

MAIDSTONE BOROUGH COUNCIL

Strategic Leadership and Corporate Services Overview and Scrutiny Committee

MINUTES OF THE MEETING HELD ON TUESDAY 1 OCTOBER 2013

Present: Councillor Mrs Gooch (Chairman), and
Councillors Barned, Black, Mrs Grigg, Hotson,
D Mortimer, Nelson-Gracie, Pickett and Yates

Also Present: Councillors Mrs Ring, Hogg, Newton,
Warner, Burton, Moss and Garland.

50. THE COMMITTEE TO CONSIDER WHETHER ALL ITEMS ON THE AGENDA SHOULD BE WEB-CAST.

RESOLVED : That all items on the agenda be web-cast.

51. APOLOGIES.

It was noted that apologies for absence had been received from Councillor Butler.

52. NOTIFICATION OF SUBSTITUTE MEMBERS

Councillor Barned was substituting for Councillor Butler.

53. NOTIFICATION OF VISITING MEMBERS/WITNESSES.

Councillors Mrs Ring, Hogg, Newton, Burton and Warner were all noted as Visiting Members with an interest in all items on the agenda and including the Budget Workshop, arranged to follow the meeting.

The Leader and Cabinet Member for Corporate Services were present as witnesses for item 9, Budget Strategy 2014/15 Onwards – Revenue.

54. DISCLOSURES BY MEMBERS AND OFFICERS

There were no disclosures.

55. TO CONSIDER WHETHER ANY ITEMS SHOULD BE TAKEN IN PRIVATE BECAUSE OF THE POSSIBLE DISCLOSURE OF EXEMPT INFORMATION.

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

56. MINUTES OF THE MEETING HELD ON 3 SEPTEMBER 2013

RESOLVED: That the minutes of the meeting held on 3 September be approved as a correct record and duly signed.

57. FUTURE WORK PROGRAMME.

The Committee considered its Future Work Programme. It noted that the Mid Kent Improvement Partnership, a presentation and questions and answers session from the Programmes Manager and Leader of the Council would be the focus of its November meeting.

Members requested that the Policy for the use of bankruptcy proceedings came to its November meeting.

RESOLVED: That the Future Work Programme be noted.

58. BUDGET STRATEGY 2014/15 ONWARDS - REVENUE.

Paul Riley, Head of Finance and Resources, Councillor Chris Garland, Leader of the Council and the Cabinet Member for Corporate Services, Councillor Brian Moss responded to Member questions on the report on the Budget Strategy 2014/15 Onwards – Revenue.

Members considered the Budget Consultation process as detailed at 1.9.6 in the agenda report which stated the requirement to consult with businesses as well as members of the public. The Committee felt that it would be helpful to have Member involvement in this process as it would allow an insight into both the positive and negative responses from the business community.

The Committee discussed the Council's investments. Mr Riley confirmed that the Council were now moving into new banking investments. The advice of Treasury Management was that there was no change expected in the market until 2015. Members felt that opportunities could arise before then and the Council could be missing out on a valuable income stream. The Committee recommended that consideration be given to reviewing the Council's investment again in three months time.

The Committee considered savings proposals and asked for recent examples put forward by service managers. The following examples were provided:

- The acquisition of a site to provide homeless accommodation rather than costly Bed and Breakfast; and
- The new Commercial Waste Contract.

Members questioned the outcomes of its recommendations with regards to the 2012/13 underspend proposals report which had been the focus of its August meeting and the funding recommended as part of these proposals for homelessness. A member queried whether this would help or just manage the problem.

Mr Riley responded by explaining that the funding did not relate to the homeless accommodation put forward as an example of a savings proposal, it related to homeless prevention and it would have an effect in

line with the Council's preventative agenda. The effect would not be seen on those in emergency accommodation now; it would be on future demand.

The business rates retention scheme under which local authorities would retain 50% of the business rates collected at local level Government was discussed. The Committee considered the incentive to pursue local growth initiatives by coming together with other local authorities and 'pooling' business rates.

"Under the business rates retention scheme local authorities are able to come together, on a voluntary basis to pool their business rates, giving them scope to generate additional growth through collaborative effort, and to smooth the impact of volatility in rates income across a wider economic area." ⁱ

Mr Riley explained that Kent County Council (KCC) was modelling options with districts who had expressed an interest in this. These were primarily Mid Kent Improvement Partnership (MKIP) authorities. Maidstone Borough Council had asked KCC to look at an 'optimum pool'.

In response to Member questions it was explained that the authority to enter the 'pool' did not have to come from Cabinet, it could be given by the S106 officer. A report would be going to Cabinet on 22 October. Maidstone was not definitely in the pool and could withdraw until January 2014. The repercussions of withdrawing meant the pool would collapse for all involved.

It was confirmed that the estimates so far for Maidstone with regards to the pooling of business rates varied but were overall good, ranging from 150k to 40k. The positives of the scheme were emphasised; the Council would only be committed for a year. Mr Riley also made reference to the Kent wide scheme for the local council discount scheme that the Council had entered into the previous year; this was considered a unique arrangement at the time.

With regards to the council tax freeze grant, Members questioned which Kent authorities had accepted the freeze grant the previous year and which had chosen to increase council tax. Mr Riley informed Members that Swale had accepted the freeze grant and Tunbridge Wells, Maidstone, Ashford and Dover had increased council tax.

RESOLVED:

- a) That there be member involvement in consultation meetings with businesses as part of the development of the budget strategy; and
- b) That the Council considers reviewing its banking investments in three months time.

59. BUDGET WORKING GROUP - UPDATE

At its previous meeting the Committee had requested an update on the progress of the Budget Working Group's activity to date. A report and informal minutes were including in the agenda papers.

The Budget Working Group had arranged a Workshop to follow the meeting to discuss ideas for Budget Savings and proposals it had put forward. These proposals were included at Appendix A to the report on page 67 of the agenda.

RESOLVED: That the report be noted.

60. DURATION OF MEETING

6.30 pm to 7.30 pm

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https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6085/Pooling_Prospectus.pdf