,603,822</b>	<b>-3,270,357</b>	<b>1,333,460</b>

## HERITAGE, CULTURE & LEISURE COMMITTEE

<b>Subjective Analysis</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 £</b>
Employee Direct	1,496,640	2,254,980	2,201,160
Employee Other	11,140	44,990	43,240
Repairs & Maintenance	569,790	552,660	556,920
Utilities	251,570	250,570	234,260
Premises Other	328,520	384,120	344,710
Vehicle & Transport	27,630	19,800	18,940
Equipment & Furniture	53,080	103,560	97,860
Supplies & Services Other	600,280	763,280	562,290
Printing & Stationery	8,110	7,610	7,720
Professional Services	110,260	237,150	158,860
Security & Protection	11,700	11,000	11,000
Subsistence & Training	1,500	6,100	1,500
Grants & Contributions Paid	17,100	18,600	16,930
General Insurances	33,720	38,740	39,520
Information & Communications	44,270	30,360	31,220
Agency & Contractor	247,580	239,580	246,470
Leasing & Capital Charges	0	31,220	31,220
Grants & Contributions Received	-10,160	-167,580	0
Income Other	-1,446,920	-1,412,530	-1,312,140
Fees & Charges	-1,709,490	-1,728,890	-1,690,140
Rent	-235,730	-235,730	-268,080
<b>Heritage, Leisure &amp; Culture</b>	<b>410,590</b>	<b>1,449,590</b>	<b>1,333,460</b>

**MAIDSTONE BOROUGH COUNCIL REVENUE ESTIMATES**

**REVISED ESTIMATE 2017/18 AND ESTIMATE 2018/19**

**PRIORITY SUMMARY**

<b>Cost Centre/Service</b>	<b>Original Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 £</b>
Character	640,360	669,610	655,350
Health & Wellbeing	1,984,690	1,805,520	1,733,960
Clean & Safe	3,545,010	4,233,170	4,347,750
Leisure & Culture	1,567,130	2,419,180	2,304,450
Town Centre	69,820	85,640	73,660
Employment & Skills	229,120	349,460	279,260
Homes	1,184,000	1,165,490	1,225,890
Infrastructure	385,050	372,010	381,740
Trading	-4,613,250	-4,635,450	-5,158,860
Central & Democratic	9,735,870	9,302,990	9,725,510
	<b>14,727,800</b>	<b>15,767,620</b>	<b>15,568,710</b>
Slippage	-314,500	-238,670	-395,904
	<b>14,413,300</b>	<b>15,528,950</b>	<b>15,172,806</b>
Transfers to and from General Balances	-78,540	-1,081,690	10,000
Transfers to and from Earmarked Reserves	4,562,130	4,449,630	4,179,310
<b>Net Revenue Expenditure</b>	<b>18,896,890</b>	<b>18,896,890</b>	<b>19,362,116</b>

**SUMMARY ESTIMATE 2018/19 - BY PRIORITY**

<b>Cost Centre/Service</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 (Expenditure) £</b>	<b>Estimate 2018/19 (Income) £</b>	<b>Estimate 2018/19 £</b>
<b>Character</b>					
Conservation	-11,470	-11,470	10,000	-21,470	-11,470
Social Inclusion		40,510			0
Civic Occasions	34,850	35,850	36,390		36,390
Parish Services	130,170	130,170	127,320		127,320
Medway Conservancy	108,870	108,870	115,400		115,400
Head of Economic & Commercial Dev.	95,500	102,340	98,920		98,920
Housing & Health Section	282,440	263,340	288,790		288,790
<b>Character</b>	<b>640,360</b>	<b>669,610</b>	<b>676,820</b>	<b>-21,470</b>	<b>655,350</b>

## SUMMARY ESTIMATE 2018/19 - BY PRIORITY

<b>Subjective Analysis</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 £</b>
Employee Direct	348,230	397,330	357,920
Employee Other	4,330	5,470	5,100
Repairs & Maintenance	300	1,300	1,300
Utilities	108,870	108,870	115,400
Vehicle & Transport	16,340	24,810	16,440
Equipment & Furniture	900	1,200	1,220
Printing & Stationery	1,230	1,230	1,250
Professional Services	600	41,710	610
Supplies & Services Other	18,310	12,440	17,360
Subsistence & Training	0	5,900	0
Allowances	22,490	22,490	22,830
Grants & Contributions Paid	140,170	140,930	137,320
General Insurances	40	40	60
Information & Communications	20	10	10
Grants & Contributions Received	0	-72,650	0
Fees & Charges	-21,470	-21,470	-21,470
<b>Character</b>	<b>640,360</b>	<b>669,610</b>	<b>655,350</b>

**SUMMARY ESTIMATE 2018/19 - BY PRIORITY**

<b>Cost Centre/Service</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 (Expenditure) £</b>	<b>Estimate 2018/19 (Income) £</b>	<b>Estimate 2018/19 £</b>
<b>Health &amp; Wellbeing</b>					
Leisure Centre	-218,370	-223,470	-23,600	-200,000	-223,600
Mote Park Adventure Zone				-57,000	-57,000
Cobtree Golf Course	-66,830	-67,160	103,650	-156,950	-53,300
Cemetery	-98,226	38,910	183,820	-142,270	41,550
National Assistance Act	-490	-490	2,040	-2,510	-470
Maintenance of Closed Churchyards	1,000		5,000		5,000
Drainage	31,700	31,700	31,720		31,720
Health Promotion		1,750			0
Health Improvement Programme	8,800	8,800	8,980		8,980
Pollution Control - General	25,940	232,110	38,970	-11,590	27,380
Contaminated Land			1,020	-1,000	20
Environmental Enforcement	13,580	13,580	36,320	-2,520	33,800
Food Hygiene	8,840	8,840	10,960	-1,910	9,050
Sampling	3,300	3,300	3,370		3,370
Occupational Health & Safety	23,670	23,670	24,720	-570	24,150
Infectious Disease Control	960	1,000	980		980
Noise Control	1,160	1,200	1,200		1,200
Pest Control	-12,000	-12,000	150	-12,120	-11,970
Public Conveniences	139,590	128,460	137,400		137,400
Licensing - Hackney & Private Hire	-68,400	-68,400	72,870	-138,920	-66,050
Public Health - Obesity			94,000	-94,000	0
Public Health - Misc Services		13,620	58,300	-58,300	0
Housing Register & Allocations	10,000	10,000	10,200		10,200
Private Sector Renewal	-47,370	-47,370	2,680	-50,000	-47,320
HMO Licensing	-13,380	-13,380		-14,380	-14,380
Homeless Temporary Accommodation	424,450	416,270	895,100	-336,070	559,030
Homelessness Prevention	245,400	288,100	284,640		284,640
Aylesbury House	20,166	23,080	100,710	-58,640	42,070
Magnolia House	-5,960	-8,270	36,820	-39,040	-2,220
Marsham Street	31,360	40,160	85,790	-39,070	46,720
Sundry Temp.Accomm (TA) Properties	7,180	3,980	23,850	-43,480	-19,630
2 Bed Property - Temporary Accomodation		3,990	30,490	-41,640	-11,150
3 Bed Property - Temporary Accomodation		-80	18,240	-28,040	-9,800
4 Bed Property - Temporary Accomodation		-970	10,200	-19,600	-9,400
Rent Allowances	-203,330	-222,790	44,769,080	-44,991,870	-222,790
Non HRA Rent Rebates	-5,000	-4,550	450,670	-455,220	-4,550
Discretionary Housing Payments	1,000	1,210	251,400	-250,190	1,210
Housing Benefits Administration	-450,700	-437,220		-337,220	-337,220
Bereavement Services Section	170,340	156,790	153,490		153,490
Environmental Ops.Enforcement Section	317,340				0
Environmental Protection Section	237,070	235,860	240,820		240,820
Food and Safety Section	292,700	290,620	249,630		249,630
Head of Housing & Community Services	102,800	102,960	104,760		104,760
Housing & Enabling Section	328,060	197,540	199,990		199,990
Housing & Inclusion Section	501,660	552,390	555,420		555,420
Head of Revenues & Benefits		22,460	107,880	-42,070	65,810
Revenues & Benefits Manager	233,980	62,820			0
Revenues & Benefits Business Support	136,010	143,650	388,000	-253,130	134,870
Debt Recovery Service	-143,310	-147,150	727,550	-876,000	-148,450
<b>Health &amp; Wellbeing</b>	<b>1,984,690</b>	<b>1,805,520</b>	<b>50,489,280</b>	<b>-48,755,320</b>	<b>1,733,960</b>

**SUMMARY ESTIMATE 2018/19 - BY PRIORITY**

<b>Subjective Analysis</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 £</b>
Employee Direct	2,352,030	1,727,340	1,718,720
Employee Other	234,210	54,520	43,500
Repairs & Maintenance	136,650	153,970	155,870
Utilities	66,640	77,730	42,670
Premises Other	126,460	178,210	146,010
Vehicle & Transport	54,150	39,890	21,720
Equipment & Furniture	215,950	204,730	196,540
Supplies & Services Other	620,010	699,440	541,620
Printing & Stationery	3,890	2,020	1,230
Professional Services	983,770	1,046,320	1,061,210
Security & Protection	50,240	50,240	10,440
Subsistence & Training	200	2,250	600
Grants & Contributions Paid	11,500	216,800	11,840
General Insurances	3,640	3,170	3,270
Information & Communications	20,300	20,040	15,850
Agency & Contractor	318,400	867,910	1,044,600
Benefits	46,965,690	45,471,150	45,471,150
Leasing & Capital Charges	0	2,440	2,440
Grants & Contributions Received	-47,970,560	-46,809,700	-46,523,030
Income Other	-607,520	-595,010	-573,760
Fees & Charges	-960,600	-956,500	-1,043,020
Rent	-640,360	-651,440	-615,510
<b>Health &amp; Wellbeing</b>	<b>1,984,690</b>	<b>1,805,520</b>	<b>1,733,960</b>

**SUMMARY ESTIMATE 2018/19 - BY PRIORITY**

<b>Cost Centre/Service</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 (Expenditure) £</b>	<b>Estimate 2018/19 (Income) £</b>	<b>Estimate 2018/19 £</b>
<b>Clean &amp; Safe</b>					
Community Safety	66,440	66,440	42,770		42,770
Building Safer Communities			32,250	-32,250	0
C C T V	192,350	191,310	214,410	-21,100	193,310
Licences	-6,800	-6,800	25,210	-28,890	-3,680
Licensing Statutory	-71,040	-71,040	61,330	-131,320	-69,990
Licensing Non Chargeable	7,030	7,030	7,350		7,350
Dog Control	24,150	24,150	28,610	-3,900	24,710
Street Cleansing	967,030	967,940	985,870	-33,260	952,610
Household Waste Collection	1,052,200	1,111,550	1,310,340	-149,240	1,161,100
Recycling Collection	562,060	638,250	1,941,040	-1,227,410	713,630
Head of Environment & Public Realm	86,660	86,750	92,090		92,090
Depot Services Section	432,680	636,760	473,340		473,340
Community Partnerships & Resilience Section	127,950	476,370	107,050		107,050
Licensing Section	104,300	104,460	653,460		653,460
<b>Clean &amp; Safe</b>	<b>3,545,010</b>	<b>4,233,170</b>	<b>5,975,120</b>	<b>-1,627,370</b>	<b>4,347,750</b>

## SUMMARY ESTIMATE 2018/19 - BY PRIORITY

<b>Subjective Analysis</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 £</b>
Employee Direct	1,581,040	2,015,250	2,063,210
Employee Other	-54,480	32,370	25,880
Utilities	10,190	10,190	11,310
Premises Other	19,670	34,590	27,360
Vehicle & Transport	32,720	45,450	45,490
Equipment & Furniture	252,410	268,560	264,460
Supplies & Services Other	62,990	24,500	-16,290
Printing & Stationery	8,250	9,420	9,610
Professional Services	342,100	110,690	111,110
Subsistence & Training	100	3,810	100
Grants & Contributions Paid	12,500	10,500	10,620
General Insurances	3,390	2,400	2,500
Information & Communications	31,200	36,680	27,740
Agency & Contractor	2,854,470	3,256,600	3,390,320
Leasing & Capital Charges	0	1,700	1,700
Grants & Contributions Received	-32,250	-32,250	-32,250
Income Other	-607,180	-615,180	-608,010
Fees & Charges	-972,110	-972,110	-987,110
Rent	0	-10,000	0
<b>Clean &amp; Safe</b>	<b>3,545,010</b>	<b>4,243,170</b>	<b>4,347,750</b>

**SUMMARY ESTIMATE 2018/19 - BY PRIORITY**

<b>Cost Centre/Service</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 (Expenditure) £</b>	<b>Estimate 2018/19 (Income) £</b>	<b>Estimate 2018/19 £</b>
<b>Leisure &amp; Culture</b>					
Cultural Development Arts	28,110	17,040	14,800	0	14,800
Museum	275,900	302,560	372,340	-94,810	277,530
Carriage Museum	28,800	32,880	37,060	-2,000	35,060
Museum-Grant Funded Activities		56,380	0	0	0
Museum Café		-3,200	37,550	-41,010	-3,460
Hazlitt Arts Centre	266,450	266,270	267,680	0	267,680
Festivals and Events	-3,260	-3,260	28,490	-41,410	-12,920
Lettable Halls	-2,490	10	6,800	-7,360	-560
Community Halls	46,930	44,890	88,830	-16,380	72,450
Parks & Open Spaces	59,230	857,850	806,170	-55,360	750,810
River Park	35,410				0
Playground Maintenance	20,920	131,810	134,330		134,330
Parks Pavilions	25,080	22,300	25,410	-10	25,400
Mote Park	39,230	186,320	241,560	-54,140	187,420
Mote Park Cafe	9,210	6,000	236,980	-287,910	-50,930
Cobtree Manor Park	-132,890	-176,760	122,780	-178,810	-56,030
Kent Life	340	-400	44,250	-61,900	-17,650
Cobtree Manor Park Visitor Centre	-5,850	-7,630	243,850	-271,180	-27,330
Allotments	11,040	11,040	11,260	0	11,260
Tourism	26,100	18,080	33,900	-15,150	18,750
Leisure Services Other Activities	33,510	33,510	34,440		34,440
Parks & Leisure Services Section	158,400	52,120	53,810		53,810
Cultural Services Section	509,340	484,300	501,790		501,790
Visitor Economy Section		87,070	99,190	-11,390	87,800
Maidstone Culture & Leis.Section	137,620				0
<b>Leisure &amp; Culture</b>	<b>1,567,130</b>	<b>2,419,180</b>	<b>3,443,270</b>	<b>-1,138,820</b>	<b>2,304,450</b>

## SUMMARY ESTIMATE 2018/19 - BY PRIORITY

<b>Subjective Analysis</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 £</b>
Employee Direct	1,166,770	1,769,460	1,712,280
Employee Other	1,290	32,150	28,000
Repairs & Maintenance	393,920	374,790	371,930
Utilities	158,540	158,540	170,790
Premises Other	187,680	229,530	198,890
Vehicle & Transport	20,430	12,600	11,530
Equipment & Furniture	33,590	61,670	62,300
Supplies & Services Other	429,320	610,360	405,710
Printing & Stationery	5,200	4,700	4,760
Professional Services	65,930	192,420	113,280
Security & Protection	11,700	11,000	11,000
Subsistence & Training	1,400	6,000	1,400
Grants & Contributions Paid	14,000	15,500	13,770
General Insurances	28,370	34,110	34,570
Information & Communications	40,070	27,880	28,660
Agency & Contractor	243,980	238,730	245,620
Leasing & Capital Charges	0	28,780	28,780
Grants & Contributions Received	-10,160	-167,580	0
Income Other	-975,780	-965,190	-851,980
Fees & Charges	-190,840	-197,990	-197,990
Rent	-58,280	-58,280	-88,850
<b>Leisure &amp; Culture</b>	<b>1,567,130</b>	<b>2,419,180</b>	<b>2,304,450</b>

**SUMMARY ESTIMATE 2018/19 - BY PRIORITY**

<b>Cost Centre/Service</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 (Expenditure) £</b>	<b>Estimate 2018/19 (Income) £</b>	<b>Estimate 2018/19 £</b>
<b>Town Centre</b>					
Town Centre Mgt.Sponsorship		15,000			0
Business Terrace	69,820	70,640	167,590	-94,370	73,220
Phase 3 Business Terrace Expansion			72,390	-71,950	440
<b>Town Centre</b>	<b>69,820</b>	<b>85,640</b>	<b>239,980</b>	<b>-166,320</b>	<b>73,660</b>

## SUMMARY ESTIMATE 2018/19 - BY PRIORITY

<b>Subjective Analysis</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 £</b>
Repairs & Maintenance	13,900	19,370	24,920
Utilities	10,710	10,710	11,790
Premises Other	109,870	129,690	149,470
Equipment & Furniture	8,210	8,490	8,950
Supplies & Services Other	2,460	13,280	23,530
Printing & Stationery	900	1,400	1,940
Professional Services	120	15,120	120
General Insurances	970	1,190	1,240
Information & Communications	4,500	3,180	3,270
Agency & Contractor	12,530	13,530	14,750
Income Other	-4,670	-10,400	-16,160
Fees & Charges	-89,680	-119,920	-150,160
<b>Town Centre</b>	<b>69,820</b>	<b>85,640</b>	<b>73,660</b>

**SUMMARY ESTIMATE 2018/19 - BY PRIORITY**

<b>Cost Centre/Service</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 (Expenditure) £</b>	<b>Estimate 2018/19 (Income) £</b>	<b>Estimate 2018/19 £</b>
<b>Employment &amp; Skills</b>					
Economic Research		6,750			0
Business Support & Enterprise		22,000			0
Economic Dev - Promotion & Marketing	800	36,320	4,130	-3,500	630
Economic Development Section	228,320	284,390	278,630		278,630
<b>Employment &amp; Skills</b>	<b>229,120</b>	<b>349,460</b>	<b>282,760</b>	<b>-3,500</b>	<b>279,260</b>

**SUMMARY ESTIMATE 2018/19 - BY PRIORITY**

<b>Subjective Analysis</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 £</b>
Employee Direct	216,260	288,420	268,450
Employee Other	4,310	12,190	-2,100
Repairs & Maintenance	500	500	500
Utilities	2,550	2,550	2,830
Vehicle & Transport	1,940	1,940	1,940
Equipment & Furniture	790	790	800
Supplies & Services Other	3,600	20,870	8,100
Printing & Stationery	900	900	910
Professional Services	0	52,000	0
Subsistence & Training	400	1,500	400
Grants & Contributions Paid	600	600	610
General Insurances	20	20	30
Information & Communications	750	270	290
Income Other	0	-29,590	0
Fees & Charges	-3,500	-3,500	-3,500
<b>Employment &amp; Skills</b>	<b>229,120</b>	<b>349,460</b>	<b>279,260</b>

**SUMMARY ESTIMATE 2018/19 - BY PRIORITY**

<b>Cost Centre/Service</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 (Expenditure) £</b>	<b>Estimate 2018/19 (Income) £</b>	<b>Estimate 2018/19 £</b>
<b>Homes</b>					
Building Regulations Chargeable	-320,160	-320,160	6,820	-326,850	-320,030
Building Control	-990	-990	2,000	-3,020	-1,020
Street Naming & Numbering	-49,000	-49,000		-49,000	-49,000
Development Control Advice	-115,000	-115,000		-115,000	-115,000
Development Control Applications	-1,295,980	-1,304,440	125,320	-1,559,060	-1,433,740
Development Control Appeals	119,410	119,410	121,800		121,800
Development Control Enforcement	64,520	64,520	165,810		165,810
Planning Policy	200,000	31,950	200,000		200,000
Neighbourhood Planning		4,740			0
Strategic Housing Role	13,500	13,500	13,770		13,770
Marden Caravan Site (Stilebridge Lane)	19,020	18,950	48,500	-29,510	18,990
Ulcombe Caravan Site (Water Lane)	6,930	6,860	45,570	-38,690	6,880
Development Management Section	787,690	898,560	864,420		864,420
Spatial Policy Planning Section	442,350	398,530	396,470		396,470
Head of Planning and Development	102,100	161,070	104,430		104,430
Development Mgt.Enforcement Section	143,850	146,890	169,160		169,160
Building Surveying Section	358,410	358,490	367,640		367,640
Mid Kent Planning Support Service	396,070	430,230	671,930	-237,470	434,460
Heritage Landscape and Design Section	171,560	170,790	175,700		175,700
Planning Business Management	107,200	117,720	72,220		72,220
Mid Kent Local Land Charges Section	32,520	12,870	135,090	-102,160	32,930
<b>Homes</b>	<b>1,184,000</b>	<b>1,165,490</b>	<b>3,686,650</b>	<b>-2,460,760</b>	<b>1,225,890</b>

## SUMMARY ESTIMATE 2018/19 - BY PRIORITY

<b>Subjective Analysis</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 £</b>
Employee Direct	2,706,040	2,694,030	2,721,960
Employee Other	1,580	85,370	-81,290
Repairs & Maintenance	76,870	76,870	76,870
Utilities	14,960	14,960	14,960
Premises Other	520	380	400
Vehicle & Transport	83,540	82,750	80,890
Equipment & Furniture	8,250	6,500	6,640
Supplies & Services Other	97,900	116,250	92,530
Printing & Stationery	18,410	23,160	23,610
Professional Services	511,050	397,980	554,100
Security & Protection	69,000	93,740	170,380
Subsistence & Training	2,550	12,450	2,590
Grants & Contributions Paid	20,250	20,250	20,670
General Insurances	180	180	270
Information & Communications	200	70	70
Agency & Contractor	2,000	2,000	2,000
Grants & Contributions Received	-368,200	-374,820	-339,630
Income Other	-2,990	-28,520	-3,020
Fees & Charges	-1,989,910	-2,058,110	-2,118,110
Rent	-68,200	0	0
<b>Homes</b>	<b>1,184,000</b>	<b>1,165,490</b>	<b>1,225,890</b>

**SUMMARY ESTIMATE 2018/19 - BY PRIORITY**

<b>Cost Centre/Service</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 (Expenditure) £</b>	<b>Estimate 2018/19 (Income) £</b>	<b>Estimate 2018/19 £</b>
<b>Infrastructure</b>					
Environment Improvements	17,170	16,440	16,450		16,450
Name Plates & Notices	17,600	17,600	17,950		17,950
Residents Parking	-223,000	-223,180	45,090	-267,180	-222,090
Non Paying Car Parks	9,300	9,700	10,000	-10	9,990
Park & Ride	198,900	188,390	563,950	-366,720	197,230
Socially Desirable Buses	63,780	63,780	48,130		48,130
Other Transport Services	-9,300	-9,300	15,700	-25,250	-9,550
Parking Services Section	310,600	308,580	433,040	-109,410	323,630
<b>Infrastructure</b>	<b>385,050</b>	<b>372,010</b>	<b>1,150,310</b>	<b>-768,570</b>	<b>381,740</b>

## SUMMARY ESTIMATE 2018/19 - BY PRIORITY

<b>Subjective Analysis</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 £</b>
Employee Direct	397,030	392,700	409,320
Employee Other	27,710	29,030	29,780
Repairs & Maintenance	55,380	55,280	54,780
Utilities	4,700	4,500	4,930
Premises Other	72,620	80,160	72,780
Vehicle & Transport	429,140	411,680	426,830
Equipment & Furniture	19,840	19,740	20,140
Supplies & Services Other	23,640	23,340	7,750
Printing & Stationery	1,370	5,070	5,160
Professional Services	20,620	20,620	20,660
Subsistence & Training	0	900	0
Grants & Contributions Paid	41,000	41,000	41,020
General Insurances	610	480	510
Information & Communications	3,700	0	0
Agency & Contractor	55,560	55,380	56,650
Grants & Contributions Received	-108,990	-108,990	-109,410
Income Other	-154,860	-154,860	-155,140
Fees & Charges	-504,010	-504,010	-504,010
Rent	-10	-10	-10
<b>Infrastructure</b>	<b>385,050</b>	<b>372,010</b>	<b>381,740</b>

**SUMMARY ESTIMATE 2018/19 - BY PRIORITY**

<b>Cost Centre/Service</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 (Expenditure) £</b>	<b>Estimate 2018/19 (Income) £</b>	<b>Estimate 2018/19 £</b>
<b>Trading</b>					
Museum Shop	-18,740	-18,740	25,970	-44,640	-18,670
Crematorium	-829,770	-753,260	457,300	-1,216,090	-758,790
Commercial Waste Services	-66,090	-69,550	117,200	-188,170	-70,970
Market	-171,440	-176,500	176,000	-312,080	-136,080
Land Charges	-234,400	-234,010	36,350	-335,550	-299,200
Palace Gatehouse	-10,660	-7,620	2,450	-10,100	-7,650
Archbishops Palace	-99,210	-98,930	39,590	-139,340	-99,750
Parkwood Industrial Estate	-307,340	-313,420	12,700	-329,390	-316,690
Industrial Starter Units	-20,170	-23,660	28,290	-51,210	-22,920
Parkwood Equilibrium Units	-39,030	-55,530	50,940	-110,170	-59,230
Sundry Corporate Properties	-97,100	17,870	69,740	-368,900	-299,160
Parks Dwellings	-16,580	-50,390	25,300	-76,190	-50,890
Chillington House	-34,630	-24,500	8,500	-33,330	-24,830
Phoenix Park Units	-217,910	-214,940	16,870	-233,740	-216,870
Granada House - Commercial	-115,840	-111,760	27,990	-139,970	-111,980
Granada House - Residential	-105,950	-105,060	940	-107,010	-106,070
Heronden Road Units		-122,310	6,140	-157,570	-151,430
On Street Parking	-273,530	-297,440	410,250	-698,710	-288,460
Pay & Display Car Parks	-1,580,200	-1,598,710	388,090	-2,138,340	-1,750,250
Off Street Parking - Enforcement	-188,370	-164,530	167,780	-327,750	-159,970
Mote Park Pay & Display	-175,180	-175,020	29,530	-203,910	-174,380
Mote Park - Enforcement	24,660				0
Sandling Road Car Park	-111,770	-111,770	128,600	-240,100	-111,500
Market Section	76,000	74,330	76,880		76,880
<b>Trading</b>	<b>-4,613,250</b>	<b>-4,635,450</b>	<b>2,303,400</b>	<b>-7,462,260</b>	<b>-5,158,860</b>

## SUMMARY ESTIMATE 2018/19 - BY PRIORITY

<b>Subjective Analysis</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 £</b>
Employee Direct	181,370	260,190	267,900
Employee Other	2,550	3,900	4,110
Repairs & Maintenance	427,560	451,140	447,640
Utilities	63,430	62,430	68,120
Premises Other	407,430	507,300	427,410
Vehicle & Transport	5,300	5,300	5,500
Equipment & Furniture	86,010	98,500	101,920
Supplies & Services Other	201,710	203,320	207,630
Printing & Stationery	10,260	10,010	10,210
Professional Services	155,920	192,740	195,940
Security & Protection	2,000	2,000	2,040
Grants & Contributions Paid	2,000	2,150	2,190
General Insurances	11,890	14,060	14,510
Information & Communications	7,300	4,240	4,390
Agency & Contractor	536,860	531,890	543,890
Grants & Contributions Received	-16,000	-16,000	-16,000
Income Other	-334,230	-336,480	-334,450
Fees & Charges	-5,023,300	-5,077,860	-5,309,910
Rent	-1,341,310	-1,554,280	-1,801,900
<b>Trading</b>	<b>-4,613,250</b>	<b>-4,635,450</b>	<b>-5,158,860</b>

**SUMMARY ESTIMATE 2018/19 - BY PRIORITY**

<b>Cost Centre/Service</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 (Expenditure) £</b>	<b>Estimate 2018/19 (Income) £</b>	<b>Estimate 2018/19 £</b>
<b>Central &amp; Democratic</b>					
Members Allowances	342,540	365,840	371,000		371,000
Members Facilities	40,100	39,340	39,940		39,940
Subscriptions	18,100	7,240	7,390		7,390
Contingency	200,000	342,520	248,210		248,210
Performance & Development	14,800	9,030	9,240		9,240
Corporate Projects	42,840	46,450	40,450		40,450
Press & Public Relations	40,050	31,330	30,990		30,990
Corporate Management	103,000	101,740	92,060		92,060
Mid Kent Improvement Partnership		290	141,650	-141,090	560
Unapportionable Central Overheads	1,751,580	1,787,370	1,777,370		1,777,370
Council Tax Collection	-328,900	-303,190	116,620	-418,060	-301,440
Council Tax Benefits Administration	-163,800	-158,480		-158,480	-158,480
NNDR Collection	-240,370	-227,780	17,120	-250,970	-233,850
Registration Of Electors	59,210	120,600	49,030	-2,290	46,740
Elections	102,250	115,270	117,290	-420	116,870
Emergency Centre	29,080	36,280	32,960		32,960
Grants	205,270	206,270	195,270		195,270
Delegated Grants	2,100	2,100	2,100		2,100
External Interest Payable	124,980	124,980	231,610		231,610
Interest & Investment Income	-220,000	-220,000		-100,000	-100,000
Non Service Related Government Grants	-4,001,420	-3,864,370		-3,218,600	-3,218,600
Democratic Services Section	136,030	135,770	162,090		162,090
Mayoral & Civic Services Section	104,710	104,670	105,390		105,390
Chief Executive	160,680	168,710	173,810		173,810
Communications Section	78,900	196,320	178,340		178,340
Policy & Information	213,120	214,930	220,470		220,470
Head of Policy and Communications	104,850	105,130	107,230		107,230
Revenues Section	344,570	448,720	773,010	-333,350	439,660
Democratic and Admin.Services Manager	45,960				0
Registration Services Section	128,850	129,860	134,040		134,040
Benefits Section	432,300	437,610	747,740	-309,710	438,030
Fraud & Visiting Partnership Section	47,300	62,120	215,640	-163,350	52,290
Mid Kent Audit Partnership	196,370	204,010	700,440	-494,480	205,960
Director of Finance & Business Imp.	134,010	136,030	137,330		137,330
Head of Finance and Resources	3,710				0
Accountancy Section	638,200	673,500	699,130	-14,380	684,750
Legal Services Section	483,150	482,850	551,030	-60,000	491,030
Director of Regeneration & Place	134,110	135,240	136,570		136,570
Property & Procurement Manager	81,060	41,760			0
Procurement Section	69,980	68,040	148,090	-76,050	72,040
Property & Projects Section	264,330	251,650	258,710		258,710
Facilities & Corporate Support Section	409,710	367,910	418,910		418,910
Improvement Section	240,900	283,630	251,170		251,170
Executive Support	156,820	155,920	159,900		159,900
Customer Services Manager	75,190				0
Head of Commissioning & Business Improvement		209,010	126,130		126,130
Mid Kent ICT Services	680,060	681,410	1,583,810	-890,610	693,200
GIS Section	102,440	102,850	173,690	-68,790	104,900
Customer Services Section	613,410	639,480	599,020		599,020
Director of Mid Kent Services	24,820	39,020	119,040	-80,700	38,340
Mid Kent HR Services Section	360,880	370,170	627,650	-248,720	378,930
MBC HR & Payroll Section	228,400	145,930	228,510	-19,530	208,980
Town Hall	81,470	85,110	90,380	-3,990	86,390
South Maidstone Depot	133,430	134,350	136,770		136,770
The Link, King Street	91,730	97,310	349,600	-241,390	108,210
Maidstone House	1,057,670	1,159,540	1,239,540	-124,430	1,115,110
I.T. Operational Services	327,190	383,380	244,330		244,330
Central Telephones	60,200	60,200	61,400		61,400
Mid Kent ITC Software	187,420	187,420	521,820	-334,400	187,420
Fleet Workshop & Management	749,940	707,210	679,010		679,010
MBS Support Crew	-59,920	-52,300	104,410	-175,190	-70,780
Grounds Maintenance	1,316,850				0
Grounds Maintenance - Commercial		59,810	127,070	-100,170	26,900
Youth Development Programme	48,200	48,250	48,620	-170	48,450
Internal Printing	-85,240	-87,290	49,860	-136,130	-86,270
Appropriation Account	1,010,700	964,920	980,960		980,960
<b>Central &amp; Democratic</b>	<b>9,735,870</b>	<b>9,302,990</b>	<b>17,890,960</b>	<b>-8,165,450</b>	<b>9,725,510</b>

## SUMMARY ESTIMATE 2018/19 - BY PRIORITY

<b>Subjective Analysis</b>	<b>Original Approved Estimate 2017/18 £</b>	<b>Revised Estimate 2017/18 £</b>	<b>Estimate 2018/19 £</b>
Employee Direct	8,743,680	8,047,940	8,569,130
Employee Other	1,891,760	2,052,560	1,707,940
Repairs & Maintenance	225,320	230,350	227,150
Utilities	247,920	247,920	271,550
Premises Other	1,267,700	1,356,150	1,278,730
Vehicle & Transport	464,780	434,860	455,260
Equipment & Furniture	942,810	972,380	937,640
Supplies & Services Other	835,740	1,606,120	980,870
Printing & Stationery	201,500	177,800	140,750
Professional Services	495,750	515,790	461,180
Security & Protection	34,960	35,450	36,150
Subsistence & Training	165,360	101,010	161,440
Allowances	309,790	333,090	338,080
Grants & Contributions Paid	441,610	454,810	540,680
General Insurances	12,240	11,710	12,040
Information & Communications	20,000	5,420	5,800
Agency & Contractor	596,910	580,420	588,490
Leasing & Capital Charges	1,265,790	1,162,060	1,178,080
Grants & Contributions Received	-6,853,060	-7,383,400	-6,607,230
Income Other	-1,291,400	-1,356,160	-1,274,930
Fees & Charges	-62,390	-62,390	-62,390
Rent	-220,900	-220,900	-220,900
<b>Central &amp; Democratic</b>	<b>9,735,870</b>	<b>9,302,990</b>	<b>9,725,510</b>

**Maidstone Borough Council**  
**Medium Term Financial Strategy 2018/19**  
**Estimate of General Fund Balances to 31 March 2019**

	Unallocated General Fund	Asset Replacement	Planning Management	Commercial Risk	Invest to Save	Earmarked Reserves	Grand Total
	£,000	£,000	£,000	£,000	£,000	£,000	£,000
Balance as at 31st March 2017	7,950	167	200	500	500	8,026	17,343
2016/17 Carry Forwards Used in 2017/18	-786	0	0	0	0	0	-786
Movement in balances during 2017/18	-2,942	-130	-200	0	0	-6,928	-10,200
<b>Estimated Balance as at 31 March 2018</b>	<b>4,222</b>	<b>37</b>	<b>0</b>	<b>500</b>	<b>500</b>	<b>1,098</b>	<b>6,357</b>
Expected movement in balances during 2018/19	-200	-37	0	0	-7	140	-104
<b>Estimated Balance as at 31 March 2019</b>	<b>4,022</b>	<b>0</b>	<b>0</b>	<b>500</b>	<b>493</b>	<b>1,238</b>	<b>6,253</b>

**Estimate of Earmarked Reserves to 31 March 2019**

	31/03/2017	Movement in 2017/18	Est. Balance at 31/3/18	Est. Movement in 2018/19	Est. Balance at 31/3/19
	£,000	£,000	£,000	£,000	£,000
Capital Support	7,215	-7,172	43	-43	0
Local Plan Review	336	-146	190	150	340
Neighbourhood Planning	74	75	149	-75	74
Business Rates Reserve	158	315	473	108	581
Trading Accounts	243		243		243
<b>Total</b>	<b>8,026</b>	<b>-6,928</b>	<b>1,098</b>	<b>140</b>	<b>1,238</b>

## ESTIMATED CAPITAL PROGRAMME RESOURCES 2018/19 - 2022/23

Source of funding	Estimate					Total £000
	18/19 £000	19/20 £000	20/21 £000	21/22 £000	22/23 £000	
Contribution from Earmarked Reserve (New Homes Bonus)	3,200	3,400	0	0	0	6,600
Capital Grants (Disabled Facilities)	800	800	800	800	800	4,000
Internal Borrowing	18,401	0	0	0	0	18,401
Prudential Borrowing	4,132	17,983	8,086	7,225	7,225	44,651
<b>TOTAL</b>	<b>26,533</b>	<b>22,183</b>	<b>8,886</b>	<b>8,025</b>	<b>8,025</b>	<b>73,652</b>

**PROPOSED FIVE YEAR CAPITAL PROGRAMME 2018/19 - 2022/23**

	17/18	Five year plan					Total £000
	Projected £000	18/19 £000	19/20 £000	20/21 £000	21/22 £000	22/23 £000	
Housing Development and Regeneration	1,666	9,066	14,631	3,786	3,350	3,350	34,183
Temporary Accommodation	3,914	4,500	600	600	600	600	6,900
Disabled Facilities Grants	692	1,192	800	800	800	800	4,392
Flood Action Plan	5	500	500	63			1,063
Public Realm Capital Improvements	50	150	25	25			200
Commercial Waste		180					180
Gypsy Site Fencing Works	42						0
<b>Sub-total Communities, Housing &amp; Environment</b>	<b>6,369</b>	<b>15,588</b>	<b>16,556</b>	<b>5,274</b>	<b>4,750</b>	<b>4,750</b>	<b>46,918</b>
Mote Park Dam Works	0	1,300	600				1,900
Mote Park Visitor Centre	74	562	1,073				1,635
Mote Park Adventure Zone and Other Improvements	1,469	515	375				890
Continued improvements to Play Areas	469	881					881
Museum Development Plan	145	175	170	90			435
Crematorium Development Plan	264	353					353
Other Parks Improvements		100					100
<b>Sub-total Heritage, Culture &amp; Leisure</b>	<b>2,421</b>	<b>3,886</b>	<b>2,218</b>	<b>90</b>	<b>0</b>	<b>0</b>	<b>6,194</b>
Property Investment Strategy	3,597	2,403	2,500	2,500	2,500	2,500	12,403
Infrastructure Delivery		600	600	600	600	600	3,000
Town Centre Regeneration	444	2,540					2,540
Corporate Property	200	756	175	175	175	175	1,456
Maidstone East/Sessions Square	576	296					296
Software / PC Replacement	143	115	84	247			446
Feasibility Studies	50	50	50				100
<b>Sub-total Policy &amp; Resources</b>	<b>5,010</b>	<b>6,760</b>	<b>3,409</b>	<b>3,522</b>	<b>3,275</b>	<b>3,275</b>	<b>20,241</b>
Bridges Gyrotory Scheme	160	299					299
Riverside Towpath	40						0
<b>Sub-total Strategic Planning, Sustainability &amp; Transportation</b>	<b>200</b>	<b>299</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>299</b>
<b>Sub-total</b>	<b>14,000</b>	<b>26,533</b>	<b>22,183</b>	<b>8,886</b>	<b>8,025</b>	<b>8,025</b>	<b>73,652</b>
Section 106 Contributions	20	160	209	238	103	782	1,492
<b>TOTAL</b>	<b>14,020</b>	<b>26,693</b>	<b>22,392</b>	<b>9,124</b>	<b>8,128</b>	<b>8,807</b>	<b>75,144</b>

**MAIDSTONE BOROUGH COUNCIL**

**MEDIUM TERM FINANCIAL STRATEGY**  
**2018/19 – 2022/23**

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# **1. OVERVIEW AND SUMMARY OF MEDIUM TERM FINANCIAL STRATEGY**

## **Background**

- 1.1 The Medium Term Financial Strategy (MTFS) sets out in financial terms how the Council will deliver its Strategic Plan over the next five years.
- 1.2 The broad economic context for the Strategy is one of considerable uncertainty, particularly in the final three years of the planning period. The Government offered a four year funding settlement to local authorities in 2016, covering the years 2016/17 to 2019/20, which provides some certainty about the level of income that the Council can expect for the first two years covered by the MTFS, ie 2018/19 and 2019/20. However, the position for 2020/21 onwards is very uncertain.
- 1.3 The Government's four year funding offer was conditional on the council preparing an Efficiency Plan setting out proposals for utilising the available funding. Council agreed a combined Medium Term Financial Strategy 2017/18 – 2021/22 and Efficiency Plan and accepted the funding offer at its meeting on 21 September 2016.
- 1.4 The MTFS is reviewed and updated on an annual basis. The current document therefore updates the strategy agreed in 2016 in light of the Council's developing strategic priorities, the external environment, and the latest financial projections, in order to provide a new MTFS for the five year period 2018/19 to 2022/23.

## **Strategic Context**

- 1.5 The Council has set two overriding corporate priorities: keeping Maidstone Borough an attractive place for all; and securing a successful economy for Maidstone Borough. These will be delivered both through our day-to-day revenue expenditure and through investment in the borough's infrastructure as part of the Council's capital programme. Funding for revenue spending is tightly constrained, as set out below, but the Council will seek to optimise delivery of the priorities within these constraints.
- 1.6 Capital investment faces a different set of constraints. As set out in section 4 below, funds have been set aside for capital investment and further funding is available, in principle, through prudential borrowing. The challenge is to ensure that capital investment delivers against the Council's priorities, providing the required return on investment for the community.

## **Financial Projections**

- 1.7 The strategic revenue projections underlying the current Medium Term Financial Strategy suggested that a budget gap would arise in 2020/21, as follows.

**Table 1: Current MTFS Revenue Projections 2017/18 – 2021/22**

	17/18	18/19	19/20	20/21	21/22
	£m	£m	£m	£m	£m
Council Tax	14.8	15.0	15.5	15.9	16.4
Retained Business Rates	4.1	4.2	4.4	4.5	4.6
Tariff / top-up adjustment (negative RSG)			-1.6	-1.6	-1.6
Budget requirement	18.9	19.2	18.3	18.8	19.4
Fees and Charges	16.4	16.6	16.7	16.9	17.1
Total Funding Available	35.3	35.8	35.0	35.7	36.5
Predicted Expenditure	37.1	35.7	36.4	36.9	36.4
Budget Gap	1.8	-0.1	1.4	1.2	-0.1
Required – Cumulative	1.8	1.7	3.1	4.3	4.2
Budget Savings	1.8	2.7	3.2	3.4	3.4
Still to be identified	0.0	-1.0	-0.1	0.9	0.8

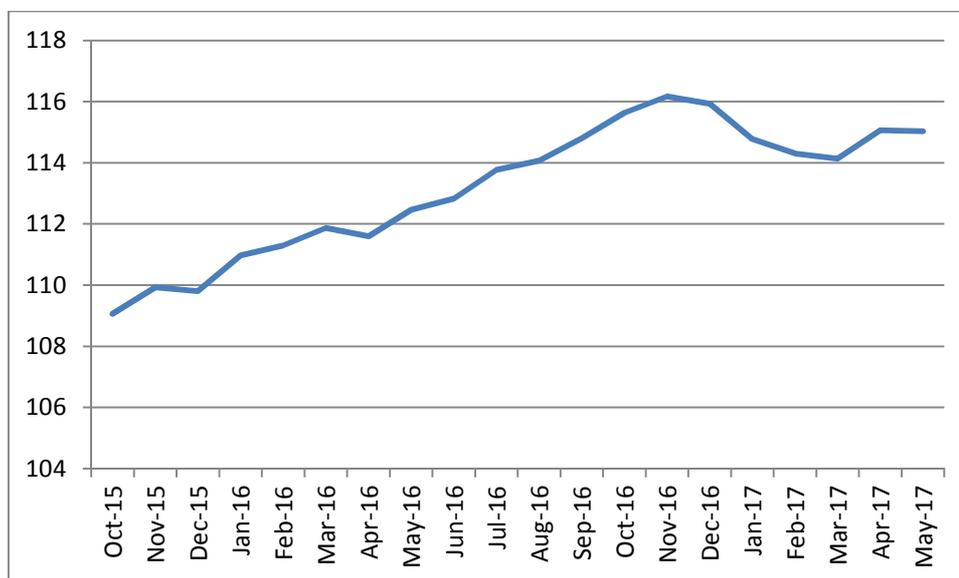
- 1.8 In light of the many uncertainties faced by the Council, it is important to note that projections like these can only represent a 'best estimate' of what will happen. In updating the projections, various potential scenarios have been modelled. Projections were prepared for each of the scenarios modelled, giving consideration to:
- Assessment of external opportunities and threats
  - Evaluation of existing budget savings in the five year plan
  - Latest emerging information about economic developments and government policy.
- 1.9 In accordance with legislative requirements the Council must set a balanced budget. Under the 'business as usual' scenario there will be a budget gap from 2019/20 onwards, and in the 'adverse' scenario from 2018/19 onwards. The MTFS sets out a proposed approach that seeks to address this.

## 2. NATIONAL AND LOCAL CONTEXT

### Economic Outlook 2018 – 2023

- 2.1 Following the EU referendum in June 2016, the national economy continued to grow strongly, contrary to many expectations. However, growth is now slowing. In the first quarter of 2017, growth in GDP was just 0.2%. Because the UK's population is increasing, the rate of growth in GDP per head was zero. This was the lowest rate of growth of any EU country.
- 2.2 Both continued growth in the immediate aftermath of the EU referendum, and now the more recent slowdown, have been driven by consumer spending. See below.

**Figure 1: Retail Sales Volumes (3 month moving average, 2005 = 100)**

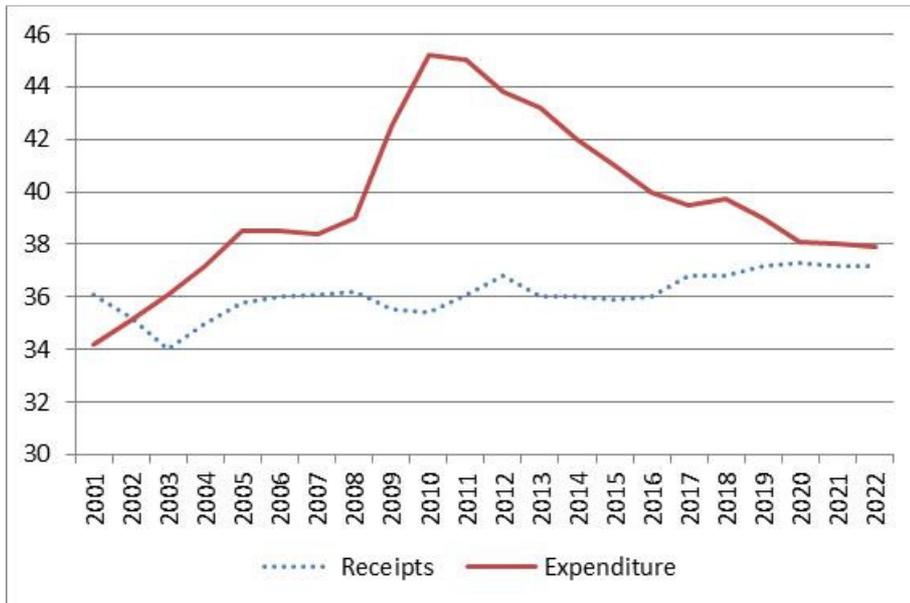


- 2.3 The Bank of England's May 2017 Inflation Report attributes the slowdown in consumer spending to the impact of sterling depreciation. However, the Bank of England also states that weaker consumption may be balanced by rising net trade and investment, since the global economy is continuing to grow.
- 2.4 Sterling depreciation has meant that inflation has risen above the Bank of England target of 2%. The latest Consumer Price Inflation figures show an annual rate of 2.9%. However, wage growth has remained weak, leading to falling real incomes.
- 2.5 The outlook for future economic growth remains very uncertain. It is likely to be highly sensitive to the eventual trading arrangements reached between the UK and its economic partners following Brexit.

## Public Finances

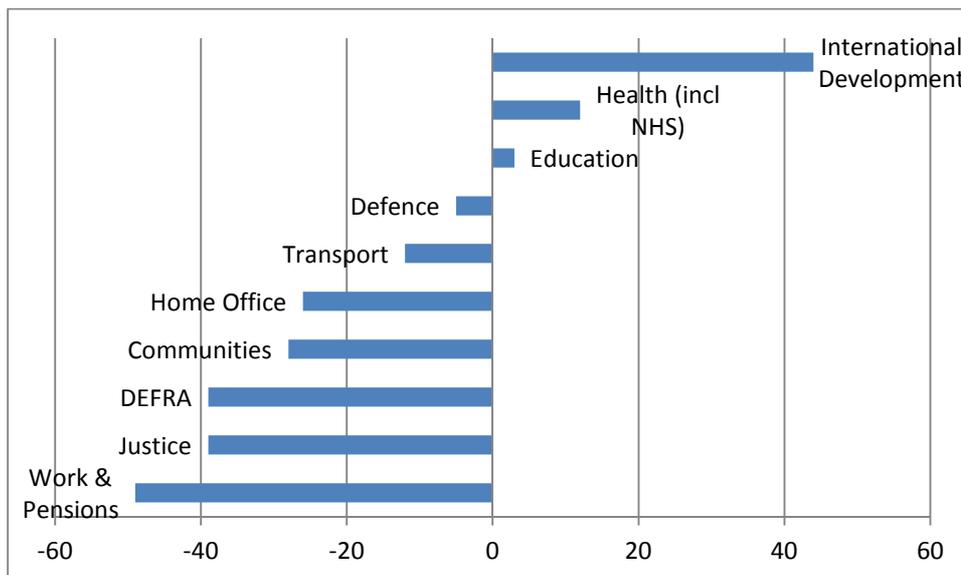
- 2.6 Following the financial crisis of 2008 and the demands that it placed on the public finances, national governments followed an explicit policy of deficit reduction. This has brought public expenditure down to a similar level as a proportion of national income to that in 2007/08, immediately before the financial crisis.

**Figure 2: Tax and Spend as a percentage share of national income**



However, the impact of expenditure reduction has varied in different parts of the public sector – see figure 3 below.

**Figure 3: Planned real change to Departmental Expenditure Limits 2010-11 – 2019-20 (per cent)**



- 2.7 Central government funding for local authorities, in particular, has reduced very substantially since 2010. At the same time, the coalition government of 2010-15 and David Cameron's Conservative government of 2015-16 made significant changes to the way that local government is financed. A key change was the introduction of 50% business rates retention for local authorities in 2013. This was part of an agenda of 'localism', giving more freedom and flexibility to local authorities.
- 2.8 Prior to the 2017 General Election, the Government was preparing to move to 100% business rates retention with effect from 2020. As with 50% business rates retention, this would have been linked to a mechanism for rates equalisation. The additional income would have been accompanied by devolution of further responsibilities to local government. However, the relevant legislation was not included in the Queen's Speech. The local government sector therefore assumes that 100% business rates retention has been postponed if not dropped altogether.
- 2.9 In the absence of any firm alternative to 100% business rates retention, the likely funding arrangements for local government after 2020 are very unclear. Pressures to spend more money elsewhere in the public sector, together with the potential for lower tax receipts if the economy slows down, mean that local government faces a very real risk of further reductions in funding.
- 2.10 Maidstone no longer benefits directly from central government support in the form of Revenue Support Grant. However, the existing four year funding settlement contains a mechanism for government to levy a 'tariff / top-up adjustment' – effectively reverse Revenue Support Grant – on local councils. This mechanism could be used to extract funding from the sector for other priorities. Accordingly, Maidstone Borough Council needs to plan for the risk that the tariff / top-up adjustment of £1.6 million payable in 2019/10 will increase in subsequent years.
- 2.11 There is the potential for the Council to grow both its Council Tax and Business Rates income, if the numbers of households and businesses respectively grow. This depends in turn on the performance of the national and local economy. Given the uncertainty about future economic growth, forecasts have been reflected in the Strategic Revenue Projection using a range of different scenarios.
- 2.12 Further details of how the Council funds its services are set out in section 4.

### **3. STRATEGIC PLAN AND ACTION AREAS**

3.1 The Medium Term Financial Strategy is intended to deliver the Council's Strategic Plan. As part of the Strategic Plan, the Council has agreed two corporate priorities for 2015-2020 underpinned by 8 action areas:

Corporate Priorities:

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

Action Areas:

- Providing a clean and safe environment;
- Encouraging good health and wellbeing;
- Respecting the character and heritage of our Borough;
- Ensuring there are good leisure and cultural attractions;
- Regenerating the Town Centre;
- Securing improvements to the transport infrastructure of our Borough;
- Promoting a range of employment opportunities and skills required across our Borough; and
- A home for everyone.

The 2017/18 refresh of the Strategic Plan highlighted the following action areas for specific focus:

- A clean and safe environment;
- Regenerating the Town Centre;
- A home for everyone – tackling homelessness and improving supply.

3.2 The financial resources available to deliver these actions are set out in the following sections of the MTFs. Day-to-day expenditure is met from the revenue budget, which is funded primarily from Council Tax, our share of Business Rates income and Fees and Charges. It will be seen that there are severe constraints on the funding available for the revenue budget. In addition, there are budget pressures which must be managed in order to ensure that there are sufficient resources available for the Council's priorities. This inevitably means that spending against the revenue budget must be prioritised.

3.3 Investment for the longer term is delivered through the capital programme, which is funded from the New Homes Bonus, borrowing and third party contributions such as Section 106 payments on new developments. Capital investment is essential to the realisation of the Strategic Plan. The constraints in this case are different from those facing revenue expenditure, because the current local authority funding regime does not set cash limits for borrowing. However, borrowing must be sustainable in terms of the Council's ability to fund interest payments and ultimately repayment of capital. Capital investment plans also depend on having the capacity, in terms of internal resources, to develop projects, work effectively with partners, and secure third party funding.

**4. FINANCIAL RESOURCES**

**Council Tax**

- 4.1 Council Tax is a product of the tax base and the level of tax set by Council. The tax base is a value derived from the number of chargeable residential properties within the borough and their band, which is based on valuation ranges, adjusted by all discounts and exemptions.
- 4.2 The tax base has increased steadily in recent years, reflecting the number of new housing developments in the borough. See table below.

**Table 2: Number of Dwellings in Maidstone**

	2012	2013	2014	2015	2016
Number of dwellings	66,325	66,924	67,178	67,721	68,519
% increase compared with previous year	1.19%	0.90%	0.38%	0.81%	1.18%

Note: Number of dwellings is reported each year based on the position shown on the valuation list in September.

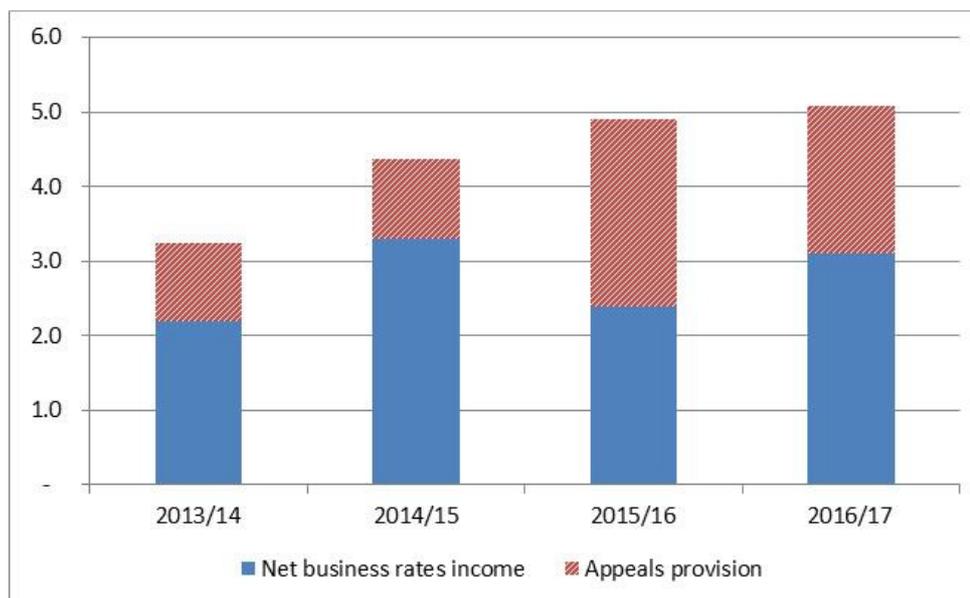
- 4.3 The level of council tax increase for 2018/19 is a decision that will be made by Council based on a recommendation made by Policy and Resources Committee. The Council's ability to increase the level of council tax has been limited firstly by a cap and more recently by the need to hold a referendum for increases over a government set limit. The limit set by the government for 2017/18 remained the greater of 2% or £5.00. For 2017/18, the Council approved an increase of £4.95 (2.1%).
- 4.4 In the Medium Term Financial Strategy 2017/18 – 2021/22, it was assumed that the Council Tax base would increase by 1% per annum for the MTFs period, and Band D Council Tax will continue to increase by £4.95 per annum, reverting to 2% in 2019/20 when this becomes a greater figure than £4.95. The Government announced in December 2017 that the referendum limit for Council Tax increases 2018/19 would be 3%, thus permitting Maidstone Council to increase Council Tax by up to £7.29.

**Business Rates**

- 4.5 The current business rates regime, where 50% of business rates is retained by local authorities, but is then subject to tariffs and top-ups in order to equalise the amounts actually received by each authority, leads to a high degree of volatility. This is because the tariff is fixed, whilst business rates income is variable. This variability is exacerbated by the number of appeals outstanding at any one time. As a result, it has proved very difficult to project business rates income. See graph below.

**Figure 4: Net Business Rates Income receivable by Maidstone BC**

£ million



- 4.6 As a member of the Kent Business Rates Pool, the council has had the ability to retain more of the income from growth in business rates than it otherwise would, but with government still receiving 50% of growth. In 2018/19, Kent and Medway authorities will form a 100% Business Rates Retention pilot, thus allowing them collectively to retain all business rates growth.
- 4.7 Originally the Council held all income from business rates growth in reserve and committed it in the year following its receipt. In setting the 2016/17 budget the Council approved the use of the non-pool element of business rates growth, which is retained by the Council regardless of whether or not it is a member of the pool, into its base budget to maintain overall resource levels. An earmarked reserve holds the growth protected by membership of the pool. The reserve is used for specific projects that form part of the Council's economic development strategy, such as the Maidstone East development.

### **Fees and Charges**

- 4.8 Fees and charges income is an increasingly important source of funding for the Council. We have a policy that guides officers and councillors to set the appropriate level of fees and charges based on demand, affordability and external factors. The policy is not influenced directly by the MTFs with the exception that charges should be maximised within the limits of the policy.
- 4.9 In developing the strategic revenue projection for 2017/18 a broad assumption of a 1% increase in future fees and charges was used for the development of the MTFs, in line with overall inflation assumptions.

- 4.10 Fees and charges include amounts recharged to other Mid Kent Services authorities where Maidstone is the host authority.

### **Balances and Earmarked Reserves**

- 4.11 The Council maintains reserves as a safety net to allow for unforeseen circumstances. There is no statutory definition of the minimum level of reserves: the amount required is a matter of judgement. However, the Council has agreed to set £2 million as the minimum General Fund balance.
- 4.12 Within the General Fund balance, amounts have been allocated for specific purposes. These amounts do not represent formal commitments. Instead, they represent the level of reserves considered to be required for specific purposes, including asset replacement, commercialisation and Invest to Save projects.
- 4.13 In addition to uncommitted General Fund balances, the Council holds reserves that are earmarked for specific purposes. The most substantial of these is the earmarked New Homes Bonus funding for capital expenditure, which stood at £7.2 million as at the end of 2016/17. Full details of reserves held are set out below.

**Table 3: General Fund balances as at 31 March 2017**

	£000
<b>General Fund</b>	
Asset Replacement	167
Planning Management	200
Commercialisation – contingency	500
Invest to Save projects	547
2016/17 underspend earmarked for Action Areas	89
Unallocated balance	5,855
<b>Sub-total</b>	<b>9,329</b>
<b>Earmarked Reserves</b>	
New Homes Bonus funding for capital projects	7,214
Local Plan	336
Neighbourhood Plans	64
Accumulated Surplus on Trading Accounts	243
Business Rates Growth Fund	158
<b>Sub-total</b>	<b>8,014</b>
<b>Total General Fund balances</b>	<b>17,343</b>

The unallocated balance exceeds the £2 million minimum. It represents 17% of the revenue budget, which is in excess of the 10% benchmark that is sometimes cited as a reasonable level. It can therefore be seen that the level of reserves is adequate without being excessive.

## 5. CURRENT EXPENDITURE

- 5.1 In order to provide some context for budget prioritisation, this section sets out current budgeted expenditure by Committee and by Service, and describes planned savings and known budget pressures.

**Table 4: 2017/18 Revenue Budgets by Committee and Service**

Ctee	Service	2016/17 Actual £000	2017/18 Budget		
			Expenditure £000	Income £000	Net £000
CHE	Communities & Housing	3,759	4,714	-1,331	3,383
	Environment & Public Realm	5,473	7,098	-1,740	5,358
HCL	Heritage, Culture & Leisure	750	3,558	-3,052	506
S P S & T	Planning Services	1,843	3,551	-2,652	899
	Parking & Transportation	-1,883	2,221	-4,141	-1,920
P & R	Economic Development	489	747	-448	299
	Property & Investment	491	1,973	-1,893	80
	Corporate & Shared Services	8,935	13,452	-3,162	10,290
	<b>Total</b>	19,857	37,315	-18,418	18,897

### Communities and Housing

- 5.2 Developments in the housing market continue to create very significant budget pressures for the Council. The pressures are illustrated by the number of homeless applications, which amounted to nearly 600 in 2016/17 and to 79 alone in the first month of 2017/18. As a result, the cost of providing temporary accommodation led to an overspend for this area in 2016/17.
- 5.3 The Council has responded positively to these pressures through direct investment in property to provide temporary accommodation. Whilst this will reduce the cost of providing temporary accommodation over time, in the short term growth of £235,000 has been included in the budget for 2017/18. Early indications are that the continuing high number of homeless applications, and the length of time taken to bring our own property on stream, mean that it will be challenging to remain within budget even having taken into account the growth of the budget.
- 5.4 The Council is also anticipating the implementation of new homelessness legislation, and is investing in revenue resources for homelessness prevention. Further growth of £94,000 was built into the budget for 2017/18 to allow for additional recruitment to the preventions team, giving total growth of £329,000.

## **Environment & Public Realm**

- 5.5 This service includes the core services responsible for delivering the 'clean and green' agenda – street cleaning, grounds maintenance and household waste collection. The service is planning savings of £114,000 in 2017/18, principally arising from additional income from commercial waste and garden waste collections. In addition to the challenge of delivering these savings, there will be £180,000 additional costs for waste collection in 2017/18 arising from the effect of contract indexation. The service has identified a number of measures which are intended to mitigate this cost and so achieve a balanced outturn.

## **Heritage, Culture & Leisure**

- 5.6 This service includes the museum, leisure services and bereavement services. The area is planning savings of £130,000 in 2017/18, including additional Crematorium income of £55,000, £25,000 of operating savings at the Museum and £50,000 from a new operating model for Parks and Open Spaces. Recent performance of the Crematorium indicates that it should achieve its savings target. Careful monitoring will be required to ensure that the other savings are delivered.
- 5.7 There was an overspend in 2016/17 on the Mote Park Café, arising from it failing to achieve its income targets. The income target for the Mote Park Café has been removed in 2017/18, for one year only, such that it only has to break even to achieve budget. Early indications are that this objective will be achieved. The operation of the Café will be recommissioned during 2017/18 with the intention of generating a net surplus in future years.
- 5.8 Growth of £50,000 was allowed for the Museum in 2017/18, in anticipation of it failing to secure external funding for outreach activities. In the event, the Museum has secured an Arts Council grant of £70,000 for 2017/18. The Museum will therefore be expected to deliver a surplus in 2017/18.

## **Planning Services**

- 5.9 This area has a savings target of £84,000 in 2017/18, comprising additional income for Building Control and Planning Support and a modest reduction in staffing levels. These savings are considered to be achievable. However, there will be pressures on the budget in 2017/18 arising from the potential cost of planning appeals. Additionally, the service area was expecting additional income of £120,000 from increasing Planning Fees by 20%. The legislation to implement this has been delayed by the General Election, so any additional income will be reduced and the service area will need to plan accordingly.
- 5.10 Growth of £200,000 has been built into the budget for 2017/18, to allow for work to commence on the Local Plan refresh that will be required for 2020.

## **Parking & Transportation**

- 5.11 This service generates a strong positive contribution, primarily from the Council's Pay and Display car parks. £300,000 of savings are built into the 2017/18 budget arising from expected strong parking income performance and increased charges that took effect in April 2017.

## **Economic Development**

- 5.12 Savings of £126,000 are projected for 2017/18, arising from the capitalisation of some staffing costs and use of the Business Rates Pool for certain revenue costs which meet the criteria for generating business growth. Whilst these are not cash savings, it is legitimate to maximise alternative sources of funding such as capital resources and the Business Rates Pool at a time when revenue resources are under pressure.

## **Property and Investment**

- 5.13 Savings are projected in this area from commercial investments (£200,000) and office accommodation (£165,000). The saving from commercial investments is expected to be deliverable following a new acquisition at Heronden Road. Office accommodation savings were based principally on the opening of the Link as a shared facility with the DWP and should also be achievable.

## **Corporate and Shared Services**

- 5.14 Substantial savings are projected in this area in 2017/18, of which the major items are Revenues and Benefits restructuring (£108,000), Finance Service savings arising from the deletion of the Head of Finance and Resources post (£100,000) and income from the new Debt Recovery Service (£88,000). All savings in this area are considered to be deliverable.
- 5.15 A Contingency Fund of £200,000 has been included under Corporate and Shared Services. It will be allocated, if necessary, to other Council services. Use of the Contingency Fund is a last resort and Service Areas will be expected in the first instance to offset any potential overspend with savings elsewhere within the Service.

## **6. FUTURE SCENARIOS**

6.1 Owing to the high degree of uncertainty facing the Council, financial projections have been prepared for three different scenarios, as follows.

### **1. Favourable – Local authority growth**

Central government accepts the logic of devolution and gives greater autonomy to local authorities. Most authorities no longer receive revenue support grant, but in return are able to increase Council Tax and to set their own business rates. This creates winners and losers, with some of the losers being unable to set balanced budgets and being forced to accept central government control. However, the winners are able to attract residents and businesses to their areas and to generate a higher rate of economic growth locally through enhanced capital investment.

### **2. Neutral - Business as usual**

The government sticks to the current business rates retention model. A fair funding review to deal with pressing issues in the current system leaves the overall funding position broadly unchanged. In order to maintain services at current levels, the government accepts a higher level of overall public sector borrowing. An orderly Brexit means that the markets make only a marginal upward adjustment in their assessment of UK credit risk, so the cost of servicing public sector borrowing remains manageable. Local authorities are able to continue providing services at broadly the current level.

### **3. Adverse - Economic downturn**

The continued fall in the pound deters consumers from spending and the economy slows down sharply. Businesses close, reducing rates income. Increasing unemployment leads to greater homelessness and more pressures on local authority housing services. Under pressure to maintain spending on the NHS, pensions and other benefits, the government squeezes local government's share of total spending by cutting what is left of revenue support grant and reducing local government's share of business rates. This leaves many more authorities paying central government 'negative revenue support grant'. The government continues to restrict the amount local authorities can raise by way of Council Tax in order to limit overall public spending, but wage inflation will grow, forcing authorities to make severe cuts.

Details of key assumptions underlying each of these scenarios are set out below.

### **Council Tax**

6.2 It was originally assumed in all scenarios that Band D Council Tax would continue to increase by £4.95 per annum, reverting to 2% in 2019/20 when this becomes a greater figure than £4.95.

- 6.3 The 'favourable' scenario outlined above would allow the Council to increase Council Tax by more than 2%. It has been assumed for the purpose of the projections that if the Council were to do this the additional revenue would be used to fund additional services, such that there would be no 'bottom line' impact on the budget gap.
- 6.4 The other key assumption regarding Council Tax is the number of new properties. The number of new properties has been increasing in recent years, from a low of 0.38% in 2014 to 1.18% in 2016. The rate of increase in 2017 is likely to be higher still, but remains lower than that implied by Local Plan new homes targets. Assumptions are as follows:

Favourable – 2%  
Neutral – 1.5%  
Adverse – 1%

### **Tariff / top-up adjustment**

- 6.5 The current four year funding settlement provides no Revenue Support Grant from 2017/18 onwards. Instead, a 'negative Revenue Support Grant' payment to government of £1.6 million is due to be paid in 2019/20. Whatever system is adopted for funding local authorities from 2020/21, it is likely that the government will look to recoup at least this much from Maidstone in subsequent years.
- 6.6 In addition, as provided for in the current MTFs, it is appropriate to include a provision, currently £1.3 million, to allow for additional burdens placed on the Council following the end of the current four year settlement. Originally it was expected that the Council might face additional responsibilities under 100% business rates retention from 2020/21 and a provision of £1.3 million was made in the MTFs to allow for this. Even if 100% business rates retention is not now introduced as originally intended, the pressures on UK-wide public finances mean that the Council risks corresponding burdens, whether in the form of additional responsibilities or an increased tariff / top-up adjustment. With an adverse outcome this figure is treated as increasing to £2 million.

### **Business Rates**

- 6.7 As described above, the net business rates income received by the Council is highly volatile, being sensitive to the number of appeals as well as to the overall economy.
- 6.8 A further factor to be considered is the likely resetting of the government's business rates baseline in 2020/21. This represents the level above which the Council benefits from a share in business rates growth. It is likely that the government will reset the baseline in order to redistribute resources from those areas that have benefitted most from business rates growth in the years since the current system was introduced in 2013, to those areas that have had lower business rates growth.

6.9 Assumptions are as follows:

Favourable – annual increase in business rates 3%; Council retains all existing business rates growth, ie no adverse impact from business rates growth reset

Neutral – annual increase in retained business rates 2%; business rates growth reset to zero in 2020/21, £500,000 growth per annum from 2021/22 onwards.

Adverse –base level of retained business rates falls to the ‘safety net’ threshold; business rates growth reset to zero in 2020/21 and no further growth subsequently.

**Fees and Charges**

6.10 Current projections imply that fees and charges will increase in line with overall inflation assumptions. For the Council, the main component of inflation is pay inflation. In practice, it is not possible to increase all fees and charges by this amount as some are set by statute. Accordingly, the inflation assumptions for fees and charges are for somewhat lower increases than the corresponding expenditure assumptions.

6.11 The aggregate change in fees and charges income includes both inflation assumptions and volume assumptions, based on the buoyancy of income streams. For example, in a favourable economic environment we would expect volumes to grow. Details are as follows:

- Favourable – 0% price increase + 2% volume increase = 2%
- Neutral – 0% price increase + 1% volume increase= 1%
- Adverse – 1% price increase less 1% volume decrease = 0%

**Inflation**

6.12 The past year has seen a steady increase in inflation. The annual rate of increase in Consumer Price Index inflation (CPI) for the year to May 2017 was 2.9%. Although wage inflation in the public sector has been significantly below this level, there is increasing political pressure to relax the limits on public sector pay increases.

6.13 The following table sets out the assumptions made for the purposes of preparing the initial set of Strategic Revenue Projections.

**Table 5: Inflation Assumptions**

	Favourable	Neutral	Adverse	Comments
Employee Costs	1.00%	1.00%	2.00%	The adverse assumption is that current government pay guidelines are relaxed
	0.50%	0.50%	0.50%	The annual cost of performance related incremental increases for staff
Electricity	3.00%	5.00%	9.00%	Based on guidance from

	Favourable	Neutral	Adverse	Comments
				supplier
Gas	3.00%	5.00%	11.00%	Based on guidance from supplier
Water	-3.50%	-1.75%	0.00%	Decrease in prices expected from deregulation of the water supply market
Fuel	1.00%	2.00%	3.00%	A predicted average increase based on previous trends as no forward looking information is available.
Insurance	1.00%	2.00%	3.00%	A predicted average increase based on previous trends as no forward looking information is available.
General	1.00%	2.00%	3.00%	2% is the government's target inflation rate but the current level of CPI inflation is 2.9%

### Spending Pressures

- 6.14 Allowance has been made for known spending pressures within the projections, with optimistic, neutral and pessimistic views taken on likely temporary accommodation pressures in the three different scenarios.
- 6.15 As there will be a delay in generating returns from capital investment following the initial borrowing and commitment of cash, the line 'revenue costs of capital programme' shows additional pressures in the first three years of the MTF period, which are gradually reversed in years 4 and 5. In the adverse scenario, returns from the capital investment are 50% lower than in the neutral and favourable scenarios.
- 6.16 A summary of the projected budget gaps under each of the scenarios is set out below.

**Table 6: Projected Budget Gap 2018/19 – 2022/23**

	18/19	19/20	20/21	21/22	22/23
	£m	£m	£m	£m	£m

<b>Scenario 1 – Favourable</b>					
Budget Gap <sup>1</sup>	-0.1	1.1	-0.2	0.8	-0.8
Required – Cumulative	-0.1	1.0	0.8	1.6	0.8
Savings identified to date <sup>2</sup>	-0.9	-1.4	-1.6	-1.6	-1.6
<b>Still to be identified</b>	<b>-1.0</b>	<b>-0.4</b>	<b>-0.8</b>	<b>-0.0</b>	<b>-0.8</b>

<b>Scenario 2 – Neutral</b>					
Budget Gap <sup>1</sup>	0.4	1.5	1.4	0.8	-0.3
Required – Cumulative	0.4	1.9	3.3	4.1	3.8
Savings identified to date <sup>2</sup>	-0.9	-1.4	-1.6	-1.6	-1.6
<b>Still to be identified</b>	<b>-0.5</b>	<b>0.5</b>	<b>1.7</b>	<b>2.5</b>	<b>2.2</b>

<b>Scenario 3 – Adverse</b>					
Budget Gap <sup>1</sup>	2.3	2.0	1.2	3.0	0.8
Required – Cumulative	2.3	4.3	5.5	8.5	9.3
Savings identified to date <sup>2</sup>	-0.9	-1.4	-1.6	-1.6	-1.6
<b>Still to be identified</b>	<b>1.4</b>	<b>2.9</b>	<b>3.9</b>	<b>6.9</b>	<b>7.7</b>

<sup>1</sup> A positive figure here indicates a budget gap; a negative figure (-) indicates a surplus

<sup>2</sup> Savings included in existing 2017/18 – 2021/22 MTFS / Efficiency Plan

## 7. SAVINGS AND EFFICIENCY PLAN

- 7.1 It is inherent in the Medium Term Financial Strategy that the Council seeks to balance income and expenditure, and therefore identifies measures to eliminate any budget gap. In addition to the legal requirement to set a balanced budget for 2017/18, it is to be expected that the Council will have credible plans in place to address any budget gap in subsequent years. In the interests of prudence, these plans need to address not only a neutral set of projections but also the potential adverse scenario outlined in the previous section.
- 7.2 It was acknowledged in preparing the current MTFs, for the five years 2017/18 – 2021/22, that the size of the potential revenue budget shortfall meant that no single initiative could be expected to close the gap. Accordingly, a blend of different generic approaches were taken, each of which have contributed to the £3.4 million of savings in the current projections, as follows:

**Table 7: Budget savings by category**

	£000
Efficiency savings	1,008
Increased income	1,093
Transformation and business improvements	851
Service reductions	456
<b>Total</b>	<b>3,408</b>

The preferred approach to delivering savings is through efficiencies, increased income or transformation. Service reductions are a last resort.

- 7.3 The blended approach to delivering savings has proved successful so far. Most savings for 2017/18 are on track to be delivered. If an individual saving is not delivered, the wide spread of approaches and savings ideas means that overall risk is minimised. Note that this approach is not the same as 'salami slicing'. Each savings proposal has been carefully developed and evaluated. Savings are not based on an arbitrary percentage cut in a service budget.
- 7.4 In addressing the budget gaps identified under the scenarios outlined above, it is proposed to adopt a similar approach. Whilst the size of the budget gap is potentially greater, it is considered that this approach is scalable and is appropriate for the task that now requires to be undertaken. Budget proposals have been developed during the course of September – November 2017, prior to consideration by Service Committees and the wider stakeholder group in December 2017 – January 2018. Budget proposals were sought addressing the worst case, in order that the Council is suitably prepared for this eventuality. The proposals recommended to Council are however based on a 'neutral' scenario, as these are sufficient to meet the remit of a balanced budget in 2018/19.

## 8. CAPITAL PROGRAMME

8.1 The capital programme plays a vital part in delivering the Council's strategic plan, since it is only through long term investment that our ambitions for the borough can be realised. The capital programme is a rolling five year programme. The existing capital programme was approved by Council at its budget meeting on 1st March 2017 and totals £60 million over five years. Details are set out below.

**Table 8: Five Year Capital Programme 2017/18 – 2021/22**

	Actual	Five year plan					Total
	16/17	17/18	18/19	19/20	20/21	21/22	
	£000	£000	£000	£000	£000	£000	£000
Housing and regeneration schemes	21	1,500	7,500	11,500	8,500	3,000	32,000
Housing investments	754	3,900	600	600	600	600	6,300
Other housing	840	1,376	1,150	1,150	1,150	1,150	5,976
Commercial property investments	3,653	1,500	0	0	0	0	1,500
Parks and open spaces	641	2,292	1,919	625	0	0	4,836
Town Centre regeneration	131	1,400	1,400	0	0	0	2,800
Maidstone East	2,783	288	212	0	0	0	500
Flood defences	28	50	50	300	550	50	1,000
Infrastructure delivery	500	0	3,000	0	0	0	3,000
Bridges Gyrotory Scheme	941	0	0	0	0	0	0
Other	1,559	740	601	520	415	225	2,501
<b>Total</b>	<b>11,851</b>	<b>13,046</b>	<b>16,432</b>	<b>14,695</b>	<b>11,215</b>	<b>5,025</b>	<b>60,413</b>

8.2 Infrastructure development in the Local Plan will be primarily funded from S106 contributions and the Community Infrastructure Levy. However, an allocation of £3 million has been included in the capital programme to cover investment by the Council itself. This may be used in advance of receiving S 106 contributions.

8.3 The above figures do not include potential capital investment in the Kent Medical Campus, part of the North Kent Enterprise Zone (EZ). This capital investment, which is expected to be an important driver for economic development, would be funded on a stand-alone basis from business rates income generated by the EZ.

8.4 Since the capital programme was agreed by Council, a requirement has emerged for a capital investment to strengthen the dam at the western end of Mote Park Lake. Detailed costings still have to be prepared but the cost is likely to be in the region of £1 million.

8.5 Schemes may be included in the capital programme if they fall within one of the four following categories:

- Required for statutory reasons, eg to ensure that Council property meets health and safety requirements;
  - Self-funding schemes focused on strategic plan priority outcomes;
  - Other schemes focused on strategic plan priority outcomes; and
  - Other priority schemes which will attract significant external funding.
- 8.6 All schemes within the capital programme are subject to appropriate option appraisal. Any appraisal must comply with the requirements of the Prudential Code and the following locally set principles:
- a) Where schemes fit within a specific strategy and resources are available within the capital programme for that strategy, the schemes would also be subject to appraisal and prioritisation against the objectives of that strategy. These schemes must be individually considered and approved by the relevant service committee.
  - b) Where schemes can be demonstrated to be commercial in nature and require the use of prudential borrowing, a business case must first be prepared.
- 8.7 Maidstone Borough Council has so far not borrowed to fund its capital programme, instead relying primarily on New Homes Bonus to fund the capital programme. The funding projections for the Capital Programme envisage that borrowing will not be required in 2017/18, but will be in subsequent years. The cost of any borrowing will be factored into the updated MTFS financial projections.
- 8.8 There has been a reduction of the period for which New Homes Bonus would be paid from six years to five in 2017/18 and then to four in 2018/19. The reduction takes immediate effect, such that it affects six year payments already being received. An allowance is also made in calculating New Homes Bonus for the natural growth in housing from 'normal' levels of development. This means that New Homes Bonus will now only be paid on growth in excess of 0.4% per annum.
- 8.9 Many of the external grants that were available to the council for funding capital projects in the past no longer exist. However, recent projects have received support through grants and contributions, eg the Museum, Mote Park, and the High Street. Government funding is also available through the South East Local Enterprise Partnership (SELEP). Opportunities to bid for funding are pursued energetically wherever possible.
- 8.10 Funding is also available through developer contributions (S 106) and, in future, through the Community Infrastructure Levy (CIL). Members have been consulted in relation to the levy and a draft charging schedule was approved by Council at its meeting on 7 December 2016. The way will be clear for the Council to introduce a CIL when its Local Plan is adopted, subject to an examination of the Council's CIL proposals.
- 8.11 The current funding assumptions used in the programme are set out in the table below along with the expected total expenditure.

**Table 9: Capital Programme Funding**

<b>Funding Source</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>	<b>2019/20 £000</b>	<b>2020/21 £000</b>	<b>2021/22 £000</b>	<b>TOTAL £000</b>
Earmarked Reserves	11,216	3,059	2,935	2,800	2,800	22,810
Capital Grants	800	800	800	800	800	4,000
Internal Borrowing	1,030	3,570				4,600
Prudential Borrowing	0	9,003	10,960	7,615	1,425	29,003
<b>Total Resources</b>	<b>13,046</b>	<b>16,432</b>	<b>10,960</b>	<b>11,215</b>	<b>5,025</b>	<b>60,413</b>

- 8.12 A review of the schemes in the capital programme took place during the course of Autumn 2017. Proposals were also considered for new schemes to be added to the capital programme. The affordability of the capital programme was considered as part of this review, as it is essential that any borrowing to fund the capital programme is sustainable and affordable in terms of its revenue costs. The outcome of this review was reported to Policy and Resources Committee in January 2018 and an updated capital programme was recommended to Council for approval.

## 9. RISK MANAGEMENT

- 9.1 As indicated in the previous sections, the Council's MTFS is subject to a high degree of risk and certainty. In order to address this in a structured way and to ensure that appropriate mitigations are developed, the Council has developed a budget risk register. This seeks to capture all known budget risks and to present them in a readily comprehensible way. The budget risk register is updated regularly and is reviewed by the Audit, Governance and Standards Committee at each meeting.
- 9.2 The major risk areas that have been identified as potentially threatening the Medium Term Financial Strategy are as follows.
- Failure to contain expenditure within agreed budgets
  - Fees & Charges fail to deliver sufficient income
  - Commercialisation fails to deliver additional income
  - Planned savings are not delivered
  - Shared services fail to perform within budgeted levels.
  - Insufficient Balances - minimum balance is insufficient to cover unexpected events OR minimum balances exceed the real need
  - Inflation rate predications underlying MTFS are inaccurate
  - Adverse impact from changes in local government funding
  - Constraints on council tax increases (ie 2% referendum limit)
  - Reduction or total loss of funding sources for capital programme
  - Increased complexity of government regulation
  - Business Rates & Council Tax collection
  - Other Kent Business Rates Pool members require support from the Council.
- 9.3 It is recognised that this is not an exhaustive list. By reviewing risks on a regular basis, it is expected that any major new risks will be identified and appropriate mitigations developed.
- 9.4 An assessment of the relative impact and likelihood of the risks identified is set out below.

**Table 10: Budget Risk Matrix**

<b>Likelihood</b>	<b>5</b>					
	<b>4</b>					
	<b>3</b>		<b>B</b>	<b>G</b>		
	<b>2</b>		<b>E</b>	<b>C,F, L,M</b>	<b>A,D, H,J</b>	
	<b>1</b>		<b>I,K</b>			
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
		<b>Impact</b>				

Key

- A. Failure to contain expenditure within agreed budgets
- B. Fees and Charges fail to deliver sufficient income
- C. Commercialisation fails to deliver additional income
- D. Planned savings are not delivered
- E. Shared services fail to meet budget
- F. Council holds insufficient balances
- G. Inflation rate predictions underlying MTFS are inaccurate
- H. Adverse impact from changes in local government funding
- I. Constraints on council tax increases
- J. Capital programme cannot be funded
- K. Increased complexity of government regulation
- L. Collection targets for Council Tax and Business Rates missed
- M. Business Rates pool fails to generate sufficient growth

9.5 For all risks shown on the Budget Risk Register, appropriate controls have been identified and their effectiveness is monitored on a regular basis.

## 10. CONSULTATION

10.1 Each year the Council carries out consultation as part of the development of the MTFs. This year the Council is carrying out its two-yearly Residents' Survey and the opportunity has been taken to incorporate questions about the Council's budget priorities, as follows:

- What funding approach do you think we should take for each of the Council's funding priorities (reduce spending/maintain current spending/increase spending)
- Which of the priorities is most important to you?
- Which of the following actions should the Council prioritise to balance the budget? (Increase council tax / Increase fees and charges for the services you use / Stop delivering non essential services / Provide services less frequently or to a lower standard)

The results of this consultation will be used to inform the preparation of detailed budget proposals.

10.2 As a second step, consultation was carried out in December 2017 – January 2018 on the detailed budget proposals. Individual Service Committees considered the budget proposals relating to the services within their areas of responsibility. Full details of the proposals have been published and residents' and businesses' views are welcomed.

## Document History

Date	Description	Details of changes
25.07.17	Draft to Policy and Resources Committee	
25.10.17	Final to Council	<ul style="list-style-type: none"> <li>- Table 4 – income and expenditure now shown on same basis as in Strategic Revenue Projection</li> </ul>
14.02.18	Updated to reflect provisional Local Government Finance Settlement 2018/19	<ul style="list-style-type: none"> <li>- Reference made to new Council Tax referendum limit and Kent &amp; Medway Business Rates Pool.</li> <li>- Budget Risk Matrix updated.</li> <li>- Other minor textual changes.</li> </ul>

**Treasury Management Strategy Statement**  
Minimum Revenue Provision Policy Statement and  
Annual Investment Strategy

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Maidstone Borough Council  
2018/19

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# 1 INTRODUCTION

## 1.1 Background

The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management service is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

The council has adopted the *Treasury Management in Public Services: Code of Practice 2011 Edition* ('the Code') issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). CIPFA defines treasury management as:

*"The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."*

## 1.2 Reporting requirements

The Council is required to receive and approve the Treasury Management Strategy, which incorporates a variety of policies, estimates and actuals.

**Prudential and treasury indicators and treasury strategy** (this report) - The first, and most important report covers:

- the capital plans (including prudential indicators);
- a minimum revenue provision (MRP) policy (how residual capital expenditure is charged to revenue over time);
- the treasury management strategy (how investments and borrowings are organised) including treasury indicators; and
- an investment strategy (the parameters for how investments are to be managed).

The following reports are not required to be approved by Council but are to be reported and scrutinised to the relevant Committee. The Council has delegated this function to the Audit, Governance and Standards Committee.

**A mid year treasury management report** – This will update members with the progress of the capital position, amending prudential indicators as necessary, and determining whether any policies require revision if the assumptions on which this strategy is based were to change significantly. In accordance guidance issued by Department for Communities and Local

Government (DCLG), the circumstances which may require the council to revise its strategy would include, for example, a large unexpected change in interest rates, or in the council's capital programme or in the level of its investment balance.

**An annual treasury report** – This provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

A quarterly update on the Council's treasury management position is also provided through budget monitoring reports presented to Policy & Resources Committee.

### **1.3 Treasury Management Strategy for 2018/19**

The strategy for 2018/19 covers two main areas:

#### **Capital issues**

- the capital plans and the prudential indicators;
- the minimum revenue provision (MRP) policy.

#### **Treasury management issues**

- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- the investment strategy; and
- creditworthiness policy.

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, DCLG Minimum Revenue Provision Guidance, the CIPFA Treasury Management Code and DCLG Investment Guidance.

### **1.4 Treasury management consultants**

The Council uses Arlingclose Limited as its external treasury management advisors.

Responsibility for treasury management decisions ultimately remains within the Council and officers will not place undue reliance on the advice of external service providers.

The terms of appointment and value gained through use of treasury management consultants will be subject to regular review by the Director of Finance and Business Improvement.

### **1.5 Training**

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury

management. Training is offered to members of the Audit, Governance and Standards Committee on a regular basis.

Staff regularly attend training courses, seminars and conferences provided by Arlingclose and CIPFA. Relevant staff are also encouraged to study professional qualifications delivered by CIPFA, the Association of Corporate Treasurers and other appropriate organisations.

Staff training needs are assessed regularly both as part of the appraisal process and when the responsibilities of individual members of staff change.

## **2 THE CAPITAL PRUDENTIAL INDICATORS AND MINIMUM REVENUE PROVISION**

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

### **2.1 Capital expenditure**

This prudential indicator is a summary of the Council's capital expenditure plans; those agreed previously, as well as those forming part of this budget cycle. Capital expenditure forecasts are shown below:

2017/18 £,000	2018/19 £,000	2019/20 £,000	2020/21 £,000	2021/22 £,000
13,999	26,534	22,183	8,887	8,025

### **2.2 The Council's borrowing need (the Capital Financing Requirement)**

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for, will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing need in line with each asset's life.

The CFR includes the liability for the arrangement with Serco Paisa for leisure centre improvements. Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility and so the Council is not required to separately borrow for these schemes.

CFR projections are shown in the table below:

2017/18 £,000	2018/19 £,000	2019/20 £,000	2020/21 £,000	2021/22 £,000
-18,548	3,986	21,968	30,055	37,280

### 2.3 Affordability prudential indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances.

#### Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

2017/18	2018/19	2019/20	2020/21	2021/22
%	%	%	%	%
-0.6	-0.2	1.3	2.1	2.8

2017/18	2018/19	2019/20	2020/21	2021/22
£000	£000	£000	£000	£000
-105	-40	241	376	504

The estimates of financing costs include current commitments and the proposals in this budget report.

### 2.4 Incremental impact of capital investment decisions on council tax

This indicator identifies the revenue costs associated with proposed changes to the five year capital programme recommended in this budget cycle compared to the Council's existing approved commitments and current plans. The assumptions are based on the budget, but will invariably include some estimates, such as the level of government support.

#### **Incremental impact of capital investment decisions on the band D council tax**

	2017/18 £.p	2018/19 £.p	2019/20 £.p	2020/21 £.p	2021/22 £.p
<b>Council tax - band D</b>	0.08	1.01	0.86	-0.30	0.49

## **2.5 Minimum Revenue Provision**

Where the Authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Authority to have regard to the Department for Communities and Local Government's Guidance on Minimum Revenue Provision (the DCLG Guidance) most recently issued in 2012.

The broad aim of the Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

The Council expects that its Capital Financing Requirement will be negative on 31st March 2018 and in line with the DCLG Guidance it will therefore charge no MRP in 2018/19.

### 3 BORROWING

The capital expenditure plans set out in Section 2 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

#### 3.1 Treasury Indicators: limits to borrowing activity

**The operational boundary.** This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt.

<b>Operational boundary</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>	<b>2019/20 £000</b>	<b>2020/21 £000</b>
Debt	0	3,986	21,968	30,055
Other long term liabilities	4,033	3,526	3,005	2,483
<b>Total</b>	<b>4,033</b>	<b>7,512</b>	<b>24,973</b>	<b>32,538</b>

**The authorised limit for external debt.** A further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

1. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.
2. The Council is asked to approve the following authorised limit:

<b>Authorised limit</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>	<b>2019/20 £000</b>	<b>2020/21 £000</b>
Debt	4,000	13,986	25,968	34,055
Other long term liabilities	4,033	3,526	3,005	2,483
<b>Total</b>	<b>8,033</b>	<b>17,512</b>	<b>28,973</b>	<b>36,538</b>

### 3.2 Prospects for interest rates

The Council's advisors, Arlingclose Ltd, have provided the following interest rate forecast:

	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Average
<b>Official Bank Rate</b>														
Upside risk	0.00	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.19
Arlingclose Central Case	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Downside risk	0.00	0.00	0.00	0.00	0.00	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.15
<b>3-month LIBID rate</b>														
Upside risk	0.10	0.10	0.10	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.22
Arlingclose Central Case	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Downside risk	-0.10	-0.10	-0.15	-0.15	-0.15	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.20
<b>1-yr LIBID rate</b>														
Upside risk	0.15	0.15	0.20	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.27
Arlingclose Central Case	0.70	0.70	0.70	0.70	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.77
Downside risk	-0.15	-0.20	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.15	-0.26
<b>5-yr gilt yield</b>														
Upside risk	0.20	0.25	0.25	0.25	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.32
Arlingclose Central Case	0.75	0.75	0.80	0.80	0.80	0.85	0.90	0.90	0.95	0.95	1.00	1.05	1.10	0.89
Downside risk	-0.20	-0.20	-0.25	-0.25	-0.25	-0.35	-0.40	-0.40	-0.40	-0.40	-0.40	-0.40	-0.40	-0.33
<b>10-yr gilt yield</b>														
Upside risk	0.20	0.25	0.25	0.25	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.32
Arlingclose Central Case	1.25	1.25	1.25	1.25	1.25	1.30	1.30	1.35	1.40	1.45	1.50	1.55	1.55	1.36
Downside risk	-0.20	-0.25	-0.25	-0.25	-0.25	-0.30	-0.35	-0.40	-0.40	-0.40	-0.40	-0.40	-0.40	-0.33
<b>20-yr gilt yield</b>														
Upside risk	0.20	0.25	0.25	0.25	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.32
Arlingclose Central Case	1.85	1.85	1.85	1.85	1.85	1.90	1.90	1.95	1.95	2.00	2.05	2.05	2.05	1.93
Downside risk	-0.20	-0.30	-0.25	-0.25	-0.30	-0.35	-0.40	-0.45	-0.50	-0.50	-0.50	-0.50	-0.50	-0.38
<b>50-yr gilt yield</b>														
Upside risk	0.20	0.25	0.25	0.25	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.32
Arlingclose Central Case	1.70	1.70	1.70	1.70	1.70	1.75	1.80	1.85	1.90	1.95	1.95	1.95	1.95	1.82
Downside risk	-0.30	-0.30	-0.25	-0.25	-0.30	-0.35	-0.40	-0.45	-0.50	-0.50	-0.50	-0.50	-0.50	-0.39

#### Forecast:

- The MPC has increased Bank Rate, largely to meet expectations they themselves created. Future expectations for higher short term interest rates are subdued. Ongoing decisions remain data dependant and negotiations on exiting the EU cast a shadow over monetary policy decisions.
- The MPC minutes emphasised that any prospective increases in Bank Rate would be expected to be gradual and to a limited extent.
- It is expected that the depreciation in sterling may assist the economy to rebalance away from spending while export volumes are likely to increase.
- Arlingclose suggest that gilt yields will remain broadly stable across the medium term. Upward movement will be limited.

### 3.3 Borrowing strategy

The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing

Requirement), has been funded using cash supporting the Council's reserves, balances and cash flow as a temporary measure, rather than through loan debt. This strategy is prudent as currently investment returns are low and counterparty risk is relatively high and will be retained for the forthcoming financial year on the assumption that this situation is unlikely to change in the short term. However, if short term cash requirements cannot be met from balances in hand for day to day purposes, the Council has access to a range of sources of short term borrowing options, which includes other local authorities

The Authorised Limit to borrow up to £13.986m for the financing of capital expenditure and day to day cash flow liquidity within 2018/19 is included in the current capital programme and the current prudential indicators. The 2018/19 strategy includes the continuation of that authority within the calculation of the indicators. If the Council is to borrow then the affordability of the capital programme must include an assessment of the cost of borrowing along with the loss of investment income from the use of capital resources held in cash.

Should rates move more quickly than the forecast predicts, the current and proposed strategies do allow the section 151 officer to take advantage of external borrowing. The Council's policy on borrowing in advance of need is set out at section 3.4 of this strategy.

**Objectives:** The Authority's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Authority's long-term plans change is a secondary objective.

**Strategy:** The Authority's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead.

By doing so, the Authority is able to reduce net borrowing costs (despite foregoing investment income) and reduce overall treasury risk. The benefits of internal / short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Authority with this 'cost of carry' and breakeven analysis. Its output may determine whether the Authority borrows additional sums at long-term fixed rates in 2018/19 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

Alternatively, the Authority may arrange forward starting loans during 2018/19, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period. In addition, the Authority may make use of short-term loans to cover unplanned cash flow.

**Sources:** The approved sources of long-term and short-term borrowing are:

- Public Works Loan Board (PWLB) and any successor body
- any institution approved for investments (see below)
- any other bank or building society authorised to operate in the UK
- capital market bond investors
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues
- UK public and private sector pension funds (except the Kent County Council Pension Fund)

In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- operating and finance leases
- hire purchase
- Private Finance Initiative
- sale and leaseback
- 

**Other sources of debt finance:** In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- operating and finance leases
- hire purchase
- Private Finance Initiative
- sale and leaseback

### **3.4 Policy on borrowing in advance of need**

The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

## 4 ANNUAL INVESTMENT STRATEGY

### 4.1 Investment policy

The Authority holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Authority's investment balance has ranged between £14.6 and £39.9 million.

**Objectives:** Both the CIPFA Code and the DCLG Guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk receiving unsuitably low investment income.

**Strategy:** Given the increasing risk and continued low returns from short-term unsecured bank investments, the council aims to further diversify into more secure and/or higher yielding asset classes during 2018/19. This is especially the case for the proposed £5m that is estimated to be available for longer-term investment. The majority of council's surplus cash is currently invested in Local Authority borrowing, short-term unsecured bank deposits, certificates of deposit, money market funds and cash enhanced funds. This diversification will represent a continuation of the new strategy.

**Approved Counterparties:** The Authority may invest its surplus funds with any of the counterparty types in the table below, subject to the cash limits (per counterparty) and the time limits shown. Additional detail regarding the different types of counterparty is provided below the table.

#### Approved Investment Counterparties and Limits

Credit Rating	Banks Unsecured	Banks Secured	Government	Corporates	Registered Providers
UK Govt	n/a	n/a	£ Unlimited 50 years	n/a	n/a
AAA	£3m 5 years	£5m 20 years	£5m 50 years	£3m 20 years	£3m 20 years
AA+	£3m 5 years	£5m 10 years	£5m 25 years	£3m 10 years	£3m 10 years
AA	£3m 4 years	£5m 5 years	£5m 15 years	£3m 5 years	£3m 10 years
AA-	£3m 3 years	£5m 4 years	£5m 10 years	£3m 4 years	£3m 10 years
A+	£3m 2 years	£5m 3 years	£5m 5 years	£3m 3 years	£3m 5 years
A	£3m 13 months	£5m 2 years	£5m 5 years	£3m 2 years	£3m 5 years
A-	£3m 6 months	£5m 13 months	£5m 5 years	£3m 13 months	£3m 5 years
None	£1m 100 days	n/a	£5m 25 years	£50,000 5 years	£3m 5 years

Pooled funds	£8m per fund
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The time limits set out above are consistent with the recommended durations provided by the council’s treasury management advisors, Arlingclose. The cash limits have been set with reference to this guidance, although the upper limit in certain categories of investment exceeds the limit proposed by Arlingclose in order to meet the operational requirements of the council. The limits adopted within the strategy remain prudent and consistent with ensuring the security of capital and appropriate levels of liquidity.

**Credit Rating:** Investment limits are set by reference to the lowest published long-term credit rating from Fitch, Moody’s or Standard & Poor’s. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

**Banks Unsecured:** Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

**Banks Secured:** Covered bonds, Tri Party Repos, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank’s assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.

**Government:** Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is an insignificant risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.

**Corporates:** Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made as part of a diversified pool in order to spread the risk widely.

**Registered Providers:** Loans and bonds issued by, guaranteed by or secured on the assets of Registered Providers of Social Housing, formerly known as Housing Associations. These bodies are tightly regulated by the Homes and Communities Agency and, as providers of public services, they retain the likelihood of receiving government support if needed.

**Pooled Funds:** Shares in diversified investment vehicles consisting of the any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Short-term Money Market Funds that offer same-day liquidity and very low or no volatility will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.

Bond, equity and property funds offer enhanced returns over the longer term, but are more volatile in the short term. These allow the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives will be monitored regularly.

**Operational bank accounts:** The Authority may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments, but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £500,000 per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Authority maintaining operational continuity.

**Risk assessment and credit ratings:** Credit ratings are obtained and monitored by the Authority's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn [on the next working day] will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other information on the security of investments: The Authority understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support and reports

in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Authority will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Authority’s cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

The criteria for providing a pool of high quality investment counterparties (both specified and non-specified investments) is:

**Specified Investments:** The DCLG Guidance defines specified investments as those:

- denominated in pound sterling,
- due to be repaid within 12 months of arrangement,
- not defined as capital expenditure by legislation, and
- invested with one of:
  - the UK Government,
  - a UK local authority, parish council or community council, or
  - a body or investment scheme of “high credit quality”.

The Council defines “high credit quality” organisations and securities as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher. For money market funds and other pooled funds “high credit quality” is defined as those having a credit rating of A- or higher.

**Non-specified Investments:** Any investment not meeting the definition of a specified investment is classed as non-specified. The Authority does not intend to make any investments denominated in foreign currencies, nor any that are defined as capital expenditure by legislation, such as company shares. Non-specified investments will therefore be limited to long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement, and investments with bodies and schemes not meeting the definition on high credit quality. Limits on non-specified investments are shown in the table below.

Non-Specified Investment Limits

	<b>Cash limit</b>
Total long-term investments	£5m
Total investments without credit ratings or rated	£5m

below A- (except UK Government and local authorities)	
Total investments (except pooled funds) with institutions domiciled in foreign countries rated below AA+	£8m
Total non-specified investments	£18m

The council will maintain a counterparty list to identify institutions suitable for investment. The counterparty list will be maintained using the following principles:

**Risk Assessment and Credit Ratings:** Credit ratings are obtained and monitored by the Authority's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

**Investment Limits:** In order that available reserves will not be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £5 million. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers' nominee accounts, foreign countries and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

	<b>Cash limit</b>
Any single organisation, except the UK Central Government	£5m each
UK Central Government	unlimited
Any group of organisations under the same ownership	£5m per group
Any group of pooled funds under the same management	£8m per manager
Negotiable instruments held in a broker's nominee account	£10m per broker
Foreign countries	£5m per country
Registered Providers	£5m in total
Unsecured investments with Building Societies	£3m each
Loans to unrated corporates	£50,000 each
Money Market Funds	£8m each fund or fund group

**Liquidity Management:** The council uses a cash flow forecasting spreadsheet to determine the maximum period for which funds may

prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the council's medium term financial plan and cash flow forecast.

### **Non-Treasury Investments**

Although not classed as treasury management activities and therefore not covered by the CIPFA Code or the DCLG Guidance, the Authority may also purchase property for investment purposes and may also make loans and investments for service purposes, for example in shared ownership housing, as loans to local businesses and landlords, or as equity investments and loans to the Authority's subsidiaries.

Such loans and investments will be subject to the Authority's normal approval processes for revenue and capital expenditure and need not comply with this treasury management strategy.

### **Accounting treatment of investments.**

The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by this Council. To ensure that the Council is protected from any adverse revenue impact, which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

**In-house funds.** The majority of investments will be made with reference to the cash flow requirements so invested for short-term interest rates (i.e. rates for investments up to 12 months). However, there is a provision of funds that can be used for longer term investments (greater than 12 months) if it deemed to be prudent by the section 151 officer.

## **4.2 Investment strategy**

**Investment treasury indicator and limit** - total principal funds invested for greater than 364 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

The Council is asked to approve the treasury indicator and limit: -

<b>Maximum principal sums invested &gt; 364 days</b>			
	<b>2018/19 £000</b>	<b>2019/20 £000</b>	<b>2020/21 £000</b>
Principal sums invested > 364 days	5,000	5,000	5,000

Interest Rate Exposures: This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as the amount of net principal borrowed will be:

	2018/19 £000	2019/20 £000	2020/21 £000
Upper limit on fixed interest rate exposure	-26,014	-14,032	-5,945
Upper limit on variable interest rate exposure	-32,000	-32,000	-32,000

The upper limit on fixed interest rates incorporates maximum borrowing of £13,986m within the strategy which reduced the negative investment limit within 2018/19. The upper limit on variable interest rate exposure is calculated as being 80% of the projected highest level of investments during 2018/19.

**Maturity Structure of Borrowing:** This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing will be:

	Upper	Lower
Under 12 months	100%	0%
12 months and within 24 months	100%	0%
24 months and within 5 years	100%	0%
5 years and within 10 years	100%	0%
10 years and above	100%	100%

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment

### 4.3 End of year investment report

At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report as previously stated within 1.2.

### 4.4 Other Items

It is a requirement of the Prudential Code of Practice for Treasury Management that authorities have a policy on the use of financial derivatives. Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the Localism Act 2011 removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).

The council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to

reduce the overall level of the financial risks that the Authority is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.

This strategy is compiled in accordance with the current Treasury Management Code of Practice , however due to the consultation in relation to the proposed changes to the Prudential Framework of Capital Finance, an amended report may be presented to the Audit, Governance & Standards Committee for scrutiny during 2018. It is predicted that the results of the consultation will be circulated in January 2018.

## PRUDENTIAL INDICATORS

### Ratio of Financing Costs to Net Revenue Stream

2017/18	2018/19	2019/20	2020/21	2021/22
%	%	%	%	%
-0.6	-0.2	1.3	2.1	2.8
2017/18	2018/19	2019/20	2020/21	2021/22
£,000	£,000	£,000	£,000	£,000
-105	-40	241	376	504

This indicator shows the proportion of the net revenue stream (revenue budget) that is attributable to financing costs of capital expenditure. Negative figures indicates more investment interest than prudential borrowing interest, positive figures the opposite is true.

### Incremental Impact of Capital Investment Decisions on the Council Tax

	2017/18	2018/19	2019/20	2020/21	2021/22
	£,000	£,000	£,000	£,000	£,000
i) Forecast of total capital finance requirement no changes to capital programme	13,046	16,432	14,695	11,215	5,025
ii) Forecast of total capital finance requirement after changes to capital programme	13,999	26,534	22,183	8,887	8,025
iii) Additional Council Tax Required in £.p.	0.08	1.01	0.86	-0.30	0.49

This indicator identifies the revenue costs associated with proposed changes to the capital programme compared to the Council's existing approved commitments and current plans.

### Current Financial Plan

2017/18	2018/19	2019/20	2020/21	2021/22
£,000	£,000	£,000	£,000	£,000
13,999	26,534	22,183	8,887	8,025

This prudential indicator is a summary of the Council's proposed capital expenditure plans. These figures are being discussed at Policy & Resources Committee on 24th January 2018.

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### Capital Financing Requirement

2017/18	2018/19	2019/20	2020/21	2021/22
£,000	£,000	£,000	£,000	£,000
-18,548	3,986	21,968	30,055	37,280

This is a measure of the capital expenditure incurred historically by the council that has yet to be financed. It is a measure of the Council's borrowing need to fund the proposed capital programme. A negative amount shows the Council has more funding than capital expenditure.

### Operational Boundary

	2017/18	2018/19	2019/20	2020/21	2021/22
	£,000	£,000	£,000	£,000	£,000
Borrowing	0	3,986	21,968	30,055	37,280
Other Long Term Liabilities	4,033	3,526	3,005	2,483	1,967
Total	4,033	7,512	24,973	32,538	39,247

This limit should be the focus of day to day treasury management. It is similar to the Authorised Limit but excludes the allowance for temporary cash flow borrowing as perceived as not necessary on a day to day basis.

### Authorised Limit for External Debt

	2017/18	2018/19	2019/20	2020/21	2021/22
	£,000	£,000	£,000	£,000	£,000
Borrowing	4,000	13,986	25,968	34,055	41,280
Other Long Term Liabilities	4,033	3,526	3,005	2,483	1,967
Total	8,033	17,512	28,973	36,538	43,247

This limit is the main limit set as a maximum for external borrowing. It fulfils the requirements under section 3 of the Local Government Act 2003.

**Medium Term Financial Strategy Budget Proposals 2018/19  
Urgent Update to Appendix F**

**Upper Limit for Fixed Interest Rate Exposure**

2017/18 £,000	2018/19 £,000	2019/20 £,000	2020/21 £,000	2021/22 £,000
-40,000	-36,014	-18,032	-9,945	-2,720

This is the maximum amount of net borrowing and investment that can be at a fixed rate. The upper limit on fixed interest rates incorporates expected borrowing which reduced the negative investment limit.

**Upper Limit for Variable Interest Rate Exposure**

2017/18 £,000	2018/19 £,000	2019/20 £,000	2020/21 £,000	2021/22 £,000
-32,000	-32,000	-32,000	-32,000	-32,000

This is the maximum amount of net borrowing and investment that can be at a variable rate. The upper limit on variable interest rate exposure is calculated as being 80% of the projected highest level of investments during 2017/18.

**Maturity Structure of New Fixed Rate Borrowing taken during 2018/19**

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	Upper Limit %	Lower Limit %
12 months to under 24 months	100	0
24 months to under 5 years	100	0
5 years to under 10 years	100	0
10 years and within 20 years	100	0
20 years and within 30 years	100	0
30 years and within 40 years	100	0
40 years and within 50 years	100	0
50 years and within 60 years	100	100
70 years and within 80 years	100	100

This indicator is set to control the Authority's exposure to refinancing risk. The Council will source the cheapest funding possible which currently is short term funding, however this may lead to refinancing risk.

**Principal Invested for more than 364 Days**

2017/18 £,000	2018/19 £,000	2019/20 £,000	2020/21 £,000	2021/22 £,000
5,000	5,000	5,000	5,000	5,000

The maximum set aside for long term investment.

**Gross Debt and the Capital Finance Requirement**

2017/18 £,000	2018/19 £,000	2019/20 £,000
-147	3,986	17,983

This indicator is to ensure that borrowing is only used for the Capital Programme and not for revenue purposes. The Gross Debt should not exceed the Capital Financing Requirement.

## MAIDSTONE BOROUGH COUNCIL

## COUNCIL TAX 2018/2019

## Schedule of Council Tax Base and Additional Basic Amounts of

## Council Tax in parts of the area with Parish Precepts

PARISH	TAX BASE	PRECEPT £	BAND 'D' TAX £
Barming	742.9	27,460	36.96
Bearsted	3,626.8	117,907	32.51
Boughton Malherbe	225.2	5,405	24.00
Boughton Monchelsea	1,496.5	69,752	46.61
Boxley	3,862.1	107,437	27.82
Bredhurst	174.0	12,418	71.37
Broomfield & Kingswood	716.5	55,500	77.46
Chart Sutton	415.9	21,000	50.49
Collier Street	371.5	14,054	37.83
Coxheath	1,577.0	74,500	47.24
Detling	393.1	34,383	87.47
Downswood	838.7	30,000	35.77
East Sutton	142.8	6,434	45.06
Farleigh East	671.3	49,703	74.04
Farleigh West	230.2	23,000	99.91
Harrietsham	1,242.8	117,723	94.72
Headcorn	1,578.4	172,681	109.40
Hollingbourne	473.3	24,058	50.83
Hunton	314.5	26,000	82.67
Langley	497.4	15,000	30.16
Leeds	337.4	32,443	96.16
Lenham	1,431.0	124,497	87.00
Linton	252.0	12,578	49.91
Loose	1,113.2	79,019	70.98
Marden	1,723.2	125,414	72.78
Nettlestead	306.1	16,927	55.30
Otham	326.5	12,268	37.57
Staplehurst	2,404.5	145,000	60.30
Stockbury	324.5	14,370	44.28
Sutton Valence	688.0	49,147	71.43
Teston	313.9	24,000	76.46
Thurnham	568.7	17,714	31.15
Tovil	1,423.6	68,043	47.80
Ulcombe	387.4	20,262	52.30
Yalding	987.4	65,000	65.83
		<b>1,811,097</b>	

**MAIDSTONE BOROUGH COUNCIL**  
**COUNCIL TAX 2018/2019**  
**Schedule of Council Tax Levels for all Bands**  
**and all Parts of the Area including District Spending and all Precepts.**

	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	£	£	£	£	£	£	£	£
Barming	1,181.47	1,378.38	1,575.29	1,772.20	2,166.02	2,559.85	2,953.67	3,544.40
Bearsted	1,178.50	1,374.92	1,571.34	1,767.75	2,160.58	2,553.42	2,946.25	3,535.50
Boughton Malherbe	1,172.83	1,368.30	1,563.77	1,759.24	2,150.18	2,541.13	2,932.07	3,518.48
Boughton Monchelsea	1,187.90	1,385.88	1,583.87	1,781.85	2,177.82	2,573.79	2,969.75	3,563.70
Boxley	1,175.38	1,371.27	1,567.17	1,763.06	2,154.85	2,546.64	2,938.44	3,526.12
Bredhurst	1,204.41	1,405.14	1,605.88	1,806.61	2,208.08	2,609.55	3,011.02	3,613.22
Broomfield & Kingswood	1,208.47	1,409.88	1,611.29	1,812.70	2,215.52	2,618.35	3,021.17	3,625.40
Chart Sutton	1,190.49	1,388.90	1,587.32	1,785.73	2,182.56	2,579.39	2,976.22	3,571.46
Collier Street	1,182.05	1,379.05	1,576.07	1,773.07	2,167.09	2,561.10	2,955.12	3,546.14
Coxheath	1,188.32	1,386.37	1,584.43	1,782.48	2,178.59	2,574.70	2,970.80	3,564.96
Detling	1,215.14	1,417.66	1,620.19	1,822.71	2,227.76	2,632.81	3,037.85	3,645.42
Downswood	1,180.68	1,377.45	1,574.24	1,771.01	2,164.57	2,558.13	2,951.69	3,542.02
East Sutton	1,186.87	1,384.68	1,582.49	1,780.30	2,175.92	2,571.55	2,967.17	3,560.60
Farleigh East	1,206.19	1,407.22	1,608.25	1,809.28	2,211.34	2,613.41	3,015.47	3,618.56
Farleigh West	1,223.44	1,427.34	1,631.25	1,835.15	2,242.96	2,650.77	3,058.59	3,670.30
Harrietsham	1,219.98	1,423.30	1,626.64	1,829.96	2,236.62	2,643.28	3,049.94	3,659.92
Headcorn	1,229.76	1,434.72	1,639.68	1,844.64	2,254.56	2,664.48	3,074.40	3,689.28
Hollingbourne	1,190.72	1,389.16	1,587.62	1,786.07	2,182.98	2,579.88	2,976.79	3,572.14
Hunton	1,211.94	1,413.93	1,615.92	1,817.91	2,221.89	2,625.87	3,029.85	3,635.82
Langley	1,176.94	1,373.09	1,569.25	1,765.40	2,157.71	2,550.02	2,942.34	3,530.80
Leeds	1,220.94	1,424.42	1,627.92	1,831.40	2,238.38	2,645.36	3,052.34	3,662.80
Lenham	1,214.83	1,417.30	1,619.77	1,822.24	2,227.18	2,632.13	3,037.07	3,644.48
Linton	1,190.10	1,388.45	1,586.80	1,785.15	2,181.85	2,578.55	2,975.25	3,570.30
Loose	1,204.15	1,404.84	1,605.53	1,806.22	2,207.60	2,608.99	3,010.37	3,612.44
Marden	1,205.35	1,406.24	1,607.13	1,808.02	2,209.80	2,611.59	3,013.37	3,616.04
Nettlestead	1,193.70	1,392.64	1,591.60	1,790.54	2,188.44	2,586.34	2,984.24	3,581.08
Otham	1,181.88	1,378.85	1,575.84	1,772.81	2,166.77	2,560.73	2,954.69	3,545.62
Staplehurst	1,197.03	1,396.53	1,596.04	1,795.54	2,194.55	2,593.56	2,992.57	3,591.08
Stockbury	1,186.35	1,384.07	1,581.80	1,779.52	2,174.97	2,570.42	2,965.87	3,559.04
Sutton Valence	1,204.45	1,405.19	1,605.93	1,806.67	2,208.15	2,609.64	3,011.12	3,613.34
Teston	1,207.80	1,409.10	1,610.40	1,811.70	2,214.30	2,616.90	3,019.50	3,623.40
Thurnham	1,177.60	1,373.86	1,570.13	1,766.39	2,158.92	2,551.45	2,943.99	3,532.78
Tovil	1,188.70	1,386.81	1,584.93	1,783.04	2,179.27	2,575.50	2,971.74	3,566.08
Ulcombe	1,191.70	1,390.31	1,588.93	1,787.54	2,184.77	2,582.00	2,979.24	3,575.08
Yalding	1,200.72	1,400.83	1,600.96	1,801.07	2,201.31	2,601.55	3,001.79	3,602.14
Basic Level of Tax	1,156.83	1,349.63	1,542.44	1,735.24	2,120.85	2,506.46	2,892.07	3,470.48

# Agenda Item 18

## **MAIDSTONE BOROUGH COUNCIL**

### **COUNCIL**

**28 FEBRUARY 2018**

### **REPORT OF THE EMPLOYMENT COMMITTEE HELD ON 15 FEBRUARY 2018**

#### **PAY POLICY STATEMENT 2018**

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

To approve the Pay Policy Statement, attached at Appendix B, for publication.

##### **Recommendation Made**

That the proposed Pay Policy Statement, attached at Appendix B, be approved for publication on the Council's website by 31 March 2018.

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

On 15 February 2018 the Employment Committee considered the report of the Head of HR Shared Services, copy attached at Appendix A, regarding the Pay Policy Statement for 2018. The Committee agreed that subject to the correction of a typographical error and a minor textual change, the Council be recommended to approve the Pay Policy Statement for publication.

The Head of HR Shared Services has made the changes as requested by the Committee.

##### **Alternatives Considered and Why Not Recommended**

The Council could choose to publicise a reduced version of the Pay Policy Statement that meets the minimum requirements of the legislation, but this is not recommended as it does not satisfy the need for transparency and means that the data is not seen in the context of the good work already undertaken by the Council. The publication of the Pay Policy Statement in this format gives consistency with previous years and meets the requirements of the legislation.

##### **Appendices**

**Appendix A** – Report of the Head of HR Shared Services to Employment Committee on 15 February 2018

**Appendix B** – Pay Policy Statement for 2018

**Employment Committee****15 February 2018****Pay Policy Statement 2018**

<b>Final Decision-Maker</b>	Council
<b>Lead Head of Service/Lead Director</b>	Head of HR Shared Service
<b>Lead Officer and Report Author</b>	Bal Sandher, Head of HR Shared Services
<b>Classification</b>	Public
<b>Wards affected</b>	No wards

**Executive Summary**

A Pay Policy Statement must be agreed by full Council for publication by 31st March 2018. The Pay Policy Statement should set out the main aspects of the remuneration strategy of the Council.

The Council met the target to publish a Pay Policy Statement in previous years and the attached document has been updated to reflect changes during the year.

**This report makes the following recommendations to this Committee:**

1. That the Employment Committee recommend to Council the proposed Pay Policy Statement as set out at Appendix 1 to this report prior to publication on the Council's web site.

**Timetable**

<b>Meeting</b>	<b>Date</b>
Employment Committee	15 February 2018
Council	28 February 2018

## Pay Policy Statement 2018

### 1. INTRODUCTION AND BACKGROUND

- 1.1 Section 38 (1) of the Localism Act 2011 came into force on 15 January 2012 and required English and Welsh local authorities to produce a pay policy statement for 2012/13 and for each financial year after that. The government consulted on a revised code in 2015 and the draft pay policy statement reflects the requirements of the revised code.
- 1.2 The matters that must be included in the statutory pay policy statement and the revised code of practice are as follows:
- a local authority's policy on the level and elements of remuneration for each chief officer;
  - a local authority's policy on the remuneration of its lowest-paid employees (together with its definition of "lowest-paid employees" and its reasons for adopting that definition);
  - a local authority's policy on the relationship between the remuneration of its chief officers and other officers and in particular the pay multiple between the two;
  - a local authority's policy on other specific aspects of chief officers' remuneration: remuneration on recruitment, increases and additions to remuneration, use of performance-related pay and bonuses, termination payments, and transparency;
  - an organisation chart or description of the number and grades of staff in the top three layers of the organisation, with information on the grades of all those with salaries in excess of £50,000;
  - details of trade union facility time including the trade union representatives for each of the recognised trade unions.
- 1.3 The reference to 'chief officer' refers to the statutory posts of Head of Paid Service, Monitoring Officer and Section 151 Officer plus any Deputy Chief Officers, which in our organisation includes anyone at Head of Service or above.
- 1.4 With regard to the process for approval, the pay policy statement:
- Must be approved formally by the Council meeting
  - Must be approved by the end of March each year
  - Can be amended in year
  - Must be published on the authority's website
  - Must be complied with when the authority sets the terms and conditions for a chief officer
- 1.5 The Act specifically mentions that the pay policy statement may set out the authority's policies relating to other terms and conditions for chief officers and in the interest of open government there are recommendations that the pay policy statement sets out as much information relating to employee terms and conditions as is practical.

- 1.6 Terms and conditions of employment for employees is a function for which the Employment Committee has delegated responsibility within the constitution.
  - 1.7 The general approach of the Employment Committee has been to take the same approach to senior members of staff as that taken with all other employees in relation to the benefits available and the review processes followed. The Council has a thorough approach that applies best practice in the areas of remuneration and equal pay.
- 

## **2. AVAILABLE OPTIONS**

- 2.1 The Council could choose to publicise a reduced version of the Pay Policy Statement that meets the minimum requirements of the Act but this is not recommended as it does not satisfy the need for transparency and means that the data is not seen in the context of the good work already undertaken by the Council.
- 

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

- 3.1 The preferred option is the format of the Pay Policy Statement set out at Appendix I as it gives consistency from previous years and meets the requirements of the legislation.
- 

## **4. RISK**

- 4.1 The risks associated with this proposal, including the risks if the Council does not act as recommended, have been considered in line with the Council's Risk Management Framework. We are satisfied that the risks associated are within the Council's risk appetite and will be managed as per the Policy.

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

- 5.1 As this is a statement of what is already in place and does not make any changes to the current position there has been no consultation to date; the report to the Employment Committee forms the basis of consultation to ensure that this format is acceptable before going to full Council.
- 

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

- 6.1 Once the format is agreed by full Council the information will be updated with the actual pay figures for the year ending March 2018 before it is uploaded to the Council's web site. These figures cannot be calculated until

March payroll is complete. The most up to date information will also be used for the pension contributions table and the election payments.

**7. CROSS-CUTTING ISSUES AND IMPLICATIONS**

<b>Issue</b>	<b>Implications</b>	<b>Sign-off</b>
<b>Impact on Corporate Priorities</b>	This statement makes no changes to the current situations and there are no implications due to the content of the pay policy statement	Bal Sandher Head of HR
<b>Risk Management</b>	The risks are reputational if the Council fails to publish a Pay Policy Statement	Bal Sandher Head of HR
<b>Financial</b>	There are no direct financial implications arising from publication of the pay policy statement. The Council's pay policy reflects its overall strategic and financial priorities.	[Section 151 Officer & Finance Team]
<b>Staffing</b>	This statement makes no changes to the current situations and there are no implications due to the content of the pay policy statement	[Head of Service]
<b>Legal</b>	Section 38 (1) of the Localism Act 2011	[Legal Team]
<b>Privacy and Data Protection</b>	There is no personal data in the report.	[Legal Team]
<b>Equalities</b>	This statement makes no changes to the current situations and there are no implications due to the content of the pay policy statement	[Policy & Information Manager]
<b>Crime and Disorder</b>	None identified at this time	Bal Sandher Head of HR
<b>Procurement</b>	None identified at this time	Bal Sandher Head of HR

**8. REPORT APPENDICES**

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

- Appendix I: Pay Policy Statement 2018
- 

**9. BACKGROUND PAPERS**

None

## PAY POLICY STATEMENT 2018

**Maidstone Borough Council**  
**Pay Policy Statement March 2018**

1. Introduction

The key themes of the Workforce Strategy are:

- Organisation culture and change;
- Resourcing;
- Development; and
- Reward

These strategic themes recognise the importance of pay and rewards as fundamental to our role as an employer. Our work on pay and rewards began in 2006 with an equal pay audit resulting in significant changes to the council's terms and conditions. The work continued through the implementation of the Work Force Strategy and the development of a Total Rewards approach to remuneration for council staff.

Maidstone Borough Council has its own terms and conditions and undertakes local pay bargaining with trade unions.

2. Terms and Conditions – Decision Making

Terms and conditions for employees are determined by the Employment Committee but where a decision has a budgetary implication beyond the agreed in year budget this will also require agreement from the Policy and Resources Committee.

3. Reward Strategy

The Reward Strategy was developed in full consultation with trade unions, staff and Members. This was a very thorough piece of work that ensured the Council managed the terms of employees at all levels in the same way and applied the principles of equal pay and performance management to the scheme that was developed. The strategy has been refined over time but the principles have remained in place.

The principles for the reward strategy are to:

1. Support a **performance** orientated organisation;
2. Provide an **attractive** employment package at all levels;
3. Be relevant to a **modern** local government authority;
4. Have a pay structure that is **transparent** and straightforward;
5. Reward people **fairly** and consistently;
6. Move toward a **Total Reward** approach; and
7. To be **affordable** within the Medium Term Financial Strategy.

The reward strategy takes a 'Total Reward' approach to the benefits package received by employees at the council to ensure that maximum benefit is gained from all aspects of what is on offer to employees. The key elements of this package are set out below.

### 3.1 Pay Scale and Pay Progression

Our policy for grades within the organisation is to apply an objective assessment of the relative 'size and value' of all our roles using a formal job evaluation process. Posts are graded through the HAY Job Evaluation Scheme and this process measures the requirements of the role against the key criteria of Know How, Problem Solving and Accountability when all the duties are being performed and the employee is fully effective in the role. Job evaluators are drawn from different parts of the organisation and trained to use the HAY scheme; every panel has one trade union representative as part of the panel. The **Lowest Paid** employees are defined as those whose posts have HAY points of 43 to 66 which place them into grade 2 of the pay scale, the same process is applied to Chief Officers whose roles are evaluated at the highest level of points. It is the policy of the organisation to refer to the HAY salary data for Local Government and to reflect the median salary for the south east public and not for profit sector. Since 2011 the council has 'bottom loaded' the annual pay award so that the percentage increase for the lowest paid was greater than those on higher salaries; in 2013 the council moved the lowest pay band in line with the Living Wage giving a significant increase to the low paid, the council has continued to match the Living wage since this point and currently pays in excess of the National Living Wage.

The pay scale has up to seven increments which recognise that with development in a role over time an employee's skills are of more value to the organisation and therefore warrant a higher salary. There are fewer incremental points in the lower grades and more in the more complex roles. New appointments to post will normally be at the first point of the grade unless there is evidence of a skill shortage in line with the criteria set out in the Market Supplement Policy. The pay scale is at Appendix I(A).

Incremental progression is assessed against the agreed Competency Profile for the role and evidence of the necessary Performance Standards and agreed objectives. Assessment will be on an annual basis but will be linked to the clear and continuous performance at the level required at each incremental step. Standard progression for fully effective performance is not beyond scale point four; in grades 13 – 16 there are an additional three high performance increments which may be awarded for performance which is over that usually required in the post. The rules for pay progression are set out in Appendix I(B).

Incremental progression is assessed by an employee's line manager in consultation with the Head of Service and Director who has to approve the recommendations within their Directorate; this is monitored by Corporate Leadership Team. The process and timetable for appraisals and incremental progression for the Chief Executive and Directors is set out at Appendix I(C).

### 3.2 Market Supplements

Currently there are fourteen employees in receipt of Market Supplements within the council; this is an decrease of two from the previous year; the policy is at Appendix I(D).

### 3.3 Pension

The council offers access to the Local Government Pension Scheme (LGPS) which is a significant benefit to employees and is one of the aspects of the Total Rewards package. The LGPS is a defined benefits scheme which requires contribution rates from employees of between 5.5% and 12.5% depending on earnings in accordance with the following table; in April 2014 there was an option to lower level contributions with the introduction of the 50/50 scheme.

Pensionable pay	Main Section	50/50 Section
Up to £13,700	5.50%	2.75%
£13,701 - £21,400	5.80%	2.90%
£21,401 - £34,700	6.50%	3.25%
£34,701 - £43,900	6.80%	3.40%
£43,901 - £61,300	8.50%	4.25%
£61,301 - £86,800	9.90%	4.95%
£86,801 - £102,200	10.50%	5.25%
£102,201 - £153,300	11.40%	5.70%
More than £153,301	12.50%	6.25%

The employer contribution rate for 2018/19 will be around 14.1% although this does vary from year to year, this is the future service rate excluding past service deficit.

The pension scheme is standard between all local government employers and in broad terms offers a pension benefit equivalent to 1/49<sup>th</sup> of pensionable salary per year of service, where pensionable salary is calculated on a career average with benefits paid at state retirement age.

Although most of the rules associated with the scheme are set centrally there are a few areas where local employers must define their own policy; the discretionary policy is attached at Appendix I(E). In broad terms it is not the policy of the council to increase pension benefits to employees through any form of enhancement.

Kent County Council is the administering authority for the Maidstone Borough Council scheme.

### 3.4 Pay Protection and Redundancy Payments

The council has a Redundancy Policy which sets out the approach that must be followed if posts are going to be affected because of organisational change. The procedure sets out the approval process and the consultation timetable, it also sets out the terms for redundancy and the pay protection policy, the pay protection policy is set out at Appendix I(F).

Any payments paid to an employee in relation to redundancy shall be in accordance with the statutory redundancy payments scheme and any other regulations applicable except that the Council will calculate a week's pay on actual earnings where this is in excess of the statutory maximum figure. *(Local Govt. (Early Termination of Employment)(Discretionary Compensation) (England and Wales) Regulations 2000).*

The policy of the organisation regarding re-employment following redundancy is that if a redundant employee commences local government employment within one month of the redundancy then the redundancy payment must be returned. Any other re-employment will only be considered where all other council rules on recruitment or procurement have been followed.

The government has also proposed to introduce legislation that will cap exit payments at £95,000 on the total value of the payment for public sector workers and introduce a statutory requirement to recover exit payments made to workers whose minimum salary is £80,000 at the point of leaving employment and returning to work with another public sector employer within a 12 month period. Council policies will be amended to incorporate these requirements once these have been finalised by government.

### 3.5 Other payments.

#### Honoraria

The council has a policy to recognise situations where an employee takes on more responsibility on a temporary basis; this is often as a cost saving measure when there is a vacancy, maternity leave etc. In 2017/18 there were sixteen people in receipt of Honoraria during the year and by the end of March this had reduced to four staff.

#### Cash and Non-cash Awards

As part of the Total Rewards package the council has mechanisms for recognising exceptional contributions both from individuals and teams. In 2017/18 these were received by fifty four employees and there was a total of £9186 paid in cash awards.

#### Stand-By payments

These are paid to a small number of employees (twenty four in 2017/18) who are on an out of hours on-call rota for specialist duties such as collecting stray dogs or attending noise complaints. The level of remuneration is up to £147 for each week of being on-call.

#### Car Allowances

In 2010 the council removed the facility for lease cars but retained a lease car allowance; in 2012 it was agreed that there would be no further allocation of the Lease Car Allowance in the future, and that the current allowance would

be frozen. During the period since 2010 cars have been removed as the lease expired and the affected employees have moved onto the allowance and there are no remaining lease cars in the council. In 2010 there were in excess of ninety employees receiving either a lease car or cash alternative and this figure has reduced to twenty three by March 2018 a reduction of eight from the previous year. Mileage rates for those receiving this allowance are currently up to 28 pence per mile.

A car allowance of up to £1239 is given to those employees that are required to have a vehicle for their role and by March 2018 there were eighty nine members of staff in receipt of this allowance. The majority of those staff in receipt of this payment are within the statutory services or shared services which require external visits e.g. planning, environmental health and housing. Mileage rates for those receiving this allowance are at the HMRC level (in 2017/18 this was 45 pence per mile)

### Bonuses

The council does not make use of bonuses as part of its own remuneration package. However there are currently four employees in receipt of regular bonuses as part of their TUPE (Transfer of Undertakings (Protection of Employment) Regulations 2006) transfer terms and conditions from a previous employer; this is fourteen fewer than in 2011/12. These employees are all employed in the grounds maintenance teams and the productivity bonus tops up a lower basic wage. The TUPE regulations give protection to employees when their employment transfers which may only be changed through consultation.

### 3.6 Special fees and arrangements

Special fees may be paid for certain additional duties. In general these are connected to election duties and the funding for the allowance will not come from the council's own budget. An additional fee is paid for the role of Returning Officer for the District elections, this statutory role may be allocated to the Chief Executive or other officer within the council. Additional fees may be paid when an employee undertakes the role of Returning Officer, Counting Officer or other similar role, on behalf of another authority or organisation.

The council has adopted the Kent schedule of fees which is attached at Appendix I(G).

### 3.7 Other employee benefits

The council provides access to an Employee Assistance Programme which gives both telephone and face-to-face counselling on a range of issues. The council has access to an Occupational Health Service which helps to ensure that employees are properly supported to avoid taking sick leave and to return to work as soon as possible.

The council supports employees in their role with a development plan and training opportunities to ensure they are fully qualified to give excellent service. The council has been recognised for its development-focussed culture through the achievement of the Investors in People Silver award.

On an annual basis the council has an Awards Ceremony which recognises the best achievements during the preceding year. The council also recognises long service and during 2014 this scheme was changed to recognise service

over a longer period with shopping vouchers – the first level of recognition is at ten years and every five years thereafter up to forty years.

Salary sacrifice schemes – the council offers a salary sacrifice scheme to employees for the purchase of bicycles and childcare vouchers.

Buying annual leave – subject to agreement with their manager, employees are allowed to sacrifice some of their salary to buy more annual leave. In 2017/18 there were eighteen members of staff that used this benefit, two less than the previous year.

#### 4. Monitoring

Salary budgets are monitored through the normal budget management processes by line managers. Members and senior officers regularly consider the Medium Term Financial Strategy and in particular to consider ways to reduce costs to the council.

As required by the Equality Act 2010 the council undertakes an equal pay audit of salaries annually which is published on the council's web site. This helps to identify whether there are significant differences in any employees that have the protected characteristics.

From April 2017 under the Equality Act 2010 employers with more than 250 employees are required to publish statutory gender pay gap calculations on an annual basis. The data must be a snapshot of salary data on 31 March 2017 and must be published on our own website and a government website by 30 March 2018. The council has met the new legislative requirement and has published the Gender Pay Gap information well within the government's deadline.

The Code of Recommended Practice for Local Authorities on Data Transparency 2011 required that salary data was published on the highest earning staff within the council; this was actioned by March 2011 as required by the code. There has now been further qualification of the salary threshold for publication which has been set at £50,000 and above. This information is at Appendix 1(H).

The Code of Recommended Practice for Local Authorities on Data Transparency September 2011 (updated 2015) also requires that there is a process established to monitor the rate of growth of senior earnings compared to all other employees in the organisation. The formula required is to calculate the pay multiple of the Chief Executive compared to the median earnings of all other employees and where there is any significant change year on year this should be explained. It is the council's policy to use this pay multiple to monitor the relationship between remuneration of chief officers and other employees.

The recommendation in the 'Hutton Review of Fair Pay' 2011 has been followed:

'the pay multiple should be calculated on the basis of all taxable earnings for the given year, including base salary, variable pay, bonuses, allowances and the cash value of any benefits in kind'

The calculation for earnings changed in 2016 from previous years following the guidance from the Local Government Association (LGA). In previous years the calculations have included earnings subject to national insurance contributions but this has been amended to include just the taxable earnings; the main difference between these two is the pension contribution made by the employee.

#### **Taxable Pay**

	<b>Chief Executive earnings</b>	<b>Median</b>	<b>Pay Multiple</b>
<b>2015/16</b>	113,374	19,831	5.72
<b>2016/17</b>	122,186	20,103	6.07
<b>2017/18</b>	127,619	20,130	6.34
<b>% change from previous year</b>	4.45%	0.13%	4.45%

The main difference in the Chief Executives pay during 2017/18 was the payment of £13,536 for her role as Returning Officer at the General and the Local elections and the progression of one incremental point on the salary scales.

It is important to emphasise that the pay policy of the council is to pay at the market median and this is only reached at the top of the incremental pay points for each grade. This ensures that people are paid at a lower level than the council policy until they have fully matured into the role and, although these are contractual payments, they are withheld if performance is not satisfactory at the expected level.

#### **5. Trade Union Facility time**

The Council recognises three trade unions, UNISON; UNITE and the GMB. However there are only representatives for UNISON and UNITE.

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on 1<sup>st</sup> April 2017 which requires public sector employers to publish specified information relating to facility time provided by trade union officials. Under the regulations, the relevant information will need to be published on an annual basis for the period 1<sup>st</sup> April to 31<sup>st</sup> March.

The council has a history of co-operative employee relations and with a range of fair employment policies there is a low level of trade union activity. None of the trade union representatives spend more than 50% of their working time on trade union duties; the council allows reasonable time for trade union duties (attending management meetings, pay negotiation, etc.) but no time is given for trade union activities (canvassing for additional membership etc.).

The total number of employees who are trade union representatives is:

	Headcount	Full Time Equivalent (FTE)
UNISON	1	1
UNITE	1	1
GMB	0	0

Percentage of time spent by union officials on facility time is:

Percentage of time	Number of employees
0%	0
1-50%	1
51%-99%	0
100%	0

Note: only 5% of facility time is spent by union officials

Percentage of pay bill spent on facility time:

Total cost of facility time	£1,890
Total pay bill	£14,220,800
Percentage of pay bill	0.01%

There has been no time spent on paid trade union activities.

#### 6. Contact for further information

If you require any further information regarding the salary policy of the council you should contact Bal Sandher, Head of HR Shared Services on 01622 602165 or by email on [baljinder.sandher@midkent.gov.uk](mailto:baljinder.sandher@midkent.gov.uk)

Appendix I(A)

**Pay Scale 2018 - 2019**

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Grade	Spine point 1	Spine point 2	Spine point 3	Spine point 4	Spine point 5	Spine point 6	Spine point 7
1	<b>GRADE ONE IS NO LONGER IN USE</b>						
2	16,130	16,239					
3	16,261	16,648					
4	16,975	17,400	17,835				
5	18,483	18,946	19,418	19,904			
6	20,110	20,573	21,046	21,530			
7	22,149	22,659	23,181	23,713			
8	24,944	25,630	26,335	27,059			
9	27,876	28,643	29,430	30,239			
10	31,310	32,249	33,217	34,214			
11	34,845	35,803	36,788	37,799			
12	40,527	41,743	42,996	44,285			
13	44,945	46,293	47,682	49,150	51,370	53,589	55,808
14	59,780	62,480	65,181	67,882	71,090	74,392	76,591
15	79,246	82,710	86,176	89,642	93,107	96,572	100,424
16	105,158	108,147	111,137	114,127	117,118	120,106	124,901

Appendix I(B)  
**Pay Progression**

1. Annual Inflation Award

Annual pay consultation will consider the cost of living, the position of MBC pay in comparison to the market but affordability will be the foremost consideration. Consultation will commence annually in September with the aim to reach agreement within the budget cycle so that payment can be made in April salaries.

The Chief Executive and Head of HR are responsible for undertaking pay negotiation with trade unions but the Policy and Resources Committee takes ultimate responsibility for agreeing the budget.

2. Pay progression within grade

The pay scale has up to four standard increments which recognise that with development in a role over time an employee is of more value to the organisation and therefore warrants a higher salary. There are fewer incremental points in the lower grades and more in the more complex roles. New appointments to post will normally be at the first point of the grade unless there is evidence of a skill shortage in line with the criteria set out in the Market Supplement Policy.

Progress through the grade will be assessed annually. This will not be an automatic progression but will require an assessment against the agreed Competency Profile and Performance Standards for the position. Where the employee has progressed towards the full competency profile they will be awarded an increment. Assessment for incremental progression will take place by October each year. This will therefore not be linked to the annual appraisal but will take place mid-year. Increased increments will be paid with effect from 1<sup>st</sup> October.

Employees must have six months service in their role by the 1<sup>st</sup> October to be eligible for assessment, if they are more recently appointed they will receive a review after six months in the position, thereafter they will be reviewed annually for the October increment.

Individuals will need to consistently demonstrate the behaviours required by the Competency Profile and Performance Standards for their role in order to maintain their incremental position. One off performance will not be sufficient to merit or maintain an increment.

Where individuals do not sustain the level of performance or where they have been assimilated to the top of the grade but are assessed as not having the full range of competencies they will be given time to improve but their pay will be frozen until they drop to the pay level that matches their performance, this includes any rise in annual pay as a result of pay inflation. This is outside the normal Pay Protection policy as it does not represent an organisational

change. Where the individual is assessed as not meeting the requirements of the grade their performance will be treated as a capability issue.

### 3. High Performance Increments (HPI) – Grades 13-16

In addition to the standard incremental progression which is linked to fully meeting performance objectives there are an additional three incremental points in grades 13 to 16. These incremental points will be linked to sustained high performance and should not be awarded for one off projects for which either an ex-gratia payment or cash award may be more appropriate. These HPI's recognise the impact of senior managers on the high performance of the organisation and they should only be used where it is possible to demonstrate that the individual has added significant value over and above what might be seen by other fully effective performers in the same role.

High Performance Increments will be considered in line with the mid year review for effect in October. The HPI may be awarded on either a consolidated or non-consolidated basis. Recommendation for an HPI must be made by a Director to the Corporate Leadership Team for grades 13 and 14, by the Chief Executive to the Member and Employment and Development Panel (MEDP) appraisal sub-committee for Directors (grade 15) and by the Leader to the MEDP appraisal sub-committee for the Chief Executive.

Consideration of some or all of the following factors is appropriate when an award of an HPI is recommended:

- Flexibility to manage new services following structure changes
- Innovative ways of working to improve performance and reduce costs
- Management of services outside the council e.g. shared services
- Continued performance at a level above the current grade but where there are no suitable opportunities for promotion
- Increased income to the council from selling services

It is important to emphasise that the HPI will not be the norm for pay progression and movement onto these increments will be carefully monitored to ensure that there are no equal pay implications.

### 4. Career Grades and Incremental Progression

A Career Grade offers the opportunity of a long path of progression to a particular professional position. As such the nature of the role and the requisite competencies are likely to vary considerably between the entry point and final destination. This means that through Job Evaluation the Career Grade is likely to span several grades and have many steps. To enable this clear stepped progression there may be some need to have interim points between the normal incremental points e.g. in recognition of the achievement of some particular milestone. These half incremental steps will be allowed providing that there is prior agreement with the Head of HR and that they are applied equally to all those who meet the criteria and are set out as part of the agreed career grade structure. Progress through the career grade will need to be evidence based and the Head of HR will need to agree to the progression if it is between grades.

Appendix I(C)

**Chief Executive and Director Appraisal Process**

The appraisal panel for the Chief Executive will comprise of a sub-committee of the Employment Committee.

This committee will also take a ‘grandparent’ role to review and comment on the full annual appraisal and objectives for the Directors as set by the Chief Executive.

An indicative timetable and process for the Chief Executive is set out below:

<b>Process</b>	<b>Dates</b>	<b>Papers Required</b>
Chief Executive Appraisal and Director review	March	
Mid-Year Review – CEO with sub-committee	By mid September	Appraisal documents with agreed objectives and development plan – to be reviewed and up-dated
Mid-Year Review - Directors with CEO	September	Appraisal documents with agreed objectives and development plan – to be reviewed and up-dated
Chief Executive preparation Documents complete for circulation to sub- committee	January	Previous years appraisal & Mid Year Review Knowledge, Skills and Performance Standards Strategic Direction Competency Framework Appraisal Preparation document Briefing note on appraisal preparation
Chief Executives appraisal with sub committee	February	Appraisal produced from the meeting
Directors appraisals with CEO	February	Directors appraisals then CEO to write up and agreed by Directors
Sub-committee review of Directors appraisals	March	Previous years appraisal & Mid Year Review Knowledge, Skills and Performance Standards Strategic Direction Competency Framework Appraisal completed by Chief Executive & Director

## **MARKET SUPPLEMENTS FOR PAY**

### **Introduction**

The Council will utilise a Market Supplement to ensure that competitive salaries will attract and retain key workers in skill shortage areas without distorting the pay structures for all other employees. A Market Supplement for recruitment or retention purposes will only be used where there are clear business reasons that cannot be better addressed through the total benefits package, the work environment or department skill mix. It is recognised that pay is only one factor contributing to our attractiveness as an employer and other aspects of employment, particularly those relating to development, should be applied rather than using just a Market Supplement.

All jobs are graded using the HAY Job Evaluation system and the defined pay policy of the Council is to pay at Market Median where the market used is the HAY Local Government salary data. This is also checked against local Kent salary surveys to ensure that it is robust for the geographical region. This approach ensures that the employees of Maidstone Borough Council are paid at a fair level in comparison to other workers in similar employment groups.

However there is recognition that in certain professions there are either national or regional skill shortages and Maidstone needs to be responsive to the competition for these skills. In the longer term our aim will be to train employees to move into these specialist areas and to ensure that the specialists' skills are used properly within the organisation. In the short term Market Supplements may be used.

### **Identification of the Skill Shortage**

#### Recruitment Campaigns

Where there is no anticipated shortage there will need to be a minimum of two appropriate external recruitment campaigns within a 12 month period to establish that it is not possible to fill a position before it is agreed there is a requirement for a market supplement.

#### Salary Survey

The salary survey is conducted on an annual basis and gives details of the comparative salaries for defined positions in the south east. This clearly identifies the median salaries and is particularly relevant for local government roles. This will enable the identification of positions which may be vulnerable and where there is more than a 10% salary difference from the median there should be consideration of the need for a market supplement. The existence of this difference alone is unlikely to be sufficient justification and further analysis will be required to identify whether this has had an adverse impact on the Council's ability to recruit and retain.

#### National Information

Within local government there are certain identified skill shortage areas. These are identified through data collection from the Employers Organisation. In 2016 these skills were listed as:

1. Children's social workers
2. Planning officers \*
3. Building control officers \*
4. Environmental health officers \*
5. Educational psychologists
6. School crossing patrol
7. Adult social workers
8. Trading standards officers
9. Solicitors and lawyers
10. Mental Health Social Workers

\* category of worker employed by MBC

This national picture is the first indicator of a shortage. Where there is an identified shortage nationally the manager will still be required to demonstrate that this applies to the local area. This proof can be gained through the outcome of a relevant recruitment campaign during the previous 12 month period or through information from agencies about the availability of particular skill sets.

### **Market Supplement for Recruitment Purposes**

The level of supplement will be agreed between the Director and the Head of HR in consultation with the Head of Finance. It will be paid as part of monthly salary and will be pensionable. The supplement will not be subject to the cost of living award and will not be taken into account for any salary related enhancements eg overtime which will be paid at the normal salary rate.

The Market Supplement will be given for a minimum two year period initially. This will be annually reviewed to confirm that the supplement is still necessary and at the appropriate level. Where a reduction in level is the outcome of the review this will not take effect until the minimum two years has expired. Reductions will follow the process set out in section 5.

The payment of a Market Supplement must be within the Director's agreed budget. Approval must be given by the relevant Director and the Head of Human Resources who will ensure that all alternative options have been explored.

### **Market Supplement for Retention Purposes**

Whilst the Market Supplement is principally to enable the Council to be able to compete in a highly competitive market to attract new employees, there may be exceptional cases where a supplement should be considered for existing employees. This may occur in situations where a new recruit is offered a supplement which would then cause equally mobile colleagues to leave and seek a similar salary elsewhere. There may also be occasions where an employee with a specialist skill needs to be retained to ensure business continuity.

The level of supplement will be agreed between the Director and the Head of HR in consultation with the Head of Finance. It will be paid as part of monthly salary and will be pensionable. The supplement will not be subject to the cost of living award and will not be taken into account for any salary related enhancements eg overtime which will be paid at the normal salary rate. The Market Supplement will be given for a minimum two year period initially. This will be annually reviewed to confirm that the supplement is still necessary and at the appropriate level. Where a reduction in level is the outcome of the review this will not take effect until the minimum two years has expired. Reductions will follow the process set out in section 5.

Agreement to the Market Supplement (or appointment above the bottom of the grade) will require the completion of the form at Appendix 1.

Payment of a Retention Supplement must only be considered in exceptional circumstances and particular attention must be paid to the Equal Pay issues.

### **Removal of the Supplement**

The availability of skills varies over time. As professions are identified as skill shortage areas and salaries rise they can attract an increased number of trainees. Where this is the case the Council would not wish to incur unnecessary costs, i.e. paying more for a skill than the median rate if this would be sufficient to attract high quality applicants.

Management Team will review the posts attracting a supplement annually in January. When it is clear that a particular profession or skill area no longer necessitates a market supplement this will be withdrawn over a phased period of 2 years – with the withdrawal of 25% of the supplement every six months until the employee returns to the normal rate for the job. The assessment of the on-going need will relate to the national skills assessment combined with local salary reviews and the response to recruitment campaigns. When a market supplement is to be withdrawn the employee will be notified by the end of January and the phased withdrawal will commence in April of that year. In this way the annual pay award should help to offset any reduction.

## **Appendix I(E)**

### **Maidstone Borough Council Policy and Procedural Issues Local Government Scheme Regulations Employer Discretions**

This paper confirms the pension policy of Maidstone Borough Council as it relates to the exercise of discretions contained in the Local Government Pension Scheme Regulations 2013 and the LGPS (Transitional Provisions, Savings and amendments) Regulations 2014. Last updated June 2014.

The policy statement applies to all members of staff who are eligible to be members of the LGPS, as defined in the regulations i.e. employees with a contract of employment of over 3 month's duration and who are under 75 years of age and are contractually enrolled at the start of employment. Those with contracts of less than 3 months, including casuals, can join but need to elect to do so.

Employees who are members of the pension scheme are only entitled to receive pension benefits if they have 2 years or more service. Under LGPS 2014 Regulation 18, if an employee leaves within 2 years of the start of their employment their contributions can be repaid or transferred to another scheme, unless there is some fraudulent offence or misconduct in connection with the employment

#### **Principles**

The Authority will treat any individual retirement case and decisions on its merits.

Decisions relating to retirement will be made taking into account the business case and business implications, the financial implications, employment law consideration, the regulations and the legality of each case. It may also take into account long term savings, affordability, skills and skills retention and impact on service delivery.

The definition of business efficiency shall include, but not be limited to financial savings and/or quality improvements judged on a case by case basis.

Each decision will be made free from discrimination on the grounds of any protected characterising – age, disability, gender reassignment, marriage or civil partnership, pregnancy & maternity, race, religion and belief, sex, sexual orientation or any other personal criteria.

The Authority's decisions relating to retirement and the release of pension benefits will be in line with the current pension regulations. These regulations may be updated from time to time and the Authority will default to the regulations if the policy is not explicit on any current or future regulation.

Decisions relating to the release of deferred benefits to former employees will refer to the relevant pension policies applicable at the time of their employment. In such cases, the decision as to the release of deferred benefits will be on a case by case basis and will take into account the criteria detailed in these principles. Guidance may be sought from the pension administrators as required.

#### **Regulation 9 (1) & (3) - Contributions**

Maidstone Borough Council will apply the nationally determined employee contribution rates and bands. These are subject to change and may be varied.

Maidstone Borough Council will pay the rate of contributions determined in the regulations for employees whose pay is reduced through ill health or during authorised unpaid leave, including child related leave.

The calculation of pensionable pay will include basic annual salary plus any other pensionable salary items including – Market Supplement/ Premium, Overtime, Bonus, Honorarium, Salary Supplements. The pensionable pay will be reviewed monthly and based on earnings for that month to identify the appropriate band and contribution percentage

Maidstone Borough Council will notify employees of their individual contribution rates in their payslips or by letter at least annually.

### **Regulation 16 (2)e and 16 (4)d – Shared Cost Additional Pension Contributions (SCAPC)**

It is not Maidstone Borough Council's general policy to operate a SCAPC where a scheme member wishes to purchase extra annual pension (up to the limit defined in the regulations).

Where a scheme member has a period of child related leave or authorised unpaid leave and elects, within 30 days of return to work, to pay a SCAPC to cover the amount of pension 'lost' during the period of absence, in these circumstances Maidstone Borough Council is required to contribute 2/3rds of the cost. If an election is made after the 30 day time limit the full costs will be met by the scheme member.

Employees who have the option to pay contributions in respect of a period of unpaid absence must elect to do so within 30 days of the date of the notice issued to them by the Human Resources Section stating the amount of contributions to be paid. This time limit may be extended by the Head of Human Resources if the employee can demonstrate exceptional circumstances so as to justify an extension of time.

### **TP Regulations 1(1)(c) of Schedule 2 – whether to allow the rule of 85 to be 'switched on' for members age 55-59.**

It is not Maidstone Borough Council's general policy to make use of the discretion to 'switch back on' the 85 year rule protections unless there are clear financial or operational advantages to the council. Each case will be considered on its merits by Head of Human Resources, the Head of Finance and the relevant Director.

### **Regulation 17 (1) – Shared Cost Additional Voluntary Contributions (SCAVC)**

It is not the current policy of the Borough Council to operate a shared cost Additional Voluntary Contribution Scheme for employees. However, this policy will be reviewed from time to time by the Head of Human Resources in conjunction with the Chief Finance Officer, subject to Member's approval.

### **Regulation 21 (5) – In determining Assumed Pensionable Pay whether a lump sum payment made in the previous 12 months is a 'regular lump sum'.**

Maidstone Borough Council will maintain a list which details what Maidstone Borough Council considers being a regular lump sum payment made to our employees to be used in the calculation of the Assumed Pensionable Pay

### **Regulation 22 (7)(b) & 22 (8)(b) - Aggregation of Benefits**

Employees who have previous LGPS pension benefits in England and Wales will automatically have these aggregated with their new LGPS employment unless they elect within 12 months of commencing membership of the LGPS in the new employment to retain separate benefits. Maidstone Borough Council has the discretion to extend this period beyond 12 months and each case will be considered on its own merits by the Head of Human Resources, the Head of Finance and the relevant Director.

### **Regulation 30(6) – Flexible Retirement**

It is Maidstone Borough Council's policy to only provide consent for flexible retirement and the immediate payment of benefits where there are clear financial or operational benefits to the council. Any such consent requires the agreement of the Director of Human Resources and the relevant Director and each case would be considered on its merits.

If consent has been given under Regulation 30 (6) it is not Maidstone Borough Council's general policy to waive any actuarial reduction unless there are exceptional circumstances.

### **Regulation 30(8) Waiving of Actuarial Reductions**

It is not the policy of the Borough Council to give consent to the immediate payment of benefits to employees under this regulation unless there is a demonstrable benefit to the organisation which would take full account of any extra costs to be borne by the Authority. In circumstances where a request is made for an early payment of a deferred benefit this is unlikely to be granted except in the most extreme cases of hardship; circumstances must be exceptional and would not reasonably be expected to prevail i.e. the occurrence of a disaster or accident etc. Financial hardship alone would not normally be deemed sufficient. Any such consent shall be agreed by the Head of Human Resources, Head of Finance and the relevant Director taking account of all the details involved in the case.

Where a scheme member has previously been awarded a preserved benefit, it is not generally the policy of Maidstone Borough Council to give consent under this regulation to the early payment of benefits, however each request will be considered and full account taken of any costs to be borne by the authority. Any consent shall be agreed by the Head of Human Resources, Head of Finance and the relevant Director taking account of all the details involved in the case. It is not the council's general policy to waive any actuarial reduction in these circumstances.

### **Regulation 31 – Award of Additional Pension**

Maidstone Borough Council has the discretion to award additional pension (up to the additional pension limit defined in the regulations) to an active member or within 6 months of leaving the scheme to a scheme member who was dismissed on grounds of redundancy or business efficiency.

Maidstone Borough Council will only exercise this discretion in exceptional circumstances and where there is a proven total benefit to the organisation which includes any costs that might be borne by the authority. Any consent shall be agreed by the Head of Human Resources, Head of Finance and the relevant Director taking account of all the details involved in the case.

### **Regulation 100 (6) – Aggregation of Benefits**

If a scheme member wishes to transfer any pension benefits they have built up in other schemes to the Local Government Pension Scheme, it is the policy of Maidstone Borough Council that the election must be made within 12 months of the Pension Section being notified that the employee has become an active member of the Kent Scheme.

If the 12 month period has elapsed then the member may make a case for any exceptional circumstances to be considered by the Head of Human Resources, the Head of Finance and the relevant Director within Maidstone Borough Council and by the Pension Scheme Administrator, both organisations must agree to the late transfer.

## **Appendix I(F)**

### **PAY PROTECTION POLICY**

#### **Introduction**

The Council believes that an integral feature of any successful organisation is its ability to identify the need for change and to manage that change, taking into account management's aspirations as well as the aspirations and well being of its employees.

Whilst the Council is committed to providing security of employment and to minimising the personal impact of organisational change there will be occasions when it will be necessary to reorganise services and the way in which they are delivered. In these circumstances the provisions of this policy will apply.

#### **Scope**

This policy applies to any employee who, as a consequence of organisational change, is required by management to move to a new post or suffers a reduction in basic hours worked within the standard working week. The provisions of this policy do not apply where an employee moves to another position as a result of:

- action taken in accordance with the Council's disciplinary or capability procedures
- the need for re-deployment on health grounds
- unacceptable standards of work performance
- a request from the individual or by mutual agreement between the individual and the Council
- a voluntary application to another position within the Council

#### **Protection Period**

Protection of earnings will be given for a period of 36 months. The first twelve months will be protected at the full earnings of the role held by the employee prior to the change. The 13-24 month period will be with a 33% reduction of the difference between the new earnings and the earnings of the role held prior to the change. The 25-36 month period will be with a 66% reduction and after a period of 36 months the employee will move to the salary and earnings of the new post. The employee will be moved to the salary point of the pay scale for the grade of the new post that is closest to the salary of the previous post. In most cases this is likely to be the highest incremental point of the relevant grade.

In exceptional circumstances, and where there may be a cost advantage to the organisation (e.g. where redundancy costs would be very high) there may be agreement with the Chief Executive, the Head of Finance and Head of Human Resources to extend this period to a maximum of five years.

#### **Calculation of Protection**

Earnings protection will be calculated as an average of the earnings in the four months preceding the organisational change. This will include basic salary, essential car user allowance, lease car cash allowance, stand-by payments and an average of overtime and out of hour's payments.

Earnings in the new post will be off-set against protected earnings and if for any particular pay period the earnings in the new post exceed the protected earnings then the higher earnings will be paid ~~161~~ that pay period.

Where the period of protection spans the annual pay award the protected pay will be reduced by an amount equivalent to any increase in pay in the new substantive post.

### **Conditions of Protection**

Protection of earnings is conditional upon the employee undertaking any shift work, standby or other duties which may be required in the new post. Where there are increased earnings as a result of these additional duties this will result in an equivalent decrease in pay protection. In circumstance where the employee is required to drive and the post is designated as an Essential Car User or the level of mileage is such that the employee qualifies for the Essential Car User Allowance this will be paid but the level of pay protection will be reduced by the equivalent amount.

Protection of earnings is also conditional upon the employee accepting any subsequent offer of a suitable alternative post which attracts a salary in excess of that of the new post.

Overtime will be paid at the new rate (i.e. the real rate attached to the post) not at the protected rate.

### **Pension Implication**

It has been the Borough Council's policy to issue a certificate of protection of pension benefits to protect employees who suffer detriment by being required to take a cut in pay or who are prevented from having future pay increases by having their pay frozen. Any certificates issued may continue to apply to pension forecasts whilst they are still valid. Following the pension changes on 1 April 2008 there were no further certificates of protection issued but up to 31 March 2014 there are options for pension calculation to be based over a longer time period, affected employees should contact the pension administrator.

### **Terms and Conditions other than Pay**

Annual Leave entitlements and length of notice period required from the employee will not be protected and those applicable to the new post will be effective from the date of transfer.

## Appendix I(G)

### KENT ASSOCIATION OF ELECTORAL REGISTRATION OFFICERS AND STAFF (Kent AEROS) – SCALE OF FEES (REVISED)

#### Proposed scale of fees for District/Borough and Parish Council elections and Neighbourhood Referendum held on or after 1<sup>st</sup> April 2017

1. The scale of fees are uplifted annually, by using the NJC award pay award for local government and approved by the Kent Chief Executives Group.
2. Kent County Council's scale of fees uses a calculation based upon per 1000 electorate. Kent AEROS' scale uses a calculation of per 500 electorate because of small parishes.
3. In order to ensure consistency the Kent AERO's scale reflects the KCC 2017 Scale and is in line with the NJC increase
4. The Kent AEROS' scale has been uplifted by 1.35% using the NJC Pay Award for Local Government Services 2017/18

	Item	Current 2016 £	Proposed 2017 £
<b>Stationery and Equipment</b>			
1.	Printing and publishing all notices, forms and other documents, providing stationery and sundries, and other miscellaneous expenditure including postage, telephone calls and faxes	Actual and necessary	Reasonable and appropriate cost
2.	Stationery and equipment at each polling station, including depreciation		
3.	Hire of any building or room for the purpose of the election and the expenses attending the use of any building or room, including temporary polling stations if necessary		
4.	Fitting-up polling stations including the provision, transport and erection of voting compartments, the hire of necessary furniture (where this is not otherwise available) and the return to store afterwards		
5.	Ballot Papers – provision and printing		
6.	Register of Electors – purchase		
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7.	Printing or production of official poll cards and postal vote packs		
8.	Delivery of official poll cards by hand	Second class postage rate	Second class postage rate
<b>Travelling expenses</b>			
9.	Travelling expenses to DRO's staff to make arrangements for the poll or otherwise in connection with the conduct of the election	No fees in place for 2016	45p per mile
10.	Presiding Officer travelling expenses	14.10	14.29
11.	Poll Clerk travelling expenses	8.19	8.30
12.	Travelling expenses for staff in connection with the counting of votes, at the discretion of the DRO	8.19	8.30
<b>Polling Station Staff</b>			
13.	One Presiding Officer at each Polling Station – single election	205.64	208.42
14.	For each PO at a Polling Station – combined election or difficult station due to local circumstances (at the discretion of the Returning Officer (RO))	252.62	256.03
15.	For a PO who acts as a supervisor at a Polling Place where there is more than one Polling Station	(additional) 9.97	(additional) 10.10
16.	Supervising Officer (SO) – for every 10 polling station overseen	205.64	208.42
17.	For each Poll Clerk (PC) at a Polling Station – single election	123.38	125.05
18.	For each Poll Clerk at a Polling Station – joint election or difficult station due to local circumstances (at the discretion of the Returning Officer (RO))	152.76	154.82
19.	For each training session provided by the DRO for Presiding Officers, Poll Clerks or count staff	176.29	178.67
20.	For each Presiding Officer and Poll Clerk attending training	45.64	46.26
21.	An allowance for each polling station to have	No fee in place for 2016	5.00

	available a mobile phone on polling day		
<b>Counting of the votes, postal voting, clerical and other assistance</b>			
22.	For the employment of persons in connection with the counting of the votes, clerical and other assistance required by the RO – for each 500 electors or part in a contested election	71.94 (per 500)	72.91 (per 500)
23.	For the employment of persons in connection with the issue and opening of postal ballot papers – for each 100 postal voters or part	70.51	71.46
24.	For the recount of votes – for each 500 electors or part	4.14	4.20
25.	Payment to the District/Borough for the use of Council staff to support the RO in the conduct of elections as follows:		
(a)	Contested election – (i.e. <b>without</b> District/Borough) for each <b>500</b> electors (or part)	55.72 (per 500)	56.47 (per 500)
(b)	Contested joint election (i.e. <b>with</b> District/Borough) – for each <b>500</b> (or part)	27.86 (per 500)	28.24 (per 500)
26.	Contested single election – payment to DRO for the management and conduct of the election – for each 500 electors or part	31.14	31.56
27.	Contested joint election – payment to DRO for the management and conduct of the election – for each 500 electors or part	43.00	43.58
28.	For each Counter attending training	No fee in place for 2016	15.00
29.	For each Count Supervisor and Count General Assistant attending training	No fee in place for 2016	30.00
30.	Reasonable refreshments for staff involved in the verification and count	No fee in place for 2016	Maximum £5 per head
<b>Uncontested election</b>			
31.	Payment to District/Borough Council for the use of Council staff	15.37 (per 500)	15.58 (per 500)

	at an uncontested election – for each 500 electors or part		
32.	RO fee for the conduct of elections as follows:		
(a)	Uncontested District/Borough election – single fee	53.33	54.05
(b)	Uncontested Parish election – single fee	18.27	18.52
33.	For clerical and other assistance required by the Returning Officer at an uncontested election – for each 500 electors (or part)	19.57	19.83

#### Notes

1. The fees are calculated on the number of local government electors on the register of electors and entitled to vote at the last day for publication of the notice of election.
2. At parish polls the fees relating to polling staff **may** be pro rata.
3. **Item 24** – in special circumstances, the RO may recover actual costs
4. **Items 10, 11 and 12** – variable mileage rates may be applied where fixed travel is considered appropriate.
5. **Item 31** – the payment referred to applies (in the case of a parish election) to each ward of the parish.

## Appendix I(H)

**Details of remuneration and job title of certain senior employees whose basic salary is between £50,000 and £150,000.**

Position	Department	Remuneration	No of staff	Budget	Other services/responsibilities
Chief Executive	Chief Executive	£140,000 - £145,000	579	£18,896,890	Returning Officer responsible for all elections & Head of Paid Service
Director of Regeneration and Place	Regeneration and Place	£100,000 - £104,999	293	£8,845,560	
Director of Finance and Business Improvement	Finance and Business Improvement	£100,000 - £104,999	116	£7,275,730	Section 151 Officer
Mid Kent Services Director	Mid Kent Services	£85,000 - £89,999	167	£2,296,600	Reports to Chief Executives of Maidstone, Swale & Tunbridge Wells Borough Councils.
Head of Policy, Communications and Governance	Policy, Communications and Governance	£80,000 - £84,999	80	£2,393,950	
Head of Planning and Development	Planning and Development	£80,000 - £84,999	38	£953,140	
Head of Housing and Community Services	Housing and Community Services	£75,000 - £79,999	50	£3,695,020	
Head of Regeneration and Economic Development	Regeneration and Economic Development	£70,000 - £74,999	85	£1,259,620	
Head of Mid Kent Audit	Mid Kent Audit	£70,000 - £74,999	12	£204,010	Head of shared service with Ashford, Swale and Tunbridge Wells Borough Councils.
Head of Environment and Public Realm	Environment and Public Realm	£60,000 - £64,999	103	£4,937,980	
Head of Mid Kent ICT	Mid Kent ICT	£60,000 - £64,999	34	£1,386,260	Head of shared service with Swale and Tunbridge Wells Borough Councils.
Head of Commissioning and Business Improvement	Commissioning and Business Improvement	£60,000 - £64,999	18	£1,171,150	
Head of Finance	Finance	£50,000 - £54,999	15	£3,231,800	
Head of Mid Kent HR	Mid Kent HR	£55,000 - £59,999	14	£564,350	Head of shared service with Swale Borough Council
Head of Mid Kent Revenues and Benefits	Mid Kent Revenues and Benefits	£55,000 - £59,999	63	-£321,160	Head of shared service with Tunbridge Wells Borough Council
Parking Services Manager	Parking Services	£55,000 - £59,999	13	(£2,000,200)	Manager within shared service with Swale Borough Council
Economic Development & Regeneration Manager	Economic Development and Regeneration	£55,000 - £59,999	12	£436,010	
Chief Operations Officer	Mid Kent ICT	£55,000 - £59,999	33	£0	Manager within shared service with Swale and Tunbridge Wells Borough Councils.
Deputy Head of Audit	Mid Kent Audit	£50,000 - £54,999	4	£204,010	Manager within shared service with Ashford, Swale and Tunbridge Wells BC's

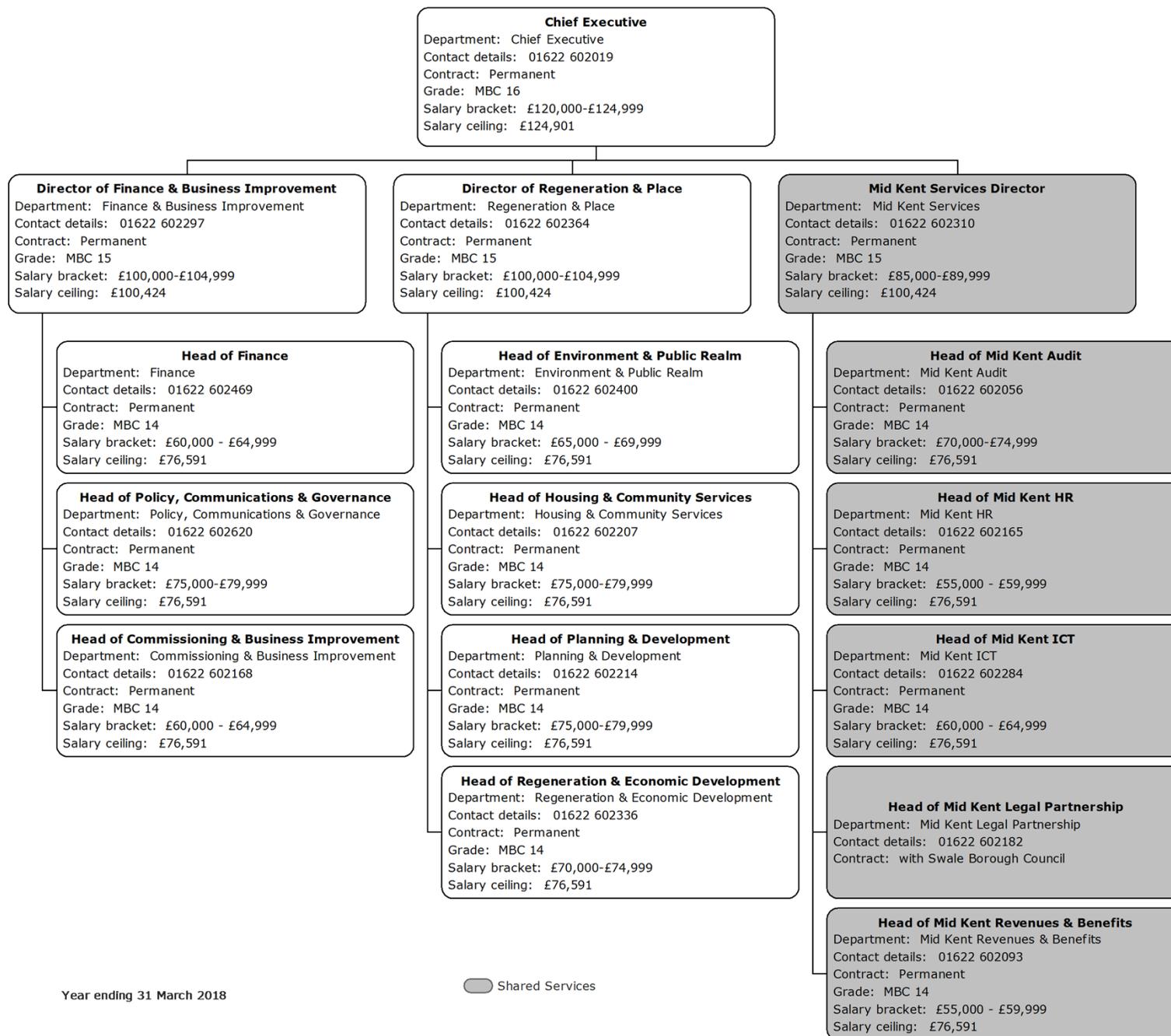
Remuneration band	Number of employees in band
£50,000 - £54,999	5
£55,000 - £59,999	6
£60,000 - £64,999	3
£65,000 - £69,999	0
£70,000 - £74,999	2
£75,000 - £79,999	1
£80,000 - £84,999	2
£85,000 - £89,999	1
£90,000 - £94,999	0
£95,000 - £99,999	0
£100,000 - £104,999	2
£105,000 - £109,999	0
£110,000 - £114,999	0
£115,000 - £119,999	0
£120,000- £124,999	0
£125,000 - £129,999	0
£130,000 - £134,999	0
£135,000 - £139,999	0
£140,000 - £144,999	1
Total	23

**Number of employees whose remuneration in 2017/18 is at least £50,000 in brackets of £5,000**

This information is published in accordance with the guidance associated with The Code of Recommended Practice for Local Authorities on Data Transparency (2014) which requires the publication of senior salaries within a £5000 range. The table includes all earnings.

# Data transparency: Maidstone Borough Council organisation chart

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# Agenda Item 21

**COUNCIL**

**28 February 2018**

## **REVIEW OF ALLOCATION OF SEATS ON COMMITTEES/MEMBERSHIP OF COMMITTEES**

<b>Final Decision-Maker</b>	Council
<b>Lead Head of Service</b>	Angela Woodhouse, Head of Policy, Communications and Governance
<b>Lead Officer and Report Author</b>	Sam Bailey, Democratic and Administration Services Manager Debbie Snook, Democratic Services Officer
<b>Classification</b>	Public
<b>Wards affected</b>	All

### **Executive Summary**

A review has been undertaken of the allocation of seats on Committees. The Council is asked to agree that the allocation of seats on Committees be as set out in Appendix 1 to this report and that the wishes of the Group Leaders with regard to the consequential changes to the membership of Committees be accepted.

### **This report makes the following recommendations to this Committee:**

1. That the allocation of seats on Committees be as set out in Appendix 1 to this report.
2. That the wishes of the Group Leaders with regard to the consequential changes to the membership of Committees, as set out in Appendix 2 to this report, be accepted.

### **Timetable**

<b>Meeting</b>	<b>Date</b>
Council	28 February 2018

# REVIEW OF ALLOCATION OF SEATS ON COMMITTEES/MEMBERSHIP OF COMMITTEES

## 1. INTRODUCTION AND BACKGROUND

- 1.1 The Council has a statutory requirement under the Local Government and Housing Act 1989 to ensure political proportionality in the membership of Committees. Since a Councillor has been temporarily suspended from the Liberal Democrat Party, and therefore can no longer be a member of the Liberal Democrat Group, it is necessary to undertake a review of the allocation of seats on Committees.
- 1.2 Due to the political balance on the Council, and the requirement to ensure overall political proportionality on the Council, a seat will need to be left vacant on Planning Committee. This is due to the way in which the political balance affects the un-rounded seat allocations. As the seats cannot be rounded up fairly, a seat will need to be left vacant to ensure proportionality. The Group Leaders have agreed that this seat should be on Planning Committee. Please see the table below for un-rounded seat allocations:

<b>Party</b>	<b>Number of seats on Council</b>	<b>Number of seats on Committees (unrounded)</b>
LD	22	44.4
Con	22	44.4
UKIP	4	8.07
IND	4	8.07
LAB	2	4.04
Cllr Webb	1	2.02

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## 2. AVAILABLE OPTIONS

- 2.1 The allocation of seats on individual Committees which now achieves each Political Group's overall entitlement is set out in Appendix 1.
- 2.2 Section 17 of the Local Government and Housing Act 1989 provides for exceptions to the political balance requirements. Essentially, the Council can amend the political balance of a Committee provided that notice of the intention to give such consideration has been given to all Members of the Council and that when the alternative arrangements are put to the vote at the Council meeting, no Member of the Council votes against them.
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2.3 The wishes of the Group Leaders with regard to the consequential changes to the membership of Committees are set out in Appendix 2.

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### **3 PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

3.1 It is proposed that the Employment Committee and the Urgency Committee only are not politically balanced, and that the allocation of seats on individual Committees, which achieves each Political Group's overall entitlement be as set out in Appendix 1.

3.2 The wishes of the Group Leaders with regard to the consequential changes to the membership of Committees are set out in Appendix 2.

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### **4. RISK**

4.1 The review of the allocation of seats on Committees will ensure an appropriate political balance in membership of Committees.

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

5.1 Group Leaders have been consulted on the allocation of seats on Committees and the adjustments required.

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

6.1 Once the allocation of seats has been decided upon, there is a duty to give effect to the allocation by making appointments to them in accordance with the wishes of the Group Leaders on behalf of their respective Political Groups.

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### **7. CROSS-CUTTING ISSUES AND IMPLICATIONS**

<b>Issue</b>	<b>Implications</b>	<b>Sign-off</b>
<b>Impact on Corporate Priorities</b>	There are no direct impacts on corporate priorities arising from this, but the Committees when in place discharge the functions delegated to them having regard where appropriate to the Council's strategic objectives.	Head of Policy, Communications and Governance
<b>Risk Management</b>	See section 4 above.	Head of Policy, Communications and Governance

<b>Financial</b>	The Committees appointed having regard to the political balance requirements form part of the original plan for the committee system of governance and as such there are no additional financial implications.	Section 151 Officer
<b>Staffing</b>	There are no staffing implications	Head of Policy, Communications and Governance
<b>Legal</b>	The legal implications are set out in the body of the report.	Legal Team
<b>Privacy and Data Protection</b>	No specific issues arise.	Legal Team
<b>Equalities</b>	No specific issues arise.	Equalities and Corporate Policy Officer
<b>Crime and Disorder</b>	No specific issues arise.	Head of Policy, Communications and Governance
<b>Procurement</b>	No specific issues arise.	Head of Policy, Communications and Governance

## **8. REPORT APPENDICES**

- Appendix 1: Review of Allocation of Seats on Committees
- Appendix 2: Membership of Committees

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## **9. BACKGROUND PAPERS**

None

**APPENDIX 1**

**ADJUSTED ALLOCATION OF SEATS ON COMMITTEES**

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	Service Committees				Planning Committee	Licensing Committee	Employment Committee	Joint Transportation Board	Democracy Committee	Audit, Governance and Standards Committee	Urgency Committee	Total of entitlement on individual Committees etc.	Overall entitlement
	Policy and Resources	Strategic Planning, Sustainability and Transportation	Communities, Housing and Environment	Heritage, Culture and Leisure									
<b>Seats to be Allocated</b>	<b>15</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>13</b>	<b>12</b>	<b>12</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>5</b>	<b>111</b>	<b>111</b>
Con	6	4	4	4	5	5	4	4	4	3	1	44	44
Lib Dem	6	4	4	4	5	5	4	4	4	3	1	44	44
Ind	1	1	0	0	1	1	1	1	0	1	1	8	8
UKIP	1	0	1	1	1	1	1	0	1	0	1	8	8
Lab	1	0	0	0	0	0	1	0	0	1	1	4	4
Cllr Webb	0	0	0	0	0	0	1	0	0	1	0	2	2
<b>Total Allocated</b>	<b>15</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>5</b>	<b>111</b>	<b>110*</b>

\*One seat will be left vacant at Planning Committee to ensure overall political balance on the Council.

**COMMITTEE (AND SUBSTITUTE) MEMBERSHIP 2017/2018****POLICY AND RESOURCES COMMITTEE****MEMBERS**

<b>CON x 6</b>	<b>LIB DEM x 6</b>	<b>IND x 1</b>	<b>UKIP x 1</b>	<b>LAB x 1</b>
BLACKMORE	COX	GOOCH	BARNED	HARPER
BOUGHTON	FERMOR			
BRICE	HARVEY			
GARLAND	HARWOOD			
McLOUGHLIN	HASTIE			
PERRY	WILSON			

**SUBSTITUTES**

<b>CON</b>	<b>LIB DEM</b>	<b>IND</b>	<b>UKIP</b>	<b>LAB</b>
BURTON D	ENGLISH	MUNFORD	ELLS	ADKINSON
BUTLER	JOY	SAMS J	NEWTON	
GARTEN	MORTIMER B	SAMS T	POWELL	
RING	NAGHI			
ROUND	ROBERTSON			
STOCKELL				

**STRATEGIC PLANNING, SUSTAINABILITY AND TRANSPORTATION COMMITTEE****MEMBERS**

<b>CON x 4</b>	<b>LIB DEM x 4</b>	<b>IND x 1</b>	<b>UKIP x 0</b>	<b>LAB x 0</b>
BURTON D	COX	MUNFORD		
de WIGGONDENE-SHEPPARD	ENGLISH			
PRENDERGAST	WILBY			
SPRINGETT	WILLIS			

**SUBSTITUTES**

<b>CON</b>	<b>LIB DEM</b>	<b>IND</b>	<b>UKIP x 0</b>	<b>LAB x 0</b>
BURTON M	CLARK	GOOCH		
GARTEN	FERMOR	SAMS J		
PERRY	HARWOOD	SAMS T		
RING	HASTIE			
ROUND	VIZZARD			
SPOONER	WILSON			

APPENDIX 2

**COMMUNITIES, HOUSING AND ENVIRONMENT COMMITTEE**

**MEMBERS**

<b>CON x 4</b>	<b>LIB DEM x 4</b>	<b>IND x 0</b>	<b>UKIP x 1</b>	<b>LAB x 0</b>
BURTON M	FIELD		BARNED	
GARTEN	JOY			
RING	MORTIMER D			
WEBSTER	ROBERTSON			

**SUBSTITUTES**

<b>CON</b>	<b>LIB DEM</b>	<b>IND x 0</b>	<b>UKIP</b>	<b>LAB x 0</b>
BLACKMORE	COX		ELLS	
HINDER	ENGLISH		NEWTON	
PERRY	GRIGG		POWELL	
ROUND	LEWINS			
SPRINGETT	VIZZARD			
	WILSON			

**HERITAGE, CULTURE AND LEISURE COMMITTEE**

**MEMBERS**

<b>CON x 4</b>	<b>LIB DEM x 4</b>	<b>IND x 0</b>	<b>UKIP x 1</b>	<b>LAB x 0</b>
BLACKMORE	HASTIE		ELLS	
BUTLER	LEWINS			
FORT	PICKETT			
HINDER	WILSON			

**SUBSTITUTES**

<b>CON</b>	<b>LIB DEM</b>	<b>IND x 0</b>	<b>UKIP</b>	<b>LAB x 0</b>
BOUGHTON	COX		BARNED	
GARTEN	DALEY		NEWTON	
PERRY	HARVEY		POWELL	
PRENDERGAST	HARWOOD			
SPOONER	NAGHI			
STOCKELL	WILBY			

APPENDIX 2

**PLANNING COMMITTEE**

**MEMBERS**

<b>CON x 5</b>	<b>LIB DEM x 5</b>	<b>IND x 1</b>	<b>UKIP x 1</b>	<b>LAB x 0</b>
<b>BOUGHTON</b>	<b>CLARK</b>	<b>MUNFORD</b>	<b>POWELL</b>	
<b>PRENDERGAST</b>	<b>COX</b>			
<b>ROUND</b>	<b>ENGLISH</b>			
<b>SPOONER</b>	<b>HARWOOD</b>			
<b>STOCKELL</b>	<b>VIZZARD</b>			

**SUBSTITUTES**

<b>CON</b>	<b>LIB DEM</b>	<b>IND</b>	<b>UKIP</b>	<b>LAB x 0</b>
<b>BRICE</b>	<b>HASTIE</b>	<b>GOOCH</b>	<b>BARNED</b>	
<b>BURTON M</b>	<b>LEWINS</b>			
<b>BUTLER</b>	<b>MORTIMER B</b>			
<b>PERRY</b>	<b>WILBY</b>			
	<b>WILLIS</b>			
	<b>WILSON</b>			

**LICENSING COMMITTEE**

**MEMBERS**

<b>CON x 5</b>	<b>LIB DEM x 5</b>	<b>IND x 1</b>	<b>UKIP x 1</b>	<b>LAB x 0</b>
<b>CUMING</b>	<b>GRIGG</b>	<b>SAMS J</b>	<b>NEWTON</b>	
<b>GARTEN</b>	<b>JOY</b>			
<b>HINDER</b>	<b>HARVEY</b>			
<b>McLOUGHLIN</b>	<b>NAGHI</b>			
<b>SPRINGETT</b>	<b>ROBERTSON</b>			

**SUBSTITUTES**

<b>CON</b>	<b>LIB DEM</b>	<b>IND</b>	<b>UKIP</b>	<b>LAB x 0</b>
<b>BLACKMORE</b>	<b>FIELD</b>	<b>SAMS T</b>	<b>BARNED</b>	
<b>BURTON D</b>	<b>FISSENDEN</b>			
<b>BURTON M</b>	<b>PICKETT</b>			
<b>PERRY</b>	<b>WILSON</b>			

APPENDIX 2

**EMPLOYMENT COMMITTEE**

**MEMBERS**

<b>CON x 4</b>	<b>LIB DEM x 4</b>	<b>IND x 1</b>	<b>UKIP x 1</b>	<b>LAB x 1</b>	<b>CLLR WEBB</b>
BLACKMORE	COX	GOOCH	BARNED	HARPER	
BURTON D	JOY				
PERRY	MORTIMER D				
RING	WILSON				

**SUBSTITUTES**

<b>CON</b>	<b>LIB DEM</b>	<b>IND</b>	<b>UKIP</b>	<b>LAB</b>
BOUGHTON	ENGLISH	MUNFORD	ELLS	ADKINSON
BURTON M	GRIGG	SAMS J	NEWTON	
BUTLER	MORTIMER B	SAMS T	POWELL	
McLOUGHLIN	PICKETT			

**MAIDSTONE JOINT TRANSPORTATION BOARD**

**MEMBERS**

<b>CON x 4</b>	<b>LIB DEM x 4</b>	<b>IND x 1</b>	<b>UKIP x 0</b>	<b>LAB x 0</b>
BURTON D	CLARK	SAMS T		
CUMING	HASTIE			
GARTEN	WILBY			
SPRINGETT	WILLIS			

**SUBSTITUTES**

<b>CON</b>	<b>LIB DEM</b>	<b>IND</b>	<b>UKIP x 0</b>	<b>LAB x 0</b>
BLACKMORE	COX	GOOCH		
BOUGHTON	MORTIMER D	MUNFORD		
HINDER	WILSON	SAMS J		
PERRY				
SPOONER				

APPENDIX 2

**DEMOCRACY COMMITTEE**

**MEMBERS**

<b>CON x 4</b>	<b>LIB DEM x 4</b>	<b>IND x 0</b>	<b>UKIP x 1</b>	<b>LAB x 0</b>
BOUGHTON	FERMOR		NEWTON	
HINDER	FISSENDEN			
PERRY	LEWINS			
RING	VIZZARD			

**SUBSTITUTES**

<b>CON</b>	<b>LIB DEM</b>	<b>IND x 0</b>	<b>UKIP</b>	<b>LAB x 0</b>
BLACKMORE	COX		BARNED	
CUMING	DALEY		ELLS	
GARTEN	ENGLISH		POWELL	
PRENDERGAST	HARVEY			
STOCKELL	JOY			
	WILLIS			

**AUDIT, GOVERNANCE AND STANDARDS COMMITTEE**

**MEMBERS**

<b>CON x 3</b>	<b>LIB DEM x 3</b>	<b>IND x 1</b>	<b>UKIP x 0</b>	<b>LAB x 1</b>	<b>CLLR WEBB</b>
BUTLER	ENGLISH	GOOCH		ADKINSON	
McLOUGHLIN	FISSENDEN				
PERRY	HARVEY				

**SUBSTITUTES**

<b>CON</b>	<b>LIB DEM</b>	<b>IND</b>	<b>UKIP x 0</b>	<b>LAB</b>
BLACKMORE	CLARK			HARPER
BOUGHTON	COX			
BURTON M	DALEY			
CUMING	FERMOR			
ROUND	FIELD			
	WILSON			

APPENDIX 2

**URGENCY COMMITTEE**

**MEMBERS**

<b>CON x 1</b>	<b>LIB DEM x 1</b>	<b>IND x 1</b>	<b>UKIP x 1</b>	<b>LAB x 1</b>
PERRY	WILSON	GOOCH	BARNED	HARPER

**SUBSTITUTES**

<b>CON</b>	<b>LIB DEM</b>	<b>IND</b>	<b>UKIP</b>	<b>LAB</b>
BLACKMORE	COX	MUNFORD	ELLS	ADKINSON
BURTON D	ENGLISH	SAMS J	NEWTON	
GARLAND	GRIGG	SAMS T	POWELL	
McLOUGHLIN	FISSENDEN			

**COBTREE MANOR ESTATE CHARITY COMMITTEE**

**MEMBERS**

<b>CON x 2</b>	<b>LIB DEM x 2</b>	<b>IND x 1</b>	<b>UKIP x 0</b>	<b>LAB x 0</b>
McLOUGHLIN	COX	GOOCH		
PERRY	WILSON			

**SUBSTITUTES**

<b>CON</b>	<b>LIB DEM</b>	<b>IND</b>	<b>UKIP x 0</b>	<b>LAB x 0</b>
BLACKMORE	LEWINS	MUNFORD		
HINDER	PICKETT	SAMS J		
RING		SAMS T		
STOCKELL				

**QUEEN'S OWN ROYAL WEST KENT REGIMENT MUSEUM TRUST COMMITTEE**

**MEMBERS**

<b>CON x 2</b>	<b>LIB DEM x 2</b>	<b>IND x 0</b>	<b>UKIP x 1</b>	<b>LAB x 0</b>
CUMING	COX		NEWTON	
ROUND	WILSON			

**SUBSTITUTES**

<b>CON</b>	<b>LIB DEM</b>	<b>IND x 0</b>	<b>UKIP</b>	<b>LAB x 0</b>
BURTON M	HASTIE		BARNED	
PERRY	PICKETT		ELLS	
			POWELL	

**COUNCIL**

**28 February 2018**

## Calendar of Meetings 2018/19

<b>Final Decision-Maker</b>	Council
<b>Lead Head of Service</b>	Angela Woodhouse, Head of Policy, Communications and Governance
<b>Lead Officer and Report Author</b>	Democratic Services Team Debbie Snook (report author)
<b>Classification</b>	Public
<b>Wards affected</b>	All

### **Executive Summary**

The proposed Calendar of Meetings for 2018/19 is attached as Appendix A to this report for approval by the Council.

### **This report makes the following recommendation to Council:**

1. That the Calendar of Meetings 2018/19, attached as Appendix A to this report, be approved.

### **Timetable**

<b><i>Meeting</i></b>	<b><i>Date</i></b>
Council	28 February 2018

# Calendar of Meetings 2018/19

## **1. INTRODUCTION AND BACKGROUND**

- 1.1 The proposed Calendar of Meetings for 2018/19 is attached as Appendix A. It sets out the proposed dates for meetings of the Council and Service, Regulatory and other Committees within the Committee structure.
  - 1.2 It is proposed to hold the Annual Meeting of the Council on Saturday 19 May 2018, commencing at 9.00 a.m.
  - 1.3 It is proposed to hold snap meetings of all Committees except the Joint Transportation Board on 22 May 2018. The purpose of these meetings is to elect the Chairman and Vice-Chairman for each Committee other than the Chairman of the Policy and Resources Committee who will be elected at the Annual Meeting of the Council.
  - 1.4 With the exception of the proposed meeting of the Planning Committee there will be no other meetings during August.
  - 1.5 Extraordinary meetings of the Council can be called if necessary.
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## **2. AVAILABLE OPTIONS**

- 2.1 The Council could amend the proposed Calendar of Meetings, but the dates are in line with the usual pattern of meetings based on the current Committee structure.
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## **3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

- 3.1 That the Calendar of Meetings for 2018/19 be approved. Setting the dates for future meetings of the Council and Committees enables advance notice to be given to the public and internal timetables and work programmes to be organised.
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## **4. RISK**

- 4.1 The risks associated with this proposal, including the risks if the Council does not act as recommended, have been considered in line with the Council's Risk Management Framework. We are satisfied that the risks associated (both organisational and reputational) will be managed as per the Risk Management Policy.
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## 5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

5.1 Corporate Leadership Team and Heads of Service have been consulted on the proposed Calendar of Meetings for 2018/19, and their suggestions to meet organisational requirements have been incorporated.

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## 6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

6.1 The Calendar of Meetings, once approved, will be published on the Council's website.

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## 7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<b>Impact on Corporate Priorities</b>	The aim is to ensure that meetings of the Council and Committees are scheduled to consider business regarding the Council's priorities.	Head of Policy, Communications and Governance
<b>Risk Management</b>	See section 4 above.	Head of Policy, Communications and Governance
<b>Financial</b>	Provision is made within the Council's budget for democratic representation and the decision making process.	Section 151 Officer & Finance Team
<b>Staffing</b>	None identified.	Head of Policy, Communications and Governance
<b>Legal</b>	In accordance with the Local Government Act 1972 the Council must give proper notice and summons of its decision making meetings, and if a proper notice and summons are not issued, then the meeting may not be properly convened and the business transacted of no effect. The Calendar of Meetings 2018-19 assists in the efficient organisation of publication of the notices and summons of meetings, and gives Officers, Members and the public advanced notice (although not legal notice) of	Keith Trowell, Interim Team Leader (Corporate Governance)

	meeting dates. Under schedule 12 of the Local Government Act 1972 the Council must hold its Annual Meeting within 21 days of the retirement of the Councillors in an ordinary election.	
<b>Privacy and Data Protection</b>	No specific issues arise.	Keith Trowell, Interim Team Leader (Corporate Governance)
<b>Equalities</b>	The Calendar of Meetings will be published on the Council's website. Reports can be made available in alternative formats and provisions made to ensure meetings are accessible and all attendees can be engaged in the proceedings.	Equalities and Corporate Policy Officer
<b>Crime and Disorder</b>	As required, the Communities, Housing and Environment Committee will meet as the Crime and Disorder Committee.	Head of Policy, Communications and Governance
<b>Procurement</b>	None identified.	Head of Policy, Communications and Governance

## 8. REPORT APPENDICES

The following document is to be published with this report and forms part of the report:

- Appendix A: Calendar of Meetings 2018/19

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## 9. BACKGROUND PAPERS

None.

**CALENDAR OF MEETINGS 2018/19**

**APPENDIX A**

	<b>MAY 2018</b>	<b>JUNE</b>	<b>JUL</b>	<b>AUG</b>	<b>SEPT</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN 2019</b>	<b>FEB 2019</b>	<b>MAR 2019</b>	<b>APR 2019</b>
<b>Council (Wed)</b>	19 (Sat)		18		26			12		27		10
<b>Policy &amp; Resources (Wed)</b>	22 (Tue)	27	24 (Tue)		19	24	21	5	23	13	27	24
<b>Planning (Thurs)</b>	22 (Tue) / 24	14	5 / 26	16	6 / 27	18	8 / 29	13	10 / 31	21	14	4 / 25
<b>Adjourned Planning (Thurs)</b>	31	21	12	2 / 23	13	4 / 25	15	6 / 18	17	7 / 28	21	11 / 29 (Mon)
<b>Licensing (Thurs)</b>	22 (Tue)		19		20		22		24		28	
<b>SPS&amp;T (Tue)</b>	22	12	10		11	9	6	4	8	5	12	9
<b>CHE (Tue)</b>	22	19	17		18	16	13	11	15	12	19	16
<b>HCL (Tue)</b>	22	5	3		4	2 / 30	27	17	29		5	2
<b>JTB (Wed)</b>			11			17			16			17
<b>Audit, Governance &amp; Standards (Mon)</b>	22 (Tue)		30		17		19		14		18	
<b>Democracy Committee (Wed)</b>	22 (Tue)		2 (Mon)		5		14		9		13	
<b>Employment Committee</b>	22 (Tue)		4 (Wed)						28 (Mon)			
<b>QORWKR (Tue)</b>	22		25 (Wed)						22			
<b>Cobtree (Wed)</b>	22 (Tue)		12 (Thurs)		12		7		17 (Thurs)		20	

SPS&T = Strategic Planning, Sustainability & Transport / CHE = Communities, Housing & Environment / HCL = Heritage, Culture & Leisure / JTB = Joint Transportation Board / QORWKR = Queen's Own Royal West Kent Regiment Museum Trust