

MAIDSTONE BOROUGH COUNCIL

POLICY AND RESOURCES COMMITTEE

MINUTES OF THE MEETING HELD ON TUESDAY 21 JULY 2020

Present: Councillors Mrs Blackmore, M Burton, Chappell-Tay, Cox (Chairman), English, Mrs Gooch, Joy, McKay, Mortimer, Newton, Perry, Purle, Round, Springett and Vizzard

Also Present: Councillors Brice, Kimmance, J and T Sams

10. **APOLOGIES FOR ABSENCE**

It was noted that apologies were received from Councillors Clark and Harvey.

11. **NOTIFICATION OF SUBSTITUTE MEMBERS**

It was noted that the following members were present as substitute members:

- Councillor Denise Joy for Councillor Brian Clark
- Councillor Bryan Vizzard for Councillor Georgia Harvey

12. **URGENT ITEMS**

There were no urgent items.

13. **NOTIFICATION OF VISITING MEMBERS**

It was noted that Councillors Kimmance, T Sams and J Sams were present as Visiting Members for Item 13 – Council-Led Garden Community Update.

It was noted that Councillor Brice was present as a Visiting Member for all the Items on the agenda.

14. **DISCLOSURES BY MEMBERS AND OFFICERS**

There were no disclosures by Members or Officers.

15. **DISCLOSURES OF LOBBYING**

All Members of the Committee had been lobbied on Item 13 – Council-Led Garden Community Update.

Councillors Chappell-Tay, Cox and English had been lobbied on Item 16 – Equalities Objectives and Action Plan – Update, Item 18 – Financial

Impact of Covid-19 and Development of the Medium-Term Financial Strategy 2021/22-2025/26.

Councillors Chappell-Tay, Cox, English, Purle, Round, Springett and Vizzard had been lobbied on Item 19 – Part II Appendices, Council-Led Garden Community Update.

16. EXEMPT ITEMS

RESOLVED: That all items be taken in public unless any member of the Committee indicated a wish to refer to Item 19 – Part II Appendices, Council-Led Garden Community Update, in which case the Committee would enter into closed session.

17. MINUTES OF THE MEETING HELD ON 24 JUNE 2020

RESOLVED: That the minutes of the Meeting held on 24 June 2020 be agreed as an accurate record of the meeting and signed at a later date.

18. PRESENTATION OF PETITIONS

There were no petitions.

19. QUESTIONS AND ANSWER SESSION FOR MEMBERS OF THE PUBLIC

There were three questions from Members of the Public.

Question from Mr Richard Proctor to the Chairman of the Policy and Resources Committee

'Your second stage masterplan for your garden community proposal at Lenham Heath now acknowledges SOHL's view that the Chapel Farm quarry will significantly delay any kind of housing development for a substantial area of the site. However, your masterplan still believes it will deliver all 4,000 new homes by 2042. How is this possible when over a third of your identified residential land will not be available until the 2050s at the earliest?'

The Chairman responded to the question.

Mr Richard Proctor asked the following supplementary question:

'Under these circumstances, would you agree that if there is no definite date, that at this stage the site itself should actually be removed from the local plan to give certainty to the process and to the local people who may be affected by the proposal?'

The Chairman responded to the question.

Question from Mr Steve Heely to the Chairman of the Policy and Resources Committee

'Your second stage masterplan for your garden community proposal identifies a total of 100 developable hectares for 4,000 new homes. Your five principal landowners own around half of this land. Can you assure the Public and this Committee's Members that you have the permission from the remaining smaller landowners to include their holdings in your plans and more importantly have their consent to submit it as part of the Council's Call for Sites process?'

The Chairman responded to the question.

Mr Steve Heeley asked the following supplementary question:

'Lenham Heath's residents are incredibly angry at the moment with the updated plan, still a large number of homes and land holdings in your map on pages 30-31 of the vision document. These areas are identified for new houses, how do we as residents get our land removed from your plan once and for all?'

The Chairman responded to the question.

Question from Ms Kate Hammond to the Chairman of the Policy and Resources Committee

'In April this committee resolved that 'any possible Garden Community at Lenham Heath should be supported by a motorway junction'. Your second stage masterplan now acknowledges that a new junction is not deliverable. With a lack of enabling infrastructure do you now agree that this project has so many significant issues it is unsustainable and simply unviable in the current financial climate?'

The Chairman responded to the question.

Ms Kate Hammond asked the following supplementary question:

'We understand the council has government housing numbers to meet, however are members happy to meet these numbers with a scheme that in reality looks to be in the distance and does not work for so many reasons and has a huge financial and reputational risk to the council?'

The Chairman responded to the question.

The full responses were recorded on the webcast and were made available to view on the Maidstone Borough Council Website.

To access the webcast recording, please use the link below:

<https://www.youtube.com/watch?v=6tb89YrVvXE>

20. QUESTIONS FROM MEMBERS TO THE CHAIRMAN

There were no questions from Members to the Chairman.

21. COMMITTEE WORK PROGRAMME

RESOLVED: That the Committee Work Programme be noted.

22. COUNCIL-LED GARDEN COMMUNITY UPDATE

Prior to the introduction of the report, Ms Gail Duff addressed the Committee as a representative of the Save Our Heathlands Action Group.

The Director of Regeneration and Place introduced the report that summarised the progress made within the last month. The report included the following topics; the second stage submission to Local Planning Authority (LPA) and the feedback provided, the financial model, the promotional costs and programme, delivery model and the role of Homes England (HE), Landowners, the potential motorway junction, community engagement and broader considerations. The Committee approved the original business case for the Heathlands proposal in September 2019 and the report and documentation provided was a refreshed version. The residual land valuation approach demonstrated the potential for a commercially acceptable margin to be achieved. The ongoing promotional costs, securement of planning consent and land option agreements were included in the report.

The Director of Regeneration and Place highlighted the two emerging delivery scenarios within the report. The first focused on a simplified enabling role whereby it was a reasonable prospect that HE may wish to become more involved in the project, whereas the second scenario would involve HE would draw down land options, carry out a portion of the infrastructure work needed and forward sales parcels to developers. It was possible that the LPA would feature the Heathlands proposal in the Local Plan Review (LPR).

It was noted that the project was consistent with the Council's Strategic Plan priority of "embracing growth and enabling infrastructure" and would provide the land for 4,000 homes of which 40% would be affordable housing, to include social rent housing and employment opportunities. The significant land value capture would fund infrastructure, with the project to inject up to an estimated £1 billion of construction work into the local economy across its lifespan. The Council would be able to consider future investment opportunities at a later stage, that would include affordable housing and/or commercial investments.

Visiting Members addressed the Committee and raised the following points. This included the affordability of the 40% affordable housing figure proposed, of which 70% would be for social housing, the reduced transport and infrastructure elements of the proposal, the impact on and need for greater engagement with the local area and residents and the access criteria for restricted documents. It was mentioned that the project

was unsuitable, with the Committee requested to withdraw their support. The Director of Regeneration and Place confirmed that the affordable housing provision was in accordance with the Council's policy and that the remaining 30% of the affordable housing would be provided under shared ownership.

The Committee expressed concerns regarding the unlikelihood of key infrastructure that included a motorway junction and secondary school being achieved within the proposal and that this would impact its sustainability. As such, the Committee considered whether it was appropriate to defer the item, to enable greater discussion and Member involvement within the decision making of the proposal moving forward.

The Chief Executive confirmed that the Interim Local Plan Review Director and Planning Team were considering strategic transport infrastructure as part of the current local plan review, including in the M20 corridor. This would enable consideration to be given to both existing need and that arising from future potential development in the area. The delivery of an additional motorway junction was dependent on both meeting Highways England technical requirements and securing sufficient funding. Highways England required 10,000 homes and 10,000 jobs for consideration of a motorway junction. The Heathlands proposal would not achieve this target, but other developments along this corridor would also be taken into consideration. It was confirmed that the Council was engaging in regular discussions with Ashford Borough Council, Kent County Council and Highways England to pursue consideration of the junction.

The Committee referenced the Strategic Planning and Infrastructure Committee, in its role in deciding which sites are included within the Local Plan Review. A formal decision on the preferred and alternative strategic spatial development options for the Local Plan would be made by that Committee in October 2020, with several member briefings to occur in August and September.

RESOLVED: That

1. The Council signals its intention to continue to work with Homes England (HE) to act as master developers to bring forward the Heathlands Proposal and that the second stage submission to the LPA be endorsed;
2. The following be approved:
 - a. The second stage vision document and revised masterplan provided as Appendix G, as well as the other supporting appendices shown;
 - b. The financial model for the Heathlands proposal as provided as private Appendix L;
 - c. The shared (with HE) impending financial commitment to continue the promotion of the proposal through the Local

Plan Review (LPR) process, to secure the land options and Planning consent over the coming years; and

- d. The use of the second stage vision document as a means and bases for further community engagement in collaboration with the Parish Council.

Note: Councillor Purle exited the meeting after the resolutions had been agreed.

23. CORPORATE PLANNING TIMETABLE 2020-21

The Head of Policy, Communication and Governance introduced the report that proposed a refreshed set out Strategic Plan Outcomes for 2021-2026, to replace the 2019-2024 outcomes that had been disrupted by the Coronavirus Pandemic. The proposed outcomes would enable the Council to identify areas of focus for the next five years, in line with the impact of and recovery from the pandemic. The progress made against the 2019-2024 outcomes was shown in Appendix A to the report.

Paragraph 3.6 of the report outlined the Corporate Planning Timetable as proposed. It was confirmed that the creation of a new strategic plan would not be suggested as the current plan was developed in 2018 with a clear set of priorities and vision.

RESOLVED: That the existing strategic plan be retained and updated in accordance with paragraphs 3.1-3.6 of the report and the adoption of the timetable contained therein, be agreed.

24. COMMUNICATION AND ENGAGEMENT STRATEGY - ACTION PLAN 2020-21

The Head of Policy, Communication and Governance introduced the report that highlighted the work undertaken by the Communications Team over the last year, with the proposed action plan for 2020-21 shown in Appendix B to the report.

The Committee were informed that the plan would be flexible due to the Communications Team often having unexpected issues to manage, such as the communication work necessary to respond to the flooding experienced earlier this year and in response to the Covid-19 pandemic.

The plans for supporting Covid-19 recovery were shown in Appendix C to the report with the internal engagement plan for completeness shown in Appendix D to the report.

The Committee felt that the work undertaken was to be commended, with their thanks expressed to the teams involved in the work carried out with particular reference made to the improvements to the Council's website.

RESOLVED: That the Communication and Engagement Action Plan for 2020-21 be agreed.

Note: Councillor Round was absent for part of the debate on the item and as such decided not to vote on the item.

25. EQUALITIES OBJECTIVES AND ACTION PLAN – UPDATE

The Equalities and Corporate Policy Officer introduced the update report, with the current policy, that sets out how the Council would fulfil its Public Sector Equality Duty Act within the Equalities Act 2010, approved in 2017. Appendix 1 outlined the actions that had been taken within the last year, with highlights of this shown within paragraph 2.11 of the report.

Particular attention was drawn to strength of the Council’s consultation and engagement, with 14 public consultations completed in 2019-20, the Dementia Training that had been provided across the Council with the Museum having implemented Dementia friendly openings, and the Government timescales for EU accessibility standards for public sector websites having been met.

The revised action plan for 2020-21 was shown in Appendix 2, with the Equalities and Corporate Policy Officer having highlighted the diversity and equality issues experienced so far in 2020 related to race and the differential impacts of Covid-19. The impact of the Black Lives Matter movement highlighted the need for continued conversations to ensure that equality of opportunity was achieved. The revised plan as proposed would support this.

The Equalities and Corporate Policy Officer confirmed that the formation of an equalities group would include staff members from different sectors of the Council. The Committee welcomed the report with positive feedback given.

RESOLVED: That

1. The Equalities Objectives and Action Plan update as Appendix 1 be noted;
2. Subject to the insertion of the wording ‘and inclusive’ to the ‘Why it Matters’ section of the Council’s objective as a service provider, the Equalities and Action Plan at Appendix 2 be agreed; and
3. The inclusion of a new protected characteristic in the equalities impact statement, as outlined in paragraphs 2.17 to 2.19 of the report, be noted.

26. COUNCIL TAX REDUCTION SCHEME 2021-22 PART 1

The Head of Revenues and Benefits Shared Service introduced the report and referred to the September 2019 meeting of the Committee, whereby further analysis was needed to model the impact of changing the Council Tax Reduction Scheme. The current scheme in place involved means testing and was reactive to the more recent changes made to welfare benefits with specific reference made to Universal Credit. The Department

for Work and Pensions (DWP) would inform the Council each time a change had been made which resulted in revised council tax bills and re-profiled monthly instalments that had led to confusion amongst those in receipt of the reduction. The Committee were informed that last year the Council received over 20k changes for Universal Credit, with 11k already received in the first three months of this year.

The Head of Revenues and Benefits Shared Service confirmed that an income banded scheme would be the fairest and simplest scheme to administer. An example of such a scheme was shown in paragraph 2.22 of the report, with the three models to be included in the mandatory public consultation shown in Appendix 1 to the report. Further details of the consultation were shown within Section 6 of the report. With any of the models proposed, a change would only need to be made if a customer was to move into a different income band.

The three models were explained with model one presented as a simple model with the maximum support level set as 80% which would be the same level provided under the current scheme. Model two would include a 5% uplift in support for those households in receipt of a disability or sickness benefit with the maximum support level at 80%. Model three would provide a maximum support level of 80% for households in receipt of a disability or sickness benefit, with all other households applicable to the scheme to receive a maximum of 70% support. It was noted that the models were considered with the aim of maintaining award costs equal to the current scheme.

The Council had an exceptional hardship policy that would be updated to reflect any changes made to the scheme. A report on the consultation results would be presented to the Committee in November 2020.

The officer confirmed that the Council Tax Reduction Scheme only related to those households that were of working age.

RESOLVED: That

1. The findings of the review of the current Council Tax Reduction Scheme be noted;
2. The potential impact of the proposed changes to the scheme on working age claimants with the protected characteristics of disability, age and sex, under the Equalities Act (2010) be noted;
3. Delegated authority be given to the Head of Revenues and Benefits to finalise and commence consultation on the Council Tax Reduction Scheme to be implemented for 2021-22.

27. FINANCIAL IMPACT OF COVID-19 AND DEVELOPMENT OF THE MEDIUM-TERM FINANCIAL STRATEGY 2021/22-2025/26

The Director of Finance and Business Improvement introduced the report, with the Council's current financial position outlined within Section 3 of the

report. A projected deficit of £8.5 million for 2020/21 was shown, with Council to respond by use of unallocated reserves, government funding and mitigations, with the reserves to be reduced to an estimated £4.298 million. This was in part due to the additional government funding that had been received after the publication of the report, that amounted to £274k rather than the estimated £100k.

The Director of Finance and Business Improvement informed the Committee that the Council would likely face a deficit in the next financial year and that it would not be advisable for the reserve levels to fall below £4 million despite the £2 million minimum as previously set by Members. Appendix C to the report detailed the strategic revenue projections for 2021/22-2025/26 under adverse, neutral and favourable scenarios.

Particular attention was drawn to the neutral position, whereby the Council would likely have a £3.3 million budget deficit on an ongoing basis that would take one to two years to close. As part of the Medium-Term Financial Strategy (MTFS), more transformative methods would be needed to achieve the necessary savings, with suggestions for these shown in the report. Reference was made to the prioritisation of services, as previously mentioned within the Response to Recovery report presented to the Committee in June 2020.

The Council's reserves would continue to be drawn upon during this time. A report that contained a draft MTFS would be presented to the Committee in November 2020.

In response to questions, the Director of Finance and Business Improvement confirmed that the Council had collectively engaged with the Local Government Association (LGA) alongside other Kent and Medway Councils, to argue for a greater level of funding. It was likely that the £2 million minimum reserve level would be revisited with a view to having the level increased. The future of the capital programme would be considered by officers in the Autumn of 2020 with a report presented to the Committee in January 2021.

The Committee were informed that the last tranche of government funding is the commitment to fund 75% of the losses that had arisen on sales, fees and charges. The Council had not received clarification on how long this support would be available, as no commitments had been made.

RESOLVED: That

1. The impact of Covid-19 on the Council's financial position in 2020/21 be noted;
2. The proposed deployment of reserves and other budget variations to accommodate the projected impact, as set out in paragraph 3.36 of the report, be agreed;

3. The approach outlined to development of an updated Medium-Term Financial Strategy for 2021/22 – 2025/26 and a budget for 2021/22 be noted;
4. The assumptions described in this report for planning purposes and to establish the remit for future budget development be noted; and
5. The principles for transformation initiatives set out at paragraph 5.11 of the report, as the basis for meeting the budget, be agreed.

28. DURATION OF MEETING

6.30 p.m. to 9.39 p.m.