

AGENDA

POLICY AND RESOURCES COMMITTEE MEETING



Date: Tuesday 26 July 2016
Time: 6.30 pm
Venue: Town Hall, High Street,
Maidstone

Membership:

Councillors Mrs Blackmore (Vice-Chairman),
Boughton, Brice, Cox, Fermor,
Garland, Mrs Gooch, Harper, Harvey,
Harwood, Hastie, Joy, Lewins,
McLoughlin, Pickett, Powell, Round
and Mrs Wilson (Chairman)

Page No.

1. Apologies for Absence
2. Notification of Substitute Members
3. Urgent Items

Continued Over/:

Issued on Monday 18 July 2016

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

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

4.	Notification of Visiting Members	
5.	Disclosures by Members and Officers	
6.	Disclosures of Lobbying	
7.	To consider whether any items should be taken in private because of the possible disclosure of exempt information.	
8.	Minutes (Part I) of the Meeting Held on 29 June 2016	1 - 8
9.	Minutes of the Meeting Held on 4 July 2016	
10.	Presentation of Petitions (if any)	
11.	Questions and answer session for members of the public (if any)	
12.	Committee Service Work Programme - July 2016 onwards	9 - 15
13.	Report of the Head of Finance and Resources - Revenue & Capital Outturn 2015/16	16 - 30
14.	Report of the Head of Policy and Communications - Annual Governance Statement 2015-16 and Local Code of Corporate Governance	31 - 72
15.	Report of the Head of Policy and Communications - Strategic Plan Performance Update Quarter 1	73 - 110
16.	Report of the Director of Finance and Business Improvement - Medium Term Financial Strategy	111 - 118

PART II

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

Head of Schedule 12 A and Brief Description

17.	Minutes (Part II) of the Meeting held on 26 June 2016	Para 3 – Information re financial/business affairs	119 - 121
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PUBLIC SPEAKING

In order to book a slot to speak at this meeting of the Policy and Resources Committee, please contact Caroline Matthews on 01622 602743 or by email on carolinematthews@maidstone.gov.uk by 5 pm 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.

MAIDSTONE BOROUGH COUNCIL

POLICY AND RESOURCES COMMITTEE

MINUTES OF THE MEETING HELD ON WEDNESDAY 29 JUNE 2016

Present: Councillor Mrs Wilson (Chairman), and Councillors Mrs Blackmore, Boughton, Cox, Fermor, Garland, Garten (Part), Mrs Gooch, Harper, Harvey, Harwood, McLoughlin, Pickett, Powell, Mrs Ring and Round

6. **APOLOGIES FOR ABSENCE**

It was noted that apologies for absence had been received from Councillors Brice. Councillor Round had advised that he would be late in arriving to the meeting.

7. **NOTIFICATION OF SUBSTITUTE MEMBERS**

The following Substitute Members were noted:

Councillor Ring for Councillor Brice;

Councillor Garten for Councillor Round until his arrival.

8. **URGENT ITEMS**

There were no urgent items, however the Chairman had agreed to take an urgent update to item 13: Report of the Head of Human Resources Shared Service – Workforce Strategy 2016-2020.

9. **NOTIFICATION OF VISITING MEMBERS**

There were no Visiting Members.

10. **DISCLOSURES BY MEMBERS AND OFFICERS**

Councillor Harwood disclosed a conflict of interest with regards to item 21 and notified the Chairman that he would leave the meeting when this agenda item was reached.

Councillor Boughton disclosed that he had been a part of conversations regarding item 21 however he would take part in discussion of the item and vote.

Councillor Gooch advised that item 21 related to her ward however she had not taken part in any conversations regarding this subject and so would take part in the discussion and vote.

11. DISCLOSURES OF LOBBYING

There were no disclosures of lobbying.

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

RESOLVED: That the items on part II of the agenda be taken in private as proposed.

13. MINUTES (PART I) OF THE MEETING HELD ON 27 APRIL 2016

RESOLVED: That the minutes of the meeting held on 27 April 2016 be approved as a correct record and signed.

14. MINUTES OF THE MEETING HELD ON 24 MAY 2016

RESOLVED: That the minutes of the meeting held on 24 May 2016 be approved as a correct record and signed.

15. PRESENTATION OF PETITIONS (IF ANY)

There were no petitions.

16. QUESTIONS AND ANSWER SESSION FOR MEMBERS OF THE PUBLIC (IF ANY)

There were no questions from members of the public.

17. POLICY AND RESOURCES COMMITTEE WORK PROGRAMME 2016-17

A Member requested that an item on devolution be added to the work programme.

RESOLVED: That the Committee work programme 2016-17 be noted.

18. REPORT OF THE HEAD OF HUMAN RESOURCES SHARED SERVICES - WORKFORCE STRATEGY 2016- 2020 (UPDATED)

The Head of Human Resources Shared Service, Dena Smart, introduced the report on the Workforce Strategy 2016-2020 and directed the Committee to the updated version of the strategy contained in the amended agenda.

It was explained that:

- The Workforce Strategy 2016-2020 focused on self-sufficiency, reduction of resources and change.
- Due to changes in the council's ability to recruit and retain employees, the council needed to be more competitive and offer rewards.

During discussion the following points were made:

- The future work skills word cloud summarised the driving forces that would impact on future employees. One of these was channel shift, the process of directing members of the public to online and technological methods of communicating with the council. This both provided a 24 hour service and also reduced costs.
- The potential effect on freedom of movement for European Nationals, following the result of the referendum on membership of the European Union, may impact on the workforce or create difficulties in recruitment.

Members noted the Workforce Strategy 2016-2020 action plan, and it was moved that progress on the action plan be reported to Employment Committee every six months.

RESOLVED:

- 1) That the draft Workforce Strategy 2016-2020 be agreed;

For – 14 Against – 1 Abstain – 0

- 2) That an update report on the progress of the Workforce Plan be presented to the Employment Committee every six months.

For – 15 Against – 0 Abstain – 0

19. **REPORT OF THE HEAD OF HUMAN RESOURCES SHARED SERVICES - HEALTH AND SAFETY STRATEGY**

Dena Smart, Head of Human Resources Shared Service, presented the report on the Health and Safety Strategy and advised that this had been updated to include plain English terminology, the change in workforce and new priorities.

RESOLVED: That the draft Health and Safety Strategy be agreed.

For – 15 Against – 0 Abstain – 0

20. **REPORT OF THE HEAD OF FINANCE AND RESOURCES - MEDIUM TERM FINANCIAL STRATEGY - REVENUE 2017/2018 ONWARDS**

The Director of Finance and Business Improvement, Mark Green, presented the report on the Medium Term Financial Strategy which set out underlying assumptions used, with particular reference to the Efficiency Plan as required of local authorities by central government.

Following the result of the referendum on the United Kingdom's (UK) membership of the European Union (EU), the Director of Finance and Business Improvement advised the following:

- The exit of the UK from the EU could impact on finances in the medium to long term.
- For example, the local government funding regime covering four years from 2016 could be withdrawn in exceptional circumstances, and the UK's exit from the EU could be defined as an exceptional circumstance.
- The effects of the UK's exit from the EU coupled with the Chancellor's devolution agenda may entail a return of services to local authorities.

With regard to the Medium term Financial Strategy it was explained that an Efficiency Plan was required to set out budgetary gaps and to identify opportunities for efficiencies and savings.

During discussion Members noted that:

The Commercialisation Strategy was important to ensure that savings could be found through profit.

The savings required for the current municipal year had been identified, and would be monitored throughout the year to ensure they are delivered.

It was moved that a progress report on the Commercialisation Strategy be presented to the next meeting of the committee.

RESOLVED:

1. That, for planning purposes, a council tax increase of £4.95 be agreed for the development of the Medium Term Financial Strategy;
2. That the strategic revenue projection given at appendix C (ii) be agreed for planning purposes and used to identify growth and savings for efficiency planning;
3. That the approach outlined for the development of the efficiency plan be agreed;

For – 13

Against – 1

Abstain – 0

4. That a progress report on the Commercialisation Strategy be presented to the next meeting of the committee.

For – 15

Against – 0

Abstain – 0

21. REPORT OF THE HEAD OF REVENUES AND BENEFITS SHARED SERVICE - COUNCIL TAX REDUCTION SCHEME 2017/2018

The Head of Revenues and Benefits Shared Service, Stephen McGinnes, presented the report setting out details of, and a public consultation on, the Council Tax Reduction Scheme 2017/2018.

Mr McGinnes explained that:

- The review of Maidstone's Council Tax Benefit Scheme had been undertaken jointly with other Kent districts, with a focus on reducing costs and protecting the most vulnerable residents.
- The level of alignment required between Council Tax and Housing Benefit schemes made some changes difficult without passing additional costs onto residents. This situation was expected to change once Universal Credit had phased out Housing Benefit.

In response to questions the committee was advised that:

- Additional income would be sought from low income households under the revised scheme. This was because there was no longer any funding available from central government towards council tax support schemes, and this was impacting on the council's budget.
- The consultation would be issued by email to 2000 people who were in receipt of Council Tax Support, which comprised approximately half of all claimants. Papers copies would also be made available, and agencies such as housing associations would be contacted for advice on further engagement.
- The number of claimants of Council Tax Support had reduced, and the collection rate for council tax among those in receipt of Council Tax Support had risen to 75-80%.
- Kent County Council (KCC) funding had been rolled over but negotiations were ongoing. KCC would contribute towards the cost of administration of the scheme. The scheme would be cost neutral if the proposed changes were implemented.

RESOLVED:

- 1) That the findings of the review of the current council tax reduction scheme that was jointly undertaken with other Kent authorities be noted;
- 2) That 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) That authority be delegated to the Head of Revenues and Benefits to finalise and commence consultation on the council tax reduction scheme to be implemented for 2017/18.

For – 11 Against – 4 Abstain – 0

22. REPORT OF THE HEAD OF COMMERCIAL AND ECONOMIC DEVELOPMENT - THE BUSINESS TERRACE

Karen Franek, Principal Economic Development Officer, introduced the report updating the committee on the Business Terrace and advised that following revaluation it had been confirmed that the Terrace would contribute £10,000 per annum to the council. It would now be eligible for small business rates.

Alison Broom, the Chief Executive, drew attention to the report that had been received in February 2016 which covered the lease arrangements for Maidstone House, including relinquishing the lease for one part, and potential investment in the retained part to extend the Business Terrace offer.

A Member moved to record a vote of thanks for the officers involved in the Business Terrace.

RESOLVED:

1. That the contents of the report be noted;
2. That a 12 month progress and trading report be presented to the Committee no sooner than October 2016 and no later than December 2016, and that this report also explore in greater detail the merits of and potential for the expansion of the Business Terrace offer.

23. EXCLUSION OF THE PUBLIC FROM THE MEETING

RESOLVED: That the public be excluded from the meeting for the following items of business because of the likely disclosure of exempt information for the reason specified having applied the Public Interest Test.

Head of Schedule 12A and Briefing Description

Minutes (Part II) of the meeting held on 27 April 2016

Para 3 – Information re business/financial affairs

Report of the Head of Commercial And Economic Development – The Acquisition of Land and Property

Para 3 – Information re business/financial affairs

Report of the Head of Finance and Resources – Rivers Medway, Teise and Beult Flood Alleviation – Project Funding

Para 3 – Information re business/financial affairs

24. MINUTES (PART II) OF THE MEETING HELD ON 27 APRIL 2016

RESOLVED: That the minutes (part II) of the meeting held on 27 April 2016 be approved as a correct record and signed.

25. REPORT OF THE HEAD OF COMMERCIAL AND ECONOMIC DEVELOPMENT - THE ACQUISITION OF LAND AND PROPERTY

John Foster, Regeneration and Economic Development Manager, introduced the report on the acquisition of land and property.

Members discussed the item and:

RESOLVED:

1. That the partnership between Maidstone Borough Council and Kent County Council be continued to achieve the purchase of the land and property at a ceiling price split 50:50 between the two authorities;
2. That alternatives be investigated should negotiations with the land owner fail.

For – 13 Against – 2 Abstain – 0

Councillor Harwood wished his dissent to be noted.

26. REPORT OF THE HEAD OF FINANCE AND RESOURCES - RIVERS MEDWAY, TEISE & BEULT FLOOD ALLEVIATION - PROJECT FUNDING

Councillor Harwood left the meeting at 21:25 p.m.

Paul Riley, Head of Finance and Resources, presented the report on the Rivers Medway, Teise and Beult Flood Alleviation project funding.

The committee considered the item and:

RESOLVED:

- 1) That work with the Environment Agency through the Executive Board be continued;

For – 14 Against – 0 Abstain - 0

- 2) That the Environment Agency be approached in relation to possible local arrangements for areas of flooding;

For – 14 Against – 0 Abstain - 0

- 3) That discussions with all of the affected Parish Councils be commenced;

For – 13 Against – 0 Abstain - 1

- 4) That the council writes directly to Ministers at DEFRA with the aim of securing additional funding for flood defences in the borough of Maidstone and to advise our partners of this action.

For – 14 Against – 0 Abstain – 0

27. DURATION OF MEETING

6.48 p.m. to 10.14 p.m.

Committee Work Programme



6

Committee Work Programme

Democratic Services Team
E: democraticservices@maidstone.gov.uk

Publication Date: 18 July 2016

INTRODUCTION

This document sets out the decisions to be taken by the various Committees of Maidstone Borough Council on a rolling basis. This document will be published as updated with new decisions required to be made.

DECISIONS WHICH COMMITTEES INTEND TO MAKE IN PRIVATE

Committees hereby give notice that they intend to meet in private after its public meeting to consider reports and/or appendices which contain exempt information under Part 1 of Schedule 12A to the Local Government Act 1972 (as amended). The private meeting of any Committee is open only to Members of the Committee, other Councillors and Council officers.

Reports and/or appendices to decisions which Committees will take at their private meetings are indicated in the list below, with the reasons for the decision being made in private.

ACCESS TO COMMITTEE REPORTS

Reports to be considered at any of the Committees' public meeting will be available on the Council's website (www.maidstone.gov.uk) a minimum of 5 working days before the meeting.

HOW CAN I CONTRIBUTE TO THE DECISION-MAKING PROCESS?

The Council actively encourages people to express their views on decisions it plans to make. This can be done by writing directly to the appropriate Officer or to the relevant Chairman of a Committee (details of whom are shown in the list below).

Alternatively, you can submit a question to the relevant Committee, details are on our website (www.maidstone.gov.uk).

Decision Maker and Date of When Decision is Due to be Made:	Title of Report and Brief Summary:	Contact Officer:	Public or Private (if Private the reason why)	Documents to be submitted (other relevant documents may be submitted)
Policy and Resources Committee Due Date: Tuesday 26 Jul 2016	Strategic Plan Performance Update Quarter 1 An update of the Key Performance Indicators for the Council	Anna Collier annacollier@maidstone.gov.uk	Public	Strategic Plan Performance Update Quarter 1
Policy and Resources Committee Due Date: Tuesday 26 Jul 2016	Annual Governance Statement 2015-16 and Local Code of Corporate Governance Refresh of local code of corporate governance and review of governance 2015-16	Angela Woodhouse, Head of Policy and Communications angelawoodhouse@maidstone.gov.uk	Public	Annual Governance Statement 2015-16 and Local Code of Corporate Governance
Policy and Resources Committee Due Date: Tuesday 26 Jul 2016	Medium Term Financial Strategy This report sets out progress with the Medium Term Financial Strategy and Efficiency Plan	Mark Green markgreen@maidstone.gov.uk	Public	Medium Term Financial Strategy

Policy and Resources Committee Due Date: Wednesday 7 Sep 2016	Medium Term Financial Strategy and Efficiency Plan This report sets out a Medium Term Financial Strategy for 2017/18 – 2021/22 and an Efficiency Plan for 2016/17 – 2019/20 in response to the Government's offer of a four year funding settlement	Mark Green markgreen@maidstone.gov.uk	Public.	Medium Term Financial Strategy and Efficiency Plan
Policy and Resources Committee Due Date: Wednesday 7 Sep 2016	Business Rates Retention Consultation This report seeks Committee's agreement to the Council's proposed response to the government's consultation on 100% Business Rates	Mark Green markgreen@maidstone.gov.uk	Public	Draft Consultation response Business Rates Retention Consultation
Policy and Resources Committee Due Date: Wednesday 28 Sep 2016	First Quarter Budget Monitoring This report will provide information on financial performance for the year to date	Mark Green markgreen@maidstone.gov.uk	Public	First Quarter Budget Monitoring

Policy and Resources Committee Due Date: Wednesday 28 Sep 2016	Information Strategy Information strategy	Angela Woodhouse, Head of Policy and Communications angelawoodhouse@maidstone.gov.uk	Public	Information Strategy
Policy and Resources Committee Due Date: Wednesday 26 Oct 2016 13	Strategic Plan Performance Updater Q2 A quarter 2 update of the strategic plan performance indicators and actions. To go via Wider Leadership Team	Anna Collier annacollier@maidstone.gov.uk	Public	Strategic Plan Performance Updater Q2
Policy and Resources Committee Due Date: Wednesday 26 Oct 2016	Second Quarter Budget Monitoring 2016/17 This report will provide an update to the Medium Term Financial Strategy agreed by Council in September 2016	Mark Green markgreen@maidstone.gov.uk	Public	Second Quarter Budget Monitoring 2016/17

Policy and Resources Committee Due Date: Wednesday 23 Nov 2016	Council Tax Tax Base 2017/18 To advise members of the information currently available on the Tax Base for 2017/18 for Council Tax purposes	Ellie Dunnet elliedunnet@maidstone.gov.uk	Public	Council Tax Tax Base 2017/18
Policy and Resources Committee Due Date: Wednesday 23 Nov 2016	Council Tax 2017/18 - Collection Fund Adjustments To agree the levels of Collection Fund adjustments	Ellie Dunnet elliedunnet@maidstone.gov.uk	Public	Council Tax 2017/18 - Collection Fund Adjustments
Policy and Resources Committee Due Date: Wednesday 14 Dec 2016	Medium Term Financial Strategy and Budget Proposals 2017/18 This report will provide an update to the Medium Term Financial Strategy agreed by Council in September 2016	Mark Green markgreen@maidstone.gov.uk	Public	Medium Term Financial Strategy and Budget Proposals 2017/18
Policy and Resources Committee Due Date: Wednesday 14 Dec 2016	The Business Terrace Progress and next steps report	Karen Franek karenfranek@maidstone.gov.uk	Public	The Business Terrace

<p>Policy and Resources Committee</p> <p>Due Date: Wednesday 18 Jan 2017</p>	<p>Medium Term Financial Strategy Update</p> <p>This report updates the Medium Term Financial Strategy as appropriate and sets out initial revenue and capital budget proposals for 2017/18 for consultation, prior to submission of final proposals to Council on 1st March 2017.</p>	<p>Mark Green markgreen@maidstone.gov.uk</p>	<p>Public</p>	<p>Medium Term Financial Strategy Update</p>
<p>Policy and Resources Committee</p> <p>Due Date: Wednesday 15 Feb 2017</p>	<p>Third Quarter Budget Monitoring</p> <p>This report will provide an update to the Medium Term Financial Strategy</p>	<p>Mark Green markgreen@maidstone.gov.uk</p>	<p>Public</p>	<p>Third Quarter Budget Monitoring</p>

Agenda Item 13

Policy & Resources Committee

26 July 2016

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

Yes

Revenue & Capital Outturn 2015-16

Final Decision-Maker	Policy & Resources
Lead Head of Service	Paul Riley, Head of Finance and Resources
Lead Officer and Report Author	Ellie Dunnet, Chief Accountant
Classification	Public
Wards affected	N/A

This report makes the following recommendations to this Committee:

1. Note the provisional outturn for revenue and capital for the 2015-16 financial year.
2. Note the carry forward of grant funding from 2015-16 to 2016-17, as detailed in Appendix II.
3. Agree the provisional funding of capital expenditure in 2015-16 as set out in paragraph 4.4.5 and note the carry forward of revenue resources set aside to finance the capital programme in future years as detailed in paragraph 4.4.8.

This report relates to the following corporate priorities:

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

Resources are allocated and spent in accordance with the council's priorities. The council is committed to maximising value for money in delivering against its priorities and effective financial management is integral to achieving this.

Timetable

Meeting	Date
Committee (Policy & Resources)	26 July 2016

Revenue & Capital Outturn 2015-16

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1** This report summarises the provisional revenue and capital outturn figures for 2015-16.
- 1.2** The report also provides the committee with provisional figures on council tax and business rates income, treasury management and other balance sheet items.
- 1.3** The council ended 2015-16 with a minor positive variance of £0.1m on the revenue account. This is after taking account of amounts which are being set aside for the deficit on the collection fund (£1.77m), and grants being carried forward to 2016-17 (£0.37m). It should be noted that within the year-end balance, there were a number of services which ended the year with more significant variances. This is discussed in more detail within section 4.2 of this report.
- 1.4** Capital expenditure at 31 March 2016 totalled £4.186m out of an original budget of £10.423m at the beginning of the year. Slippage of £6.454m was identified during the year and reported to the committee. Further detail is provided within section 4.4 of the report.
- 1.5** Retained business rates have not yielded the additional level of income forecast at the beginning of the year due to a significant increase in the provision for appeals against the rateable value of properties. This is detailed further later in the report.
- 1.6** Other balance sheet elements are reporting satisfactory progress although interest on investments has remained lower than expected with an average rate of return of 0.75%.

2. INTRODUCTION AND BACKGROUND

- 2.1** The purpose of this report is to facilitate good financial management. It provides provisional figures for revenue and capital outturn to provide clarity about the council's financial position and enable the committee to consider any issues or risks arising in the current or future financial years.
- 2.2** If the provisional outturn figures provided in this report should change significantly as a result of the statement of accounts audit then the revised outturn will be reported to the committee at the next possible opportunity.
- 2.3** The medium term financial strategy and the strategic plan will undergo a full review during 2016-17 for the forthcoming five year period 2017-18 to 2021-22. Committee members will be aware that the council has been offered a four year finance settlement by the government. Should the council choose to accept this, then an efficiency plan setting out the plans for delivering the required level of savings over the four years of the

settlement will need to be submitted. Current assumptions are that £6.4m savings will need to be identified over the five year period to 2021-22. Transitional funding of £0.4m is being made available by the government to support the delivery of the savings.

3. AVAILABLE OPTIONS

- 3.1** Providing the outturn to the Policy and Resources Committee at this time facilitates good financial management and aids consideration of issues and challenges faced by the council. The committee could choose to defer their consideration of this report until the conclusion of the external audit in September 2016.
 - 3.2** This is not recommended as the outturn position will inform future budget strategy and it is therefore considered important for councillors to have early sight of this.
 - 3.3** The committee could decide not to approve the carry forward of revenue resources set aside to finance the capital programme, however, this option is not recommended given that the planned projects are closely aligned with achievement of the council's current priorities.
 - 3.4** There is no alternative option to the carry forward of grant funding as these amounts have been awarded to the council to spend on specific projects and will need to be repaid if they are not used for the intended purpose.
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4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1** This report provides the committee with information regarding the council's financial position.

Impact on future financial planning

- 4.1.1** The council has ended 2015-16 with a minor positive variance on the revenue account of £0.01m. A small number of service areas have ended the year with more significant variances, and have therefore been subject to careful monitoring throughout the year. Actions taken in these service areas will mean a reduced or removed pressure on 2016-17 budgets.
- 4.1.2** The capital programme has remained within the expected levels detailed within quarterly monitoring reports during 2015-16 and is fully funded.
- 4.1.3** By the end of 2016-17 general balances are expected to be £4.05m which is £2.05m above the working limit previously set by Council in March 2016.
- 4.1.4** The level of collection of Council Tax and Non-Domestic Rates is considered to be at an acceptable level. An adequate provision exists to

cover bad debt and the predicted level of current and future appeals in relation to business rates for 2015-16 and prior years.

- 4.1.5 There are significant financial challenges to be faced by the council during 2016-17 and subsequent years, and options for the most appropriate actions to ensure an effective Medium Term Financial Strategy for the period 2017-18 to 2021-22 will need to be considered carefully.

4.2 Revenue

- 4.2.1 A summary of the most significant variances in each area is provided below for each service committee. These trends have been reported to service committees throughout 2015-16 as part of quarterly budget monitoring:

Policy and Resources

Policy and resources ended 2015-16 with a net positive variance of £2.8m. It should be noted that within this variance, £1.7m will need to be earmarked in order to fund the deficit on the collection fund. This is discussed within section 4.5.2 of this report. Other significant variances in this area are detailed below:

- There is a positive variance of £0.1m within the Customer Services section arising from vacant posts;
- An underspend for attendance allowance has given rise to a favourable variance of £0.07m within the budget for Members Allowances;
- Higher than budgeted income for Maidstone House gave rise to a favourable variance of £0.06m;
- Legal costs for NNDR collection were lower than budgeted, which contributed to a favourable variance of £0.08m in this area;
- There was an underspend of £0.05m within the Corporate Management budget, the principal cause for which was the reduction in fee for external audit services as reported previously;
- Unspent contingency funding of £0.6m contributed towards the overall positive variance. This was reported to the committee in the previous quarter and amounts have now been set aside to finance future borrowing for the capital programme;
- Unmet income targets at Chillington House created an adverse variance of £0.04m;
- An adverse variance of £0.07m within the procurement section arose due to unmet income targets. This variance was reported to the committee in the previous quarter.

Strategic Planning, Sustainability and Transport

Strategic planning, sustainability and transport is showing an overall underspend of £0.1m as at 31 March 2016.

Within this variance total, the following points should be noted:

- There is an adverse variance of £0.4m relating to development control appeals, which is primarily due to a high level of appeals costs to date. Staff costs in this section are also higher than budgeted, however, these variances are offset to a large extent by significantly more planning fee income than was initially forecast due to the increased volume of applications;
- Income from on street parking, residents parking and pay and display is higher than budgeted, with an overall positive variance of £0.4m.

Communities, Housing and Environment

There is a minor adverse variance of £0.2m within the Communities, Housing and Environment outturn, although within this there are some areas showing significant over and underspends, most notably:

- £0.5m overspend against the temporary accommodation budget. The committee will be aware of ongoing projects aimed at reducing the cost to the council of providing temporary accommodation. The properties which the council have purchased have enabled the council to avoid additional costs of circa £0.3m during 2015-16.
- Higher than budgeted income for garden bins, resulting in a favourable variance of £0.1m;
- An overspend of £0.2m within the street cleansing section arising from a combination of increased expenditure on temporary staff and equipment, and a shortfall against the income target;
- The contract cost for CCTV was higher than budgeted, resulting in an overspend of £0.1m;
- Unexpected repairs and maintenance costs at Marden caravan site, giving rise to an overspend of £0.05m.

Heritage, Culture and Leisure

Overall Heritage, Culture and Leisure has ended 2015/16 with a net adverse variance of £0.3m. The most significant contributing factors were as follows:

- An overspend against the Mote Park budget of £0.1m, arising from unbudgeted costs for equipment and repairs, and lower than anticipated income due to car parking charges being brought in later than planned;

- Higher than budgeted service charge and an income shortfall in the market, giving rise to an overspend of £0.1m against this cost centre;
- Unbudgeted maintenance costs for cremation equipment, resulting in an overspend of £0.05m for the crematorium;

4.2.2 A summary outturn by committee, priority and subjective heading are also provided in Appendix I.

4.3 Grants carried forward to 2016-17

4.3.1 Appendix II provides a list of grants which were not spent during 2015-16 and have consequently been carried forward into 2016-17. It should be noted that these amounts were all awarded to the council for a specific purpose and in some cases intended to fund programmes which extend beyond one year. The grants will need to be repaid if the money is not used for the intended purpose, and the council therefore does not have any scope to otherwise influence how the money is used.

4.3.2 Explanations as to why the grants were not spent during 2015-16 have been provided within Appendix II.

4.4 Capital

4.4.1 Attached at Appendix III is a summary of capital spend against the revised estimate. The current estimate reflects slippage totalling £6.454m agreed during the year. A large proportion of the slippage relates to unspent grants for housing and play areas, and acquisition of commercial assets scheduled to take place in 2016-17 or later.

4.4.2 The total capital spend for the year was £4.186m. This total excludes £0.350m spent on schemes funded from external sources such as s106 or external contributions and not from the Council's own capital resources.

4.4.3 Appendix III details the total spend against the budget for 2015-16. In a small number of cases, works have taken place earlier than anticipated and have therefore been funded from the 2016-17 budget.

4.4.4 There was one area where spending was higher than the amount budgeted. This is the commercial project relating to the installation of solar panels, where costs were higher than originally anticipated giving rise to an overspend of £0.05m. The solar panels are expected to generate a revenue return for the council, and this will be monitored over the coming year.

4.4.5 Expenditure of £4.186m outlined in Appendix IV can be funded entirely from available capital resources. Proposed funding is summarised in the following table:

Resources	£m
Capital Receipts	0.690
Capital Grants & Contributions (incl. s106)	0.604
Support from revenue budgets	2.892
TOTAL	4.186

- 4.4.6 This proposal is based on the principle of using the most flexible resources last, meaning that grants and capital receipts are used in preference to revenue support.
- 4.4.7 For 2015-16 the Council approved prudential borrowing of up to £6m for the acquisition of commercial assets but not for general capital expenditure. This facility was not utilised during the year as the value of borrowing was outweighed by the benefit of using the Council's own resources due to the variance between borrowing and lending rates of interest.
- 4.4.8 It is recommended that the committee consider and approve the provisional financing of the capital programme as set out in the table at 4.3.5. The consequence of the recommended financing is detailed in paragraph 4.3.9 below.
- 4.4.9 In line with the policy of using capital resources first, some of the resources identified from revenue budgets to finance capital expenditure will not be required until 2016-17 or later years, creating a revenue variance. This represents a resource that is essential to the financing of the future capital programme. It is recommended that this money is carried forward for this use in 2016-17 or later years, in order for the capital programme to remain affordable.

4.5 Balance Sheet

- 4.5.1 The provisional outturn figures have an impact on various elements of the Balance Sheet and these are summarised as follows:

Collection Fund

- 4.5.2 At the end of the financial year the target collection rate was exceeded for NNDR and narrowly missed for council tax. At this time it is predicted that there will be deficit of £6.4m on the collection fund for 2015-16, which is largely a consequence of higher than anticipated levels of business rate appeals notified during the year. A provision has been created in order to minimise the impact of future losses on the council's financial position. This deficit will be formally shared between preceptors during 2017-18.
- 4.5.3 The collection rates, compared to target, are as follows:

Collection Rates	Target %	Actual %
NNDR	97.90	97.91
Council Tax	98.40	98.2

- 4.5.4 During 2015-16, the council was part of the Kent Business Rates Pool along with 9 other district councils, the county council and fire authority. Membership of the pool enables the council to minimise the levy payment due to central government and thereby maximise local retention of business rates growth. For 2015-16, the amounts expected to be retained locally as a result of being in the pool will be shared as follows:

Kent County Council share – 30%	£30,941
Maidstone Borough Council share – 30%	£30,941
Kent Pool Growth Fund – 30%	£30,941
Unspent contingency	£241
Total	£93,064

Maidstone Borough Council's share of the retained levy will be used by the economic development team towards promoting future growth in the local business rates base.

It should be noted that these amounts are lower than forecast, due to a significant number of appeals made by business against the rateable value of their properties for which a provision has been created. If appeals are unsuccessful, then the provision may be reversed and the council will see the benefits of business rates growth in future years.

Investments & Borrowing

- 4.5.5 The Council held investments totalling £18.682m as at 31st March 2016, with an investment income total of £0.252m. The investment income is below the budget of £0.27m due to the fact that an interest rate rise has, yet again, been pushed back to possibly early 2017.
- 4.5.6 A list of the investments held at year end has been provided at Appendix IV. It should be noted that the council's counterparty list and associated limits changed when the council appointed Arlingclose as its treasury management advisor in January 2016. There are therefore a number of historical investments which do not comply with the current strategy. These amounts have been reviewed individually and the level of risk posed by retaining the investments is considered to be low. A decision was therefore taken to retain the investments until they mature at which point the sums may be reinvested in line with the current strategy. The credit worthiness of these institutions will be kept under review over the remaining duration of the investments.
- 4.5.7 The average rate of return for the year is 0.75%. This is lower than anticipated and reflects the Bank of England base rate having remained at 0.5% throughout 2015/16.

4.5.8 There was no borrowing other than for short term liquidity purposes during the year.

4.5.9 Daily monitoring of cash-flow throughout the year has confirmed that the prudential indicators that council set for 2015-16 were all complied with.

Fixed Assets

4.5.10 The capital investment achieved in 2015-16 resulted in investment in the Council's property portfolio of £1.99m. Other spending in this area has been in areas such as support for social housing and renovation grants, which do not contribute to the Authority's asset base and have been written off, through the revenue account, as revenue expenditure funded from capital under statute.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

5.1 Not applicable.

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

6.1 Once the outturn has been finalised, this will be used as the basis for preparing the 2017-18 budget.

7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The financial resources spent in 2015-16 and reported here reflect a focus on corporate priorities. Any under spend will be carried forward in accordance with those corporate priorities and previous commitments.	Head of Finance & Resources
Risk Management	At this stage the financial analysis is provisional and contains some estimated values. Monthly financial monitoring by officers and quarterly by the Policy and Resources committee and will	Head of Finance & Resources

	improve the accuracy of the provisional figures. These figures are produced to a timetable for the completion of the Statement of Accounts and all essential work is complete at this stage.	
Financial	This report relates to overall financial position of the council. Specific implications are detailed within the body of the report.	Section 151 Officer, Head of Finance & Resources
Staffing	N/A	N/A
Legal	Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs. This report is considered support the council in fulfilling this obligation.	Mid Kent Legal Services
Equality Impact Needs Assessment	N/A	Policy & Information Manager
Environmental/Sustainable Development	N/A	N/A
Community Safety	N/A	N/A
Human Rights Act	N/A	N/A
Procurement	N/A	N/A
Asset Management	N/A	N/A

8. REPORT APPENDICES

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

- Appendix I: Detailed revenue outturn 2015-16
- Appendix II: Schedule of grants to be carried forward from 2015-16 to 2016-17
- Appendix III: Summary provisional capital outturn 2015-16
- Appendix IV: Treasury management outturn 2015-16

9. BACKGROUND PAPERS

Report of the Head of Finance and Resources held on 23 September 2015 – First Quarter Budget Monitoring:

<https://services.maidstone.gov.uk/meetings/documents/s44465/First%20Quarter%20Budget%20Monitoring%20201516.pdf>

Report of the Head of Finance and Resources held on 25 November 2015 –
Second Quarter Budget Monitoring:

<https://services.maidstone.gov.uk/meetings/documents/s45481/Budget%20Monitoring%202nd%20Quarter%20201516.pdf>

Report of the Head of Finance and Resources held on 17 February 2016 – Third
Quarter Budget Monitoring:

<https://services.maidstone.gov.uk/meetings/documents/s47125/Third%20Quarter%20Budget%20Monitoring%202015-16.pdf>

**POLICY & RESOURCES COMMITTEE
2015-16 Outturn - Full Summary**

ANALYSIS BY COMMITTEE

Committee	Original Estimate	Revised Estimate	Actual	Variance
	£	£	£	£
Policy & Resources	11,315,110	11,315,110	8,463,751	2,851,359
Strategic Planning, Sustainability & Transport	-302,790	-302,790	90,564	-393,354
Communities, Housing & Environment	8,631,560	8,631,560	9,265,642	-634,082
Heritage, Culture & Leisure	489,580	489,580	820,336	-330,756
	20,133,460	20,133,460	18,640,293	1,493,167
Amounts set aside for collection fund deficit	0	0	1,773,005	-1,773,005
Grants carried forward to 2016/17	0	0	-370,985	370,985
	20,133,460	20,133,460	20,042,313	91,147

ANALYSIS BY PRIORITY

Priority	Original Estimate	Revised Estimate	Actual	Variance
	£	£	£	£
Central & Democratic	13,969,785	13,981,985	11,115,741	2,866,244
Character	816,240	816,240	873,780	-57,540
Clean & Safe	3,722,810	3,718,920	3,987,156	-268,236
Employment & Skills	426,460	426,460	316,000	110,460
Health & Wellbeing	1,659,930	1,661,390	2,029,951	-368,561
Homes	984,540	984,540	1,798,273	-813,733
Infrastructure	640,400	640,400	553,671	86,729
Leisure & Culture	1,529,060	1,533,080	1,662,713	-129,633
Town Centre	82,370	82,370	83,404	-1,034
Trading	-3,698,135	-3,711,925	-3,780,395	68,470
	20,133,460	20,133,460	18,640,293	1,493,167
Amounts set aside for collection fund deficit	0	0	1,773,005	-1,773,005
Grants carried forward to 2016/17	0	0	-370,985	370,985
	20,133,460	20,133,460	20,042,313	91,147

ANALYSIS BY SUBJECTIVE SPEND

Subjective	Original Estimate	Revised Estimate	Actual	Variance
	£	£	£	£
Employees	18,883,135	18,883,135	19,088,706	-205,571
Premises	4,214,220	4,214,220	4,566,929	-352,709
Transport	1,460,770	1,460,770	1,279,987	180,783
Supplies & Services	9,274,035	9,274,035	9,511,094	-237,059
Agency	4,101,740	4,101,740	4,134,001	-32,261
Capital Charges	904,880	904,880	68,754	836,126
Income	-18,705,320	-18,705,320	-20,009,177	1,303,857
	20,133,460	20,133,460	18,640,293	1,493,167
Amounts set aside for collection fund deficit	0	0	1,773,005	-1,773,005
Grants carried forward to 2016/17	0	0	-370,985	370,985
	20,133,460	20,133,460	20,042,313	91,147

Request for Carry Forward of Grant funded Revenue resources From 2015-2016 to 2016-2017

Cost Centre	Revised Estimate 2015-16	Actual Spend 2015-16	Carry Forward Requested	Grant Details	Justification
	£	£	£		
Cultural Development Sports	24,000	14,520	9,480	MYAP Aspire Project - Funding provided by the Police and Crime Commissioner's office.	These grants were awarded for a period which extends beyond the 2015-16 financial year and there are ongoing work programmes and action plans in place to ensure the money is spent in accordance with the intended timeframe.
Health Promotion	1,750	-	1,750	KCC Public Health Grant	
Community Development	1,570	-	1,570	KCC High Street Bus Safety DVD	
Social Inclusion	15,000	295	14,705	Youth Diversionary Funding to support reducing offending and anti-social behaviour	
Troubled Families	69,690	50	69,640	Troubled Families Grant	
Cultural Development Sports	83,770	76,030	7,740	KCC Public Health Grant	
Public Health - Miscellaneous	69,000	63,560	5,440	KCC Public Health Grant	
Homelessness Prevention	34,875	-	34,875	KCC Supporting People Funding - provides deposits for clients leaving supported accommodation to access private rented accommodation	
Homelessness Prevention	100,000	39,890	60,110	DCLG Grant to support single homeless	Remaining funding to cover Year 2 of the programme 2016/17
Strategic Housing Role	3,040	-	3,040	DCLF Grant	Grant is to support setting up the self build register during 2016/17 once Housing & Planning Bill becomes statute.
Non-Service Related Government Grants	142,810	-	142,810	DCLG funding for dealing with legal claims relating to land charges search fees	The legal claims are ongoing and this funding will be required to fund any costs that are awarded against the Council.
Noise Control	4,900	4,080	820	Noise Project grant of £4900 for one year project commencing June 2015	The grant was awarded to undertake a review of our noise nuisance procedures and to introduce the use of a noise app. The work is ongoing and the grant funds an officers time for one day a week to continue the development of the work.
Museum - Grant Funded Activities	18,170	-	18,170	ACE transition money. Japanese Arts and Culture. Golding homes grant	ACE transition money; Budget to be ring-fenced to sustain the learning team to the end of July to ensure the schools programme can be offered to schools to the end of the summer term 2016. Japanese Arts and Culture; grant paying for researcher to May. Golding homes grant; to be used for the promotion of and running of 'Café Culture' - a legacy to 'Museums on Prescription' project.
	568,575	198,425	370,150		

MAIDSTONE BOROUGH COUNCIL
POLICY & RESOURCES COMMITTEE
BUDGET MONITORING - PROVISIONAL OUTTURN 2015/16

Capital Programme 2015/16 by Service Committee to 31st March 2016

Capital Programme Heading	Current Estimate	Actual to March 2016	Budget Remaining
	2015/16 £	£	£
Housing Incentives	193,540	169,069	24,471
Housing - Disabled Facilities Grants Funding	592,200	592,199	1
Support for Social Housing	264,500	0	264,500
Stilebridge Lane Sewage Treatment Works	50,350	0	50,350
Stilebridge Lane Sewage Electricity Supply Works	4,600	4,584	16
Gypsy Site Fencing Works	60,000	17,695	42,305
Gypsy Site Improvements	185,400	770	184,630
Housing Investments	1,400,000	0	1,400,000
Brunswick Street Housing Development	75,000	13,376	61,624
Flood Defences	12,920	4,684	8,236
Communities, Housing & Environment Total	2,838,510	802,377	2,036,133
Continued Improvements to Play Areas	150,560	129,058	21,502
Crematorium Access	10,600	23,884	-13,284
Green Space Strategy	9,600	0	9,600
Commercial Projects - RE Panels	345,000	396,372	-51,372
Commercial Projects - Mote Park Parking	40,600	38,158	2,442
Commercial Projects - Mote Park Café	44,940	47,220	-2,280
Commercial Projects - Crematorium Projects	10,000	0	10,000
Commercial Projects - Mote Park Adventure Zone	20,000	29,368	-9,368
Heritage, Culture & Leisure Total	631,300	664,060	-32,760
High Street Regeneration	19,310	19,596	-286
Enterprise Hub	254,110	248,183	5,927
Asset Management / Corporate Property	184,800	72,352	112,448
Software / PC Replacement	243,050	167,554	75,496
Acquisition of Commercial Assets	245,580	2,600	242,980
South Maidstone Depot - Drainage Works	40,830	40,826	4
Economic Development Website	75,000	74,865	135
Maidstone East/Sessions Square	0	57,435	-57,435
Union Street	0	1,992,572	-1,992,572
Enabling Works - The Mall Regeneration	0	2,000	-2,000
Depot - Installation of Weighbridge	0	5,495	-5,495
Fleet Vehicle Acquisition	0	29,227	-29,227
Policy & Resources Total	1,062,680	2,712,705	-1,650,025
King Street Multi-storey Car Park	1,790	1,786	4
Improvements to the Council's Car Parks	5,960	5,958	2
Bridges Gyrotory Scheme	500,000	0	500,000
Strategic Planning, Sustainability & Transport Total	507,750	7,744	500,006
Total	5,040,240	4,186,886	853,354

* - The funding for these works are in the 2016/17 capital programme budget

** - This is being funded as part of an Invest to Save proposal

*** - Vehicle acquisitions were funded from monies previously set aside and the proceeds of vehicle sales

Maidstone Borough Council Investments as at 31st March 2016

Counterparty	Type of Investment	Principal	Start Date	Maturity Date	Rate of Return	Credit Limits	
						Suggested Term	Maximum Deposit
SVENSKA HANDELSBANKEN	CALL ACCOUNT	£ 42,024			0.200%	13 months	£3,000,000
STANDARD LIFE LIQUIDITY FUNDS	MONEY MARKET FUND	£2,640,000			0.487%	2 Years	£8,000,000
NATIONWIDE BUILDING SOCIETY	DEPOSIT - FIXED	£2,000,000	01/10/2015	01/04/2016	0.660%	6 months	£3,000,000
COMMONWEALTH BANK OF AUSTRALIA	DEPOSIT - FIXED	£1,000,000	15/09/2015	15/07/2016	0.710%	6 months	£3,000,000
LLOYDS BANK PLC	DEPOSIT - FIXED	£2,000,000	03/08/2015	01/08/2016	1.000%	13 months	£3,000,000
NATIONWIDE BUILDING SOCIETY	DEPOSIT - FIXED	£1,000,000	10/02/2016	10/08/2016	0.710%	6 months	£3,000,000
LLOYDS BANK PLC	DEPOSIT - FIXED	£2,000,000	14/10/2015	12/10/2016	1.050%	13 months	£3,000,000
UNITED OVERSEAS BANK LTD	DEPOSIT - FIXED	£2,000,000	28/01/2016	28/10/2016	0.750%	13 months	£3,000,000
LLOYDS BANK PLC	DEPOSIT - FIXED	£3,000,000	22/07/2014	22/07/2016	1.300%	13 months	£3,000,000
ROYAL BANK OF SCOTLAND PLC	DEPOSIT - FIXED	£2,000,000	11/03/2016	11/03/2017	1.440%	35 days	£2,000,000
STANDARD CHARTERED BANK	CERTIFICATE OF DEPOSIT	£1,000,000	23/10/2015	21/10/2016	0.970%	6 months	£3,000,000

£ 18,682,024

These investments were initiated when the Council's investment consultants were Capita Asset Services and the limits were agreed within the Council's investment strategy
All other investments are in line with the Council's existing investment strategy.

Policy and Resources

26 July 2016

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

Yes

Annual Governance Statement 2015-16 and Local Code of Corporate Governance

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

This report makes the following recommendations to this Committee:

1. To approve the Annual Governance Statement 2015-16 and Local Code of Corporate Governance prior to signing by the Leader and Chief Executive.

This report relates to the following corporate priorities:

- Keeping Maidstone Borough an attractive place for all – Effective corporate governance arrangements ensure the council's priorities are understood and delivered
- Securing a successful economy for Maidstone Borough - Effective corporate governance arrangements ensure the council's priorities are understood and delivered

Timetable

Meeting	Date
Audit, Governance and Standards Committee	11/7/16
Policy and Resources Committee	26/7/16

Annual Governance Statement 2015-16 and Local Code of Corporate Governance

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 Policy and Resources Committee is asked to consider and approve the Annual Governance Statement and Local Code of Conduct.
- 1.2 Attached at **Appendix A** is the Annual Governance Statement for 2015-16. The purpose of the Annual Governance Statement is to provide assurance on the council's governance arrangements.
- 1.3 The Local Code of Corporate Governance was adopted in 2003, since then the code has been reviewed annually to ensure it remains fit for purpose and up to date. The refreshed code is attached at **Appendix B**.

2. INTRODUCTION AND BACKGROUND

- 2.1 Each year we carry out a review of our Governance arrangements to ensure compliance with the Local Code of Corporate Governance. The purpose of the review will be to provide assurance that governance arrangements are adequate and operating effectively or to identify action which is planned to ensure effective governance in the future. The outcome of the review takes the form of an Annual Governance Statement prepared on behalf of the Leader of the Council and Chief Executive.
- 2.2 The code sets out the core principles of corporate governance and measures of compliance the statement how we are meeting these principles. Minor revisions have been made to the code as part of the annual review.
- 2.3 The council produces an Annual Governance Statement (AGS) to accompany the statement of accounts. The Audit Governance and Standards Committee is asked to consider this statement prior to submission to Policy and Resources and signing by the Leader and Chief Executive. The statement looks back at the governance arrangements for 2015-16 and identifies areas for action for 2016-17.
- 2.4 In 2016-17 the Annual Governance Statement and Code of Corporate Governance will need to be changed to reflect the new 'Delivering Good Governance Framework' introduced by CIPFA/Solace in 2016. The format of the AGS has been maintained with a full overhaul next year when the new framework will be applied. It will also be appropriate to review the local code of corporate governance fully at the same time.
- 2.5 Last year action saw the embedding of the new committee system and a review of its effectiveness by the Democracy Committee in early 2016. Action was also taken in relation to improving information and risk

management. A new whistle blowing charter will be produced for approval by the Audit, Governance and Standards Committee in September.

- 2.6 An emerging governance issue for 2016-17 for the council is devolution. A briefing has been held for all Councillors on the emerging themes and tentative steps that have been taken so far. We will keep this under review.

3. AVAILABLE OPTIONS

- 3.1 The Audit Governance and Standards Committee can review the Local Code of Conduct and Annual Governance statement and identify changes as appropriate for consideration by the Policy and Resources Committee

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 It is recommended that the Committee review and agree the code and statement prior to submission to the Policy and Resources Committee suggesting amendments as appropriate
- 4.2 The AGS attached at Appendix A looks back at the governance arrangements in place for 2015-16 and assesses the effectiveness of those arrangements.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 The Audit, Governance and Standards Committee have reviewed both documents prior to submission to Policy and Resources.

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 Once approved the code and annual governance statement will be made available on our website and shared with our external auditors.

7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	Effective corporate governance arrangements ensure the council's priorities are understood and delivered	Head of Policy and Communications
Risk Management	The AGS considers and gives assurance on the Council's approach to risk management	Head of Policy and Communications
Financial	This report has no direct financial implications. The AGS is a requirement of statutory regulations and provides assurance about the Council's governance arrangements.	Section 151 Officer
Staffing	No implications	Head of Policy and Communications
Legal	The AGS assesses the council's governance arrangements which are essential in ensuring robust and lawful decision-making and therefore minimising the risk of legal challenge	Legal Team
Equality Impact Needs Assessment	Good governance ensures the council is adhering to the public sector equality duty.	Policy & Information Manager
Environmental/Sustainable Development	N/A	Head of Policy and Communications
Community Safety	N/A	Head of Policy and Communications
Human Rights Act	N/A	Head of Policy and Communications

Procurement	N/A	Head of Policy and Communications
Asset Management	N/A	Head of Policy and Communications

8. REPORT APPENDICES

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

- Appendix A: Annual Governance Statement 2015-16
- Appendix B: Local Code of Corporate Governance 2016

Annual Governance Statement

2015/16

1. SCOPE OF RESPONSIBILITY

- 1.1 Maidstone Borough Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. Maidstone Borough Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. The Council's section 151 Officer and the Monitoring Officer are key members of the Corporate Leadership Team, reviewing all decisions taken through Leadership Team, Committees and Full Council.
- 1.2 In discharging this overall responsibility, Maidstone Borough Council is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions which includes arrangements for the management of risk.
- 1.3 Where actions have been identified they are highlighted in speech bubbles at the appropriate point in the statement.
- 1.4 Maidstone Borough Council has approved and adopted a Local Code of Corporate Governance reviewed annually. The Code of Corporate Governance is consistent with the principles of the CIPFA/SOLACE framework "Delivering Good Governance in Local Government". A copy of the Code is on the website at www.maidstone.gov.uk or can be obtained from the Council at Maidstone House, King Street, Maidstone, Kent ME15 6JQ. This statement explains how Maidstone Borough Council has complied with the code and also meets the requirements of regulation 3 of the Accounts and Audit (England) Regulations 2015.

2 THE PURPOSE OF THE GOVERNANCE FRAMEWORK

- 2.1 The governance framework comprises the systems and processes, and culture and values, by which the Council is directed and controlled and the activities through which it is accountable to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.
- 2.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Maidstone Borough Council's policies, aims and objectives. It evaluates the likelihood of those risks being realised and the impact should they be realised then provides a means of managing the risks efficiently, effectively and economically.
- 2.3 This governance framework has been in place at Maidstone Borough Council for the year ended 31 March 2016 and up to the date of approval of the Statement of Accounts.

3 THE GOVERNANCE FRAMEWORK

- 3.1 The monitoring of Corporate Governance has a high priority at the Council. The Head of Policy and Communications is responsible for Corporate Governance. A small working group made up of the Head of Finance and Resources, the Head of Legal services (Monitoring Officer) and the Head of Policy and Communications assisted by the Head of Audit Partnership reports biannually to the Corporate Leadership Team and the Audit, Governance and Standards Committee on governance matters.
- 3.2 The Governance Framework is based on the CIPFA/SOLACE six principles of effective governance
1. Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area
 2. Members and officers working together to achieve a common purpose with clearly defined functions and roles
 3. Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour
 4. Taking informed and transparent decisions which are subject to effective scrutiny and managing risk
 5. Developing the capacity and capability of members and officers to be effective
 6. Engaging with local people and other stakeholders to ensure robust public accountability

How we deliver good governance

Principle	Governance Mechanism (what we are doing)	Assurance
Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area	<ul style="list-style-type: none"> The vision for Maidstone is set out in our Strategic Plan The Strategic Plan contains our vision, mission and sets out our priorities and outcomes. Each outcome has an action plan, performance indicators and targets. The Annual Corporate Planning Cycle facilitates the effective planning of service delivery, including the identification of risks, and budget requirements Performance Management of delivering our priorities and services is achieved through operational performance indicators, key performance indicators and the Council's Performance Plan 	<ul style="list-style-type: none"> The Strategic Plan was developed following consultation with residents to determine the priorities for the borough. One Council Engagement Plan is in place to communicate our priorities internally Resident Survey undertaken every two years to understand priorities and issues for residents Monitoring against the key measures of success is reported six monthly to Policy and Resources Committee Key Performance Indicator outturns are subject to review by Leadership Team and the Service Committee

Principle	Governance Mechanism (what we are doing)	Assurance
	<ul style="list-style-type: none"> The Council's Values have been identified under the acronym STRIVE which stands for Service, Teamwork, Responsibility, Integrity, Value and Equality. A project overview board exists and a project management toolkit is utilised to develop and monitor major projects. 	<ul style="list-style-type: none"> Annual STRIVE staff awards based on our values The project board considers the major projects currently being undertaken by the Council at a strategic level and ensures resources are applied and actions taken to maintain control over all such projects
Members and Officers working together to achieve a common purpose with clearly defined functions and roles	<ul style="list-style-type: none"> The Council's Constitution specifies the roles and responsibilities of Members and Officers and lays down financial and contract procedural rules for the efficient and effective discharge of the Council's business. The Constitution includes the roles and responsibilities of the Service Committees and Audit Governance and Standards Committee. A well established and effective Audit, Governance and Standards Committee 	<ul style="list-style-type: none"> The constitution is kept under constant review by the Monitoring officer Half yearly reports are produced for Audit, Governance and Standards Committee which evaluate the overall internal control environment tested through the internal audit work

Principle	Governance Mechanism (what we are doing)	Assurance
	<ul style="list-style-type: none"> • Effective Audit function. • The Council has appointed a Monitoring Officer to oversee its compliance with laws and statutory obligations. • The Council has clearly defined roles and responsibilities for Members and Officers 	<ul style="list-style-type: none"> • Head of Audit Opinion is issued annually giving a views to the internal control, governance and risk management arrangements for the Council. • The new Governance Arrangements were reviewed in 2015-16 by the Democracy Committee in early 2016, resulting in amendments to the constitution • The Council is a member of a well established and effective Internal Audit partnership that works to an approved annual audit plan. Audit Charter in place. • Individual audit reports are produced for the relevant managers, with a copy to the Chief Executive and appropriate Director • External Audit produce a number of reports which are reported to management and Members. Recommendations and comments are considered and, where necessary, action is taken to address any issues raised.

Principle	Governance Mechanism (what we are doing)	Assurance
	<ul style="list-style-type: none"> • Code of Corporate Governance in place 	<ul style="list-style-type: none"> • Scheme of Delegation is in place as defined in the constitution • The Local Code of Corporate Governance is reviewed and updated annually
Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour	<ul style="list-style-type: none"> • Good Corporate Governance is at the heart of everything the Council does, for staff this is incorporated into our six core values (STRIVE) in the delivery of services and in particular the value: Integrity and High Standards of Corporate Governance. The Council has an annual award ceremony focussed on our values, where individuals and teams are given awards for demonstrating the values. • At the mid year and full year appraisal points all staff are asked how they demonstrate the values. • The Audit, Governance and Standards Committee has a responsibility to monitor and improve the arrangements for Corporate Governance within the Council. • The Council's Monitoring Officer is responsible for ensuring that the Council acts in accordance with the constitution. 	<ul style="list-style-type: none"> • Annual Award Ceremony for Staff focused on the Values • The competency framework is aligned to the council's values • The Audit, Governance and Standards Committee provides an Annual Report to Council on how it has fulfilled its duties in accordance with its terms of reference. • The Monitoring Officer reports to Council and provides advice to Members and Officers. • The Section 151 officer and monitoring officer review all reports for decision via our committee report management system (moderngov).

Principle	Governance Mechanism (what we are doing)	Assurance
	<ul style="list-style-type: none"> The Council has adopted a local code of conduct for Members and Officers. The Council meets the requirements of the Public Sector Equality Duty and has a Corporate Equality Policy HR procedures and systems are in place for disciplinary and capability management 	<ul style="list-style-type: none"> Equality Impact Assessments are carried out to demonstrate equalities being taken into account in our decision making. In 2013 Audit reviewed our compliance with the Public Sector Equality Duty which was followed by a public sector equality duty self-assessment and a peer review in 2014-15.
Taking informed and transparent decisions which are subject to effective scrutiny and managing risk	<ul style="list-style-type: none"> An agreed Risk Management Strategy is in place with identified corporate strategic risks and Management Action Plans. Risk management is a standard heading for consideration of all reports to Management Team and Members. A formal risk assessment is required for reports which require decisions on strategic issues or which seek approval for significant projects. 	<ul style="list-style-type: none"> The Council has comprehensive risk register which includes corporate, operational and project risks. Risk Register is subject to regular review. Risks to service delivery (operational risks) have been accepted as the responsibility of individual authorised officers and incorporated into Service Plans. Heads of Service are responsible for ensuring that their service managers retain an effective operational risk

Principle	Governance Mechanism (what we are doing)	Assurance
	<ul style="list-style-type: none"> • Heads of Service are asked to identify risks as part of their annual review of service plans. • The Council publishes details of all Council spending to suppliers, senior officer salaries and details of all new contracts via its website. • Open meetings and webcasting • Transparent and Evidence based decision making • Effective governance of shared services through agreements and Shared Service Boards 	<ul style="list-style-type: none"> • Risk assessments for service plans were completed with guidance from Audit in 2015-16. <div> <p>The Risk Appetite for the authority needs to be reviewed and agreed in 2016-17</p> </div> <ul style="list-style-type: none"> • Meetings are webcast. Agenda papers and the access to information procedure rules are complied with. In 2015-16 we procured an improved webcasting system • Reports include information on the options considered alternatives and reason for decision • Collaboration agreements for shared services and governance arrangements have been reviewed in 2015-16.
Developing the capacity of Members and Officers to be effective	<ul style="list-style-type: none"> • The Council has had an “Investors in People” (IiP) award for a number of years, which involves demonstrating that the Council has regular appraisals, service and training planning, training evaluation forms, recruitment and selection 	<ul style="list-style-type: none"> • The council was assessed as level Silver for IiP in 2013 • The workforce strategy was refreshed in 2015-16

Principle	Governance Mechanism (what we are doing)	Assurance
	<p>procedures and initiatives such as Work/Life Balance. The Council was re-accredited with liP in 2013</p> <ul style="list-style-type: none"> • We have a Member Development Policy • Annual Member development programme • New Member induction programme • Councillor Handbook • A well established staff appraisal process is in place and guidance and training is available for all staff and managers. • Developing Everyone Framework • Workforce Strategy – being updated 	<ul style="list-style-type: none"> • Regular Member seminars and workshops. • The Democracy Committee review the development programme and budget for Members annually • Appraisals are held at mid year and end of year points with all staff, they include a section to identify personal development needs • Service delivery by trained and experienced people.

Principle	Governance Mechanism (what we are doing)	Assurance
Engaging with local people and other stakeholders to ensure robust public accountability	<ul style="list-style-type: none"> Consultations are held on decisions affecting local people and local people are encouraged to be involved, for example the work on developing the Council's Local Plan Engagement with stakeholders through various groups such as the older person's forum, BME forum, Maidstone Disability Network and Museum Strategic Board Membership of the Chamber of Commerce and work through the Chamber, Federation of Small Businesses, One Maidstone, Maidstone Economic Board, Maidstone Tourism Association and Rural Business Forums to engage businesses, Town Centre Advisory Board, Safer Maidstone Partnership and Maidstone Destination Management Plan Groups 	<ul style="list-style-type: none"> Consultation feedback for example from the budget and Local Plan development. Focus groups to inform policies and plans as they develop Resident Survey in 2015 Focus groups to develop the Housing Strategy A new Communication and Engagement Strategy was agreed in 2015 Community Development Strategy Single point of contact for businesses in the Borough established through the Economic Development Team Business Visits and Business Terrace Website tested by residents to ensure it is user friendly <div> <p>A refreshed communication and engagement plan will be developed with Councillors to respond to the results of the residents' survey</p> </div>

Principle	Governance Mechanism (what we are doing)	Assurance
	<ul style="list-style-type: none"> • Annual consultation with residents on our budget • We carry out a survey of residents every other year • We launched a new website in 2013 • Regular consultation with residents to inform our decision making 	<ul style="list-style-type: none"> • Staff and Councillor Workshops held on the results of the residents survey.

4 REVIEW OF EFFECTIVENESS

- 4.1 Regulation 6 of the Accounts & Audit Regulations 2015 says Maidstone Borough Council must each year review the effectiveness of its system of internal control. The Corporate Leadership Team leads the review, drawing on Internal Audit's work, views from other Senior Officers and comments from external auditors and other agencies and inspectorates.
- 4.2 The Council's internal audit service - Mid Kent Audit - works in a four-way shared service partnership with Ashford, Tunbridge Wells and Swale Borough Councils. It works in full conformance with Public Sector Internal Audit Standards. Mid Kent Audit works to an audit plan agreed each year by Members. The Audit Committee agreed the 2015/16 plan on 30 March 2015.
- 4.3 Mid Kent Audit presented the overall results of 2015/16 audit work to the Audit, Governance & Standards Committee on 11 July 2016. This internal audit annual report included the Head of Internal Audit Opinion.
- 4.4 Following the Regulations, the Opinion considered the Council's internal control, corporate governance and risk management. The Opinion reported that the Council can place reliance on the overall adequacy of its internal control, governance and risk management.
- 4.5 Mid Kent Audit uses a four level grading scale for assurance rating individual audit projects. In 2015/16 17 projects received a positive assurance rating ('Strong' or 'Sound') with 3 projects receiving an adverse rating ('Weak'). Mid Kent Audit did not assess any areas of the Council as 'Poor' and issued 3 further reports as advisory without assurance rating. Note that the audit plan includes a review of services Maidstone shares.
- 4.6 Mid Kent Audit complete follow up work considering progress towards implementing audit recommendations. During 2015/16 audit re-assessed 4 'Weak' rated projects as 'Sound' following officers acting on audit findings. However, this reassessment included none of the projects first issued in 2015/16 so at year end 3 reports remained at 'Weak' level:
 - **Safeguarding:** The audit noted good progress of the Safeguarding working group but observed that the Council needs to make further improvements on training, policy and integration with recruitment.
 - **Business Continuity:** The audit reported that the Council had not progressed and completed previous efforts and so does not have a fully integrated and tested business continuity plan. While local arrangements exist in specific services, not having an overarching plan will limit an effective response to a business continuity incident.
 - **Mote Park & Cobtree Café:** The audit made recommendations to improve cash handling, reconciliation and income management controls at the Council operated cafes in its parks.

- 4.7 Officers continue working to act on audit recommendations. Mid Kent Audit will monitor and report on progress throughout 2016/17.
- 4.8 The Council's financial management conforms with the governance requirements of the CIPFA Statement on the role of the Chief Financial Officer in Local Government (2010). Also, the Head of Audit Partnership role conforms to the principles set out in the CIPFA statement on the role of the Head of Internal Audit in Public Service Organisations (2010).
- 4.9 A number of areas were identified in the proceeding statement where action is required these have been included within our significant governance issues for 2016-17 action plan below.

5 SIGNIFICANT GOVERNANCE ISSUES

Action taken to address governance issues in 2015-16

Governance Issue	Action Update	By When	By Whom
Implementation of the Information Management Action Plan 51	<p>The Information Management Strategy has been to Leadership Team including an action plan and resources required.</p> <p>The Information Management Group met in November to consider and agree the communications plan for information and any matters relating to information security.</p> <p>Briefings on information management have been held with unit managers and a presentation on data protection and freedom of information has been given to the planning and environmental health teams.</p>	Actions completed as timetabled throughout 2015-16	Head of Policy and Communications
Embedding Corporate Governance and Ensuring Best Practice is identified	The Corporate Governance Working Group has met as scheduled	Quarterly meetings with updates to Audit, Governance and Standards Committee and CLT every six months.	Head of Policy and Communications
Communication and Engagement of the New Strategic Plan	Strategy and Annual Action Plan approved Engagement Plan in place for Employees.	Action plan covers 2015-16	Head of Policy and Communications

	<p>Action plan:</p> <p>Completed work includes the annual report and “you said we did” information in Borough Update</p> <p>A new social media policy has been produced and circulated to staff</p> <p>Information on the new committee system has been provided on our website and in Borough Update</p> <p>Budget and Strategic Plan consultation was undertaken as part of the resident survey</p> <p>One Council and Staff Engagement– team game on the priorities has been rolled out, briefing managers at Unit Managers including on tools such as Visual Management Boards – which include purpose and performance information for teams</p> <p>Once Council briefing held in June 2015 and January 2016 covering the council’s priorities and staff award ceremony based on the Council’s values.</p>		Learning and Development Manager
The residents survey identified that more work needed to be done on developing residents	The Borough update included information to promote the new committee system of governance including public question time at meetings.	Action plan covers 2015-16	Head of Policy and Communications

involvement in decision making as only 29% of respondents believe they can influence decision making in their area.	<p>Webcasting has been reviewed and a new system procured with the technology to improve resident engagement in meetings.</p> <p>Resident survey results showed an increase of 2% to 31%. This is still an area that requires improvement for us.</p>		
<p>Updating the Strategic Risk Register</p> <p>53</p>	A new corporate risk framework was approved in 2016 with identified risks and mitigation measures	Actions taken throughout 2015-16	Head of Audit Partnership
Disaggregation of Planning Support Shared Service	Tunbridge Wells Borough Council (TWBC) took the decision to withdraw from the Mid Kent Planning Support partnership. A Planning Support Disaggregation Board was set up to manage this. Separate service effective from 4 July 2016	Updates will be given to Councillors via the relevant Service Committee.	Head of Policy and Communications
Audit Reviews with weak Assurance.	Action Plans and implementation dates have been put in place and agreed. Both the Data Protection and Emergency Planning Audits are now no longer rated as weak.	<p>Actions to be followed up as they fall due.</p> <p>To be reviewed as part of the six monthly review of the annual governance statement action plan</p>	<p>Head of Policy & Communications</p> <p>Chief Executive</p>

New Committee System of Governance	A review of the effectiveness of the new system to identify what is working well and any improvements that need to be made was carried out by the Democracy Committee in early 2016.	March 2016	Democracy Committee
Appointment of Mayor	The Democracy Committee carried out a review of the process for appointing the Mayor.	February 2016	Democracy Committee supported by Democratic Services

Actions for 2016-17 as identified in the current Annual Governance Statement

Governance Issue	Action	By When	By Whom
Training and Communication on Information Management	Online learning modules rolled out across the council Briefing at team meetings Communication Plan for Information Management Implemented	Plan covers 2016-17	Director of Finance and Business Improvement Head of Policy and Communications
On The residents survey identified that more work needed to be done on developing residents involvement in decision making and how informed residents feel about our services	An action plan will be developed and approved by Policy and Resources Committee, a workshop has been held and analysis of the results conducted A further workshop is planned with Councillors and Communications Team in July	Workshop July Report to Policy and Resources in September 2016	Head of Policy and Communications
Establishing Risk Appetite	Risk Appetite reviewed and agreed by Policy and Resources Committee	September 2016	Head of Audit Partnership
Audit Reviews with weak Assurance.	Action Plans and implementation dates have been put in place and agreed. Audit reviews with weak assurance in 2015-16: <ul style="list-style-type: none"> Safeguarding Business Continuity Mote Park and Cobtree Cafe 	Actions to be followed up as they fall due. To be reviewed as part of the six monthly review of the annual governance statement action plan	Head of Housing and Community Partnerships Director of Regeneration and Place

6 Certification

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvement that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Leader of the Council: _____

Date: _____

Chief Executive: _____

Date: _____

MAIDSTONE BOROUGH COUNCIL
LOCAL CODE OF CORPORATE GOVERNANCE
JULY 2016

1. What is Corporate Governance

- 1.1 Corporate Governance is the system of processes, procedures and measures we use to manage ourselves and how we engage with and are accountable to our residents. Maidstone Borough Council must ensure that it does the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.
- 1.2 The Council acknowledges the work undertaken by CIPFA/SOLACE on establishing a framework for corporate governance in local government. This work includes the 2007 guidance contained in the publication Delivering Good Governance in Local Government and the subsequent 2012 update to the framework and guidance.

2. Core Principles of Corporate Governance

- 2.1 The Council endorses the core principles and the supporting principles as set out in the CIPFA/SOLACE publication on Delivering Good Governance in Local Government, published in 2007 and intend to use these principles to monitor and control Corporate Governance in Maidstone Borough Council to ensure that the Authority is doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.
- 2.2 The core principles are as follows:-
 - 1) Focusing on the purpose of the authority and on outcomes for the community in creating and implementing a vision for the local area.
 - 2) Members and officers working together to achieve a common purpose with clearly defined functions and roles.
 - 3) Promoting core values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.
 - 4) Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.

- 5) Developing the capacity and capability of Members and Officers to be effective.
- 6) Engaging with local people and other stakeholders to ensure robust public accountability.

3. Maidstone Borough Council's Position

- 3.1 Attached at Appendix 1 is a schedule showing the detailed arrangements within Maidstone Borough Council for delivering the core principles.

4. Monitoring and Review

- 4.1 Each year we will carry out a review of our Governance arrangements to ensure compliance with this Code and the delivery of Good Governance within the local Government Framework. The purpose of the review will be to provide assurance that governance arrangements are adequate and operating effectively or to identify action which is planned to ensure effective governance in the future.
- 4.2 The outcome of the review will take the form of an Annual Governance Statement prepared on behalf of the Leader at the Council and Chief Executive.

.....
Chief Executive

Date.....

.....
Leader

Date.....

LOCAL CODE OF CORPORATE GOVERNANCE

SCHEDULE 1

PRINCIPLE 1. FOCUSING ON THE PURPOSE OF THE AUTHORITY AND ON OUTCOMES FOR THE COMMUNITY AND CREATING AND IMPLEMENTING A VISION FOR THE LOCAL AREA

Supporting Principles	The Code should reflect the requirement for local authorities to:	MBC Arrangements and Evidence
<p>81</p> <p>Exercising strategic leadership by developing and clearly communicating the authority's purpose and vision and its intended outcome for citizens and service users</p>	Develop and promote the authority's purpose and vision	<ul style="list-style-type: none"> • Sustainable Community Strategy adopted following consultation with the public • Strategic Plan agreed and reviewed annually in parallel with Budget Strategy • Communication & Engagement Strategy agreed and an Action Plan will be put in place for 2016-17 • Service Plans based on cascade from Strategic Plan • Engagement Plan in place for staff, team talks and one council sessions on the council's vision and priorities. • Corporate updates from the leadership team at Staff Forum events
	Review on a regular basis the authority's vision for the local area and its impact on the authority's governance arrangements	<ul style="list-style-type: none"> • Annual Corporate Governance Statement produced • Annual review of Local Code of Corporate Governance
	Ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all parties	<ul style="list-style-type: none"> • Refreshed governance arrangements, Policy and Resources Committee 4 July 2016
	Publish an annual report on a timely basis to communicate the authority's activities and achievements, its financial position and performance	<ul style="list-style-type: none"> • Annual report approved by Policy and Resources and published on website

PRINCIPLE 1. FOCUSING ON THE PURPOSE OF THE AUTHORITY AND ON OUTCOMES FOR THE COMMUNITY AND CREATING AND IMPLEMENTING A VISION FOR THE LOCAL AREA		
Supporting Principles	The Code should reflect the requirement for local authorities to:	MBC Arrangements and Evidence
60	Ensuring that users receive a high quality of service whether directly, or in partnership, or by commissioning	<ul style="list-style-type: none"> • Strategic Plan and Budget Strategy include Performance and resource requirements • Medium Term Financial Strategy plans resource requirements and affordability • Efficiency Plan in place • Effective performance management system in place • Annual performance report is produced and published on the website
	Put in place effective arrangements to identify and deal with failure in service delivery	<ul style="list-style-type: none"> • A clear Complaints procedure and policy is in place • There are reports on complaints trends, service improvements and performance • Annual programme of internal audit activity • Six monthly report on complaints to Policy and Resources • Effective performance management process in place with reports quarterly to Leadership Team and Policy and Resources
	Ensuring that the authority makes best use of resources and that tax payers and service users receive excellent value for money	<ul style="list-style-type: none"> • Performance is measured through Key Performance indicators aligned to the council's strategic priorities these are reported on a quarterly basis to Corporate Leadership Team and policy and Resources • All decisions include commentary on financial implications and are reviewed by the 151 officer and/or finance team. • Value for money is set as a corporate value and included as a category on appraisals and the annual awards.

PRINCIPLE 2. MEMBERS AND OFFICERS WORKING TOGETHER TO ACHIEVE A COMMON PURPOSE WITH CLEARLY DEFINED FUNCTIONS AND ROLES

Supporting Principles	The Code should reflect the requirement for local authorities to:	MBC Arrangements and Evidence
Ensuring effective leadership throughout the authority and being clear about councillor roles and responsibilities.	Set out a clear statement of the respective roles and responsibilities of the committees and the authority's approach towards putting this into practice.	<ul style="list-style-type: none"> • Constitution sets out roles and responsibilities including a scheme of delegation • Protocol on relationships between Members and Officers in place • All decisions recorded and distributed
	Set out a clear statement of the respective roles and responsibilities of other committee members, members generally and senior officers.	<ul style="list-style-type: none"> • Constitution • Conditions of employment
Ensuring that a constructive working relationship exists between authority members and officers and that the responsibilities of members and officers are carried out to a high standard.	Determine a scheme of delegation and reserve powers within the constitution, including a formal schedule of those matters specifically reserved for collective decision of the authority, taking account of relevant legislation, and ensure that it is monitored and updated when required.	<ul style="list-style-type: none"> • Constitution and scheme of delegation • Regular review and amendment to Constitution to reflect changes
	Make a chief executive or equivalent responsible and accountable to the authority for all aspects of operational management	<ul style="list-style-type: none"> • Performance management system • Chief Executive is Head of Paid Service with written conditions of employment and job description • Scheme of delegation included in Constitution • Regular Performance Appraisal by Members
	Develop protocols to ensure that the leader and chief executive (or equivalents) negotiate their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained.	<ul style="list-style-type: none"> • Regular meetings between Leader, Deputy Leader and Chief Executive • Strategic Plan developed with Councillors and Leadership team
	Make a senior officer (the S151 officer)	<ul style="list-style-type: none"> • The Director of Corporate Finance and Business Improvement is

	responsible to the authority for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control.	<p>the Section 151 Officer</p> <ul style="list-style-type: none"> • Member of Corporate Leadership Team • Responsibilities set out in Constitution/Financial Procedure Rules • Budget Strategy and other Finance reports presented by the Director • Job Description and conditions of employment in place
	Make a senior officer (usually the monitoring officer) responsible to the authority for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with	<ul style="list-style-type: none"> • The Head of Legal Services is the Monitoring Officer • Job description and conditions of employment in place • Responsibilities set out in Constitution • Member of Corporate Leadership Team
Ensuring relationships between the authority, its partners and the public are clear so that each knows what to expect of the other.	Develop protocols to ensure effective communication between members and officers in their respective roles	<ul style="list-style-type: none"> • Protocol in place for Member/Officer relationship, revised as part of the new constitution in 2015.
	Set out the terms and conditions for remuneration of members and officers and an effective structure for managing the process, including an effective remuneration panel (if applicable)	<ul style="list-style-type: none"> • Independent Remuneration Panel in place for Members • Procedures in place for agreeing pay and conditions for staff
	<ul style="list-style-type: none"> • Ensure that effective mechanisms exist to monitor service delivery 	<ul style="list-style-type: none"> • Reports quarterly on business units performance to wider leadership team • Key Performance Indicator's performance reported to Wider Leadership Team and Policy and Resources
	<ul style="list-style-type: none"> • Ensure that the organisation's vision, Strategic Plans, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated 	<ul style="list-style-type: none"> • Communication and Engagement Plan in place • Strategic Plans and Budget Strategy developed with public consultation • Performance reported to public through Annual Report
	<ul style="list-style-type: none"> • When working in partnership ensure that members are clear about their 	<ul style="list-style-type: none"> • Partnerships agreed by Members • Partnerships include clear statements of principles and objectives

	roles and responsibilities both individually and collectively in relation to the partnership and to the authority	<ul style="list-style-type: none"> Partnership information on website
	<ul style="list-style-type: none"> When working in partnership: <ul style="list-style-type: none"> Ensure that there is clarity about the legal status of the partnership Ensure that representatives or organisations both understand and make clear to all other partners the extent of their authority to bind their organisation to partner decisions 	<ul style="list-style-type: none"> Financial requirements of Partnerships set out in Financial Regulations in Constitution Shared services partnerships are subject to a legal agreement

PRINCIPLE 3. PROMOTING VALUES FOR THE AUTHORITY AND DEMONSTRATING THE VALUES OF GOOD GOVERNANCE THROUGH UPHOLDING HIGH STANDARDS OF CONDUCT AND BEHAVIOUR

Supporting Principles	The Code should reflect the requirement for local authorities to:	MBC Arrangements and evidence
Ensuring authority members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance	Ensure that the authority's leadership sets a tone for the organisation by creating a climate of openness, support and respect	<ul style="list-style-type: none"> • Effective Audit, Governance and Standards Committee • Annual Governance Statement approved by Policy and Resources and signed by the Leader and Chief Executive
	Ensure that standards of conduct and personal behaviour expected of members and staff, of work between members and staff and between the authority, its partners and the community are defined and communicated through codes of conduct and protocols	<ul style="list-style-type: none"> • Member/officer protocols • Code of Conduct for Members • Performance appraisal processes in place • Staff Code of Conduct • Whistleblowing and Anti-Fraud and Corruption Policies in place • Audit Committee review governance policies • Member/Officer protocol agreed • Complaints procedures in place
	Put in place arrangements to ensure that members and employees of the authority are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice.	<ul style="list-style-type: none"> • Financial regulations • Constitution sets out requirements • Codes of Conduct in place • Financial Regulations in place and reviewed
Ensuring that organisational values are put into practice and are effective.	Develop and maintain shared values including leadership values for both the organisation and staff reflecting public expectations and communicate these with members, staff, the community and partners	<ul style="list-style-type: none"> • Codes of Conduct in place • Core values STRIVE (Service, Teamwork, Responsibility, Integrity, Value and Equality) agreed and embedded • STRIVE forms the basis for the competency framework for officers
	Put in place arrangements to ensure that systems and processes are designed in conformity with appropriate ethical standards, and monitor their continuing effectiveness in practice	<ul style="list-style-type: none"> • Codes of Conduct in place
	Develop and maintain an effective	<ul style="list-style-type: none"> • Standards role has been taken on by the Audit, Governance

	standards committee	and Standards Committee with training and support <ul style="list-style-type: none"> • Regular reports to Council
	Use the organisation's shared values to act as a guide for decision making and as a basis for developing positive and trusting relationships within the authority	<ul style="list-style-type: none"> • Reports to Policy and Resources Committee and Corporate Leadership Team include a range of implications including impact on Key Priorities • STRIVE forms the basis for the competency framework for officers
	In pursuing the vision of a partnership, agree a set of values against which decision making and actions can be judged. Such values must be demonstrated by partners' behaviour both individually and collectively	<ul style="list-style-type: none"> • Partnership protocol agreed

PRINCIPLE 4. TAKING INFORMED AND TRANSPARENT DECISIONS WHICH ARE SUBJECT TO EFFECTIVE SCRUTINY AND MANAGING RISK

Supporting principles	The Code should reflect the requirement for local authorities to:	MBC Arrangements and Evidence
Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny.	Develop and maintain an effective scrutiny function which encourages constructive challenge and enhances the authority's performance overall and that of any organisation for which it is responsible	<ul style="list-style-type: none"> The statutory requirement for Crime and Disorder Overview and Scrutiny is fulfilled by the Communities, Housing and Environment Service Committee.
	Develop and maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based	<ul style="list-style-type: none"> Decision-making protocols record of decisions and supporting materials Constitution sets out delegation for decision making Agreed report format to ensure all relevant details included Agreed policy for recording decisions, including time for decision referral Procedure for urgent decisions including reporting to Council in place
	Put in place arrangements to safeguard members and employees against conflicts of interest and put in place appropriate processes to ensure that they continue to operate in practice	<ul style="list-style-type: none"> Codes of Conduct in place Whistleblowing policy in place Declarations of Interest in place Related Party Transactions Declarations in place
	Develop and maintain an effective audit committee (or equivalent) which is independent of the service committees and scrutiny functions or make other appropriate arrangements for the discharge of the functions of such a committee	<ul style="list-style-type: none"> Audit, Governance and Standards Committee in place with terms of reference and composition in line with CIPFA recommendations Regular training provided, Skills and competencies matrix prepared Annual review of effectiveness of Audit, Governance and Standards Committee Annual Audit Committee report to full Council Mid Kent Internal Audit partnership in place, which regularly reports to the Committee and provides support to the Committee – including training

	Ensure that effective, transparent and accessible arrangements are in place for dealing with complaints	<ul style="list-style-type: none"> Complaints procedures and reporting arrangements in place. Procedure set out in website
Having good-quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs.	Ensure that those making decisions whether for the authority or the partnership are provided with information that is fit for the purpose – relevant, timely and gives clear explanations of technical issues and their implications	<ul style="list-style-type: none"> Members induction scheme implemented annually Members professional development programme agreed annually Periodic Member Briefing Sessions on current issues Member's professional development policy in place
	Ensure that professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making and used appropriately	<ul style="list-style-type: none"> Report format includes need to consider legal and financial implications The process of report approval requires agreement of finance and legal professionals where relevant
Ensuring that an effective risk management system is in place. 67	Ensure that risk management is embedded into the culture of the authority, with Members and Managers at all levels recognising that risk management is part of their jobs	<ul style="list-style-type: none"> Strategic Risk Strategy and Register regularly reviewed and reported to Policy and Resources and Audit, Governance and Standards Committee. Risk Management is included in standard report format Training provided to Members and managers
	Ensure that arrangements are in place for whistle-blowing to which staff and all those contracting with the Authority have access	<ul style="list-style-type: none"> Whistleblowing charter in place. Charter is promoted to staff and contractors.
Using their legal powers to the full benefit of the citizens and communities in their area.	Actively recognise the limits of lawful activity placed on them by, for example, the ultra vires doctrine but also strive to utilise powers to the full benefit of their communities	<ul style="list-style-type: none"> Constitution includes legal powers Report format covers legal implications New legislation is monitored by Monitoring Officer and Corporate Leadership Team
	Recognise the limits of lawful action and observe both the specific requirements of legislation and the general responsibilities placed on local authorities by public law	<ul style="list-style-type: none"> Monitoring Officer in post and member of Corporate Leadership Team Legal implications part of standard report format

	<p>Observe all specific legislative requirements placed upon them, as well as the requirements of general law, and in particular to integrate the key principles of good administrative law – rationality, legality and natural justice – into their procedures and decision-making processes</p>	<ul style="list-style-type: none"> • Monitoring Officer in post and member of Corporate Leadership Team • Legal implications part of standard report format
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PRINCIPLE 5: DEVELOPING THE CAPACITY AND CAPABILITY OF MEMBERS AND OFFICERS TO BE EFFECTIVE

Supporting Principles	The Code should reflect the requirement for local authorities to:	MBC Arrangements and evidence
<p>Making sure that members and officers have the skills, knowledge, experience and resources they need to perform well in their roles.</p>	Provide induction programmes tailored to individual needs and opportunities for members and officer to update their knowledge on a regular basis	<ul style="list-style-type: none"> • Induction programme for new Members • Annual Professional Development Plan for Members • Briefing Sessions for Members • Learning and Development Programme in place for Officers
	Ensure that the statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the authority	<ul style="list-style-type: none"> • Job description/personal specifications membership of Corporate Senior Leadership team • Annual performance appraisal
<p>Developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group.</p>	Assess the skills required by Members and officers and make a commitment to develop those skills to enable roles to be carried out effectively	<ul style="list-style-type: none"> • Training Plans for Members and Officers • Investors in People accreditation (assessed as Silver in 2013) • Annual Central training budget • Training Plans in place • Officer review through Personal Appraisals Process. • Extensive officer Training Plan cascading from PAP process
	Develop skills on a continuing basis to improve performance, including the ability to scrutinise and challenge and to recognise when outside expert advice is needed	<ul style="list-style-type: none"> • Training and development plan reflect requirements of a modern councillor including: • Training Plans in place • Member development policy in place. • Regular training for Councillors
	Ensure that effective arrangements are in place for reviewing the performance of the executive as a whole and of individual members and agreeing an action plan which might, for example, aim to address any training or development needs.	<ul style="list-style-type: none"> • Performance management system • Delivery of Key Performance Indicators regularly reported • Member development policy in place

Encouraging new talent for membership of the authority so that best use can be made of individuals' skills and resources in balancing continuity and renewal.	Ensure that effective arrangements designed to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the Authority	<ul style="list-style-type: none"> • Communication and Engagement plan in place and reviewed annually
	Ensure that career structures are in place for members and officers to encourage participation and development	<ul style="list-style-type: none"> • Succession planning policy in place • Service structure in place • Workforce Strategy

PRINCIPLE 6. ENGAGING WITH LOCAL PEOPLE AND OTHER STAKEHOLDERS TO ENSURE ROBUST PUBLIC ACCOUNTABILITY

Supporting Principles	The Code should reflect the requirement for local authorities to:	MBC Arrangements and Evidence
<ul style="list-style-type: none"> Exercising leadership through a robust scrutiny function which effectively engages local people and all local institutional stakeholders, including partnerships, and develops constructive accountability relationships. 	Make clear to themselves, all staff and the community to whom they are accountable and for what	<ul style="list-style-type: none"> Community strategy in place Annual Report Strong consultation processes.
	Consider those institutional stakeholders to whom the authority is accountable and assess the effectiveness of the relationships and any changes required	<ul style="list-style-type: none"> Communication and Engagement Strategy in place and reviewed. Complaints procedure and reporting arrangements in place
Taking an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery whether directly by the authority, in partnership or by commissioning.	Ensure that clear channels of communication are in place with all sections of the community and other stakeholders, and put in place monitoring arrangements to ensure that they operate effectively	<ul style="list-style-type: none"> Community Strategy in place and reviewed Communication and Engagement Plan in place Consultation on issues such as Budget options
	Hold meetings in public unless there are good reasons for confidentiality	<ul style="list-style-type: none"> Policy of holding meetings in public All public meetings are webcast
	Ensure that arrangements are in place to enable the authority to engage with all sections of the community effectively. These arrangements should recognise that different sections of the community have different priorities and establish explicit processes for dealing with these competing demands	<ul style="list-style-type: none"> Communication and Engagement Strategy in place and reviewed

	Establish a clear policy on the types of issues they will meaningfully consult on or engage with the public and service users about including a feedback mechanism for those consultees to demonstrate what has changed as a result	<ul style="list-style-type: none"> • Communication and Engagement Strategy in place and reviewed
	On an annual basis, publish a performance plan giving information on the authority's vision, strategy, plans and financial statements as well as information about its outcomes, achievements and the satisfaction of service users in the previous period	<ul style="list-style-type: none"> • Annual Performance Plan produced • Annual financial statements agreed by Council • All available on website
	Ensure that the authority as a whole is open and accessible to the community, service users and its staff and ensure that it has made a commitment to openness and transparency in all its dealings, including partnerships, subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so	<ul style="list-style-type: none"> • Local Code of Corporate Governance adopted and reviewed annually • Constitution
Making best use of human resources by taking an active and planned approach to meet responsibility to staff.	Develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision making	<ul style="list-style-type: none"> • Constitution • Workforce Strategy agreed • Staff Forum and Unit Manager's Group in place • Employment Panel in place

Policy and Resources Committee

26 July 2016

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

Yes

Strategic Plan Performance Update Quarter 1 2016/17

Final Decision-Maker	Policy and Resources Committee
Lead Head of Service	Angela Woodhouse, Head of Policy & Communications
Lead Officer and Report Author	Anna Collier, Policy & Information Manager and Alex Munden, Performance Officer
Classification	Public
Wards affected	All

This report makes the following recommendations to this Committee:

1. Note the summary of performance for Quarter 1 of 2016/17 for Key Performance Indicators (KPIs) and corporate strategies and plans.
2. Note where complete data is not currently available.
3. Note the performance of Key Performance Indicators from Quarter 4 of 2015/16 for which indicators were not available at Policy & Resources Committee on 27 April 2016.

This report relates to the following corporate priorities:

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

Key Performance Indicators monitor the delivery of the Council's Corporate Priorities as set out in the Strategic Plan 2015-20. The Performance Plan provides progress against the Council's key strategies which deliver the Council's corporate priorities.

Timetable

Meeting	Date
Wider/Corporate Leadership Team	19 July 2016
Policy & Resources Committee	27 July 2016

Strategic Plan Performance Update Quarter 1 2016/17

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 Policy and Resources Committee is asked to review the progress of key strategies, plans, and performance indicators that support the delivery of the Strategic Plan 2015-2020.
 - 1.2 As agreed by Policy & Resources Committee on 27 April 2016 data has been provided where it was not available for the End of Year Performance Plan.
-

2. INTRODUCTION AND BACKGROUND

- 2.1 Having a comprehensive set of actions and performance indicators ensures that the Council delivers against the priorities and actions set in the Strategic Plan.
 - 2.2 The Strategic Plan now has 33 Key Performance Indicators that were agreed by Committee in April 2016. This is in addition to the existing 14 plan and strategy updates.
 - 2.3 Performance indicators are judged in two ways; firstly on whether performance has improved, sustained or declined, compared to the same period in the previous year. This is known as direction. Where there is no previous data, no assessment of direction can be made.
 - 2.4 The second way is to look at whether an indicator has achieved the target set and is known as PI status. If an indicator has achieved or exceeded the annual target they are rated green. If the target has been missed but is within 10% of the target it will be rated amber and if the target has been missed by more than 10% it will be rated red.
 - 2.5 Some indicators will show an asterisk (*) after the figure, these are provisional values that are awaiting confirmation. Data for some of the indicators were not available at the time of reporting in these cases a date has been provided of when the information is expected.
 - 2.6 Contextual indicators are not targeted but are given a direction. Indicators that are not due for reporting or where there is delay in data collection are not rated against targets or given a direction.
-

3. QUARTER 1 PERFORMANCE SUMMARY

- 3.1 There are 33 key performance indicators (KPIs) which were developed with Heads of Service and unit managers, and agreed by Policy & Resources Committee for 2016/17.

- 3.2 Overall, 57% (8) KPIs reported this quarter achieved their annual target for quarter 1, and for 36% of indicators, performance improved compared to the same quarter last year.

4. RAG Rating	Green	Amber	Red	N/A	Total
KPIs	8	1	6	6	21
Strategic Actions	10	4	0		14
Direction	Up	Across	Down	N/A	Total
KPIs	4		7	10	21

Data not available

- 4.1
- Percentage of household waste sent for reuse, recycling, or composting
 - Percentage of relevant land and highways that is assessed as having deposits of litter that fall below an acceptable level
 - Percentage of relevant land and highways that is assessed as having deposits of detritus that fall below an acceptable level
 - Income derived from environment and public realm projects.
 - Percentage of Parishes satisfied with the level of engagement
- 4.2 Kent County Council provides recycling and composting data. Currently, only the data for April has been provided. Complete data for Quarter 1 will be provided as an update to Policy & Resources for the Quarter 2 performance plan update in October.
- 4.3 The acceptable levels of litter and detritus indicators require data that is collected on a four monthly period. This indicator will be included for the remaining three quarters of 2016/17, and will be reported two months in arrears due to the nature of data collection.
- 4.4 Problems with the accounts for environment and public realm projects mean that an accurate figure for income cannot be produced. Separate cost codes are being created to make this easier to report on in the future. The Head of Environment and Public Realm is currently working with the accountant so that this data can be provided from quarter 2 onwards.
- 4.5 Draft results for Parish satisfaction with engagement will be available for the Performance Plan Quarter 2 update to Policy & Resources Committee. The survey to Parish Councillors will close on the 30 September 2016, with all consultation results being ready by 7 October 2016.

5. Performance by Priority

Priority 1: Keeping Maidstone Borough an attractive place for all

- 5.1 Recycling data for April shows an increase against the same month in 2015/16, but a lack of data means a quarterly comparison is not possible.

Mixed recycling was at a higher level for April, although levels of composting were lower for the same month. The recycling and composting rate for April is 48.7%.

- 5.2 There has been a better than expected reduction in fly-tipping within the quarter with 199 incidences. This is a third less than was expected for the quarter. The drop in number of fly-tips compared to the target is likely to be due to seasonal shifts. This will become clearer after quarter 3.
- 5.3 No safeguarding practitioners were trained in Quarter 1. The Safeguarding Policy will be presented to Communities, Housing & Environment Committee in September. Delivery of training for practitioners will increase if the policy is implemented.
- 5.4 Crime has increased by 16.0% in the first quarter compared to the same quarter for 2015/16. Violent crime in the Borough has increased by almost 25%. It is normal for a quarter of violent crime to be domestic abuse. An increase in domestic abuse is positive as it means more victims are coming forward. This also shows confidence in the police and other agencies in supporting and protecting domestic abuse victims.
- 5.5 The number of Disabled Facilities Grants (DFGs) completed in quarter 1 is below target, with nine less than estimated for completion however this is the highest number of DFGs that have been completed in the first quarter since 2013. Performance this quarter is due to a high number of cases being finished by builders in quarter 4 to achieve their level of spend against budget before the end of the financial year.
- 5.6 User satisfaction at the Leisure Centre has shown a decrease in comparison to the same period in 2015/16. The main negative aspects from survey responses relate to a period when the boiler failed at the Leisure Centre, and the pool temperature dropped. Comments also mention poor service in the café area, particular the slow service during peak times, and tables not being clear. The Leisure Centre management team are confident that they can address these issues and improve satisfaction. The situation will be closely monitored by the Maidstone Culture and Leisure Monitoring Officer.
- 5.7 The number of people completing a course at the leisure centre this quarter is 33.

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

- 5.8 Footfall at the Museum and Visitor Information Centre has not achieved the quarterly target. It is possible that this was caused by a very early Easter with a number of schools having holidays in March. Footfall was 16,764 in quarter 1 compared to 19,039 for the same period in 2015/16. In June, Dino Day was particularly popular and attracted nearly 2000 visits in a single day. However, this was not enough to make up for the shortfall observed in April and May.
- 5.9 In quarter 1, 2,496 children took part in educational activities supported by the Museum. As well as events that are held at the museum, the Learning

Team also carry out sessions and schools using objects from the museum's collection. These sessions cover a number of topics including history, art, and natural science. This indicator will includes children who are directly involved in activities relating to the objects that are loaned to the school.

5.10 Footfall on the High Street for Quarter 1 is around 300,000 above the quarterly target, but numbers are lower than observed in quarter 1 2015/16. Despite this, weekly data is showing an upward trend, similar to that which occurred last year. It is expected that the annual target will be met.

5.11 The net contribution from commercial activities was £63,500 for the quarter. The target was £139,900 for this quarter, a performance comment was not provided to explain the shortfall in income. The methodology for this indicator may need to be reviewed going forward, so it is clear what income is included.

Priority 2: Securing a successful economy for Maidstone Borough

5.12 The number of school journeys undertaken without a car is a new KPI. The data demonstrates a large number of pupils using sustainable ways of travelling to school. This number is lower than was recorded in quarter 1 of 2015/16, however due to the way that the data is collected it is likely some is provided late causing the number to increase over time.

5.13 The percentage of people claiming an out of work benefit has risen by 0.1% since the same period last year, an increase of 20 people. Please note the figures for June have not yet been released. This indicator previously referred to those claiming Job Seekers Allowance, but is now referred to as 'out of work benefit' as it includes Universal Credit claimants.

5.14 The data for the percentage of 16 to 18 year olds not in employment, education, or training (NEETs) is for April and May only as June data has not been released. Maidstone has a NEET proportion of 5.43%, and is currently ranked fifth out of the 12 Kent authorities. Sevenoaks has the lowest figure with 4.07%, while Swale has the highest with 7.49%.

5.15 The number of business and start-ups that have received information, advice, and guidance from the Business Terrace is above target by 10. 210 unique businesses have received support from different resources provided by the Business Terrace. These include information from the website, advice from seminars and workshops, and guidance from onsite advisers and specialists.

5.16 The number of affordable homes delivered has exceeded its target of 45. 73 affordable homes were delivered in the first quarter, 19 more than the same quarter for 2015/16. There are more than 300 affordable units forecast for completion this year, many sites have progressed quicker than anticipated. It is expected the annual target for this indicator will be met if these developments are on schedule.

5.17 The number of households that were housed through the housing register has also exceeded its target. This was helped by a significant amount of

affordable new builds being completed. It is expected that the annual target will be achieved due to the number of affordable homes that are forecast throughout the year. This provides a supply of affordable housing to those on the housing register.

- 5.18 Development Management processed 100% of major applications within the agreed timescale for Quarter 1. 19 applications were determined in the quarter, with each of these being within 13 weeks, or within the agreed timescale with the developer. Extensions of time are negotiated on a significant proportion of major applications due to the complexities, and negotiations on Section 106 agreements. A protocol is being put in place to commit Legal Services and Development Management to producing decisions within a set timeframe. This should speed up processing of major applications and reduce the length of extensions.

2015/16 End of year data

6. This is data that was not available at the time of publishing the 2015/16 End of Year performance plan.
- 6.1 Percentage of household waste sent for reuse, recycling or composting saw a recycling rate of 43.51% for Quarter 4 of 2015/16. The tonnage collected is higher than Quarter 4 in 13/14 and 14/15. As household waste tonnage also increase for this period, the percentage of recycling was lower, even though more material was recycled.
- 6.2 The percentage of vacant retail units in the town centre was 10.6% for 2015/16. This is the highest percentage of vacant units since 2010/11. This is higher than the South East vacancy rate (7.4%) and the National vacancy rate of (9.6%).
- 6.3 Net additional homes provided: This information could not be provided until the annual survey and data analysis took place. Analysis the data showed that 521 homes were delivered against a target of 500. This is around 20% more homes than were delivered in 2013/14 and 2014/15.

CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

7. Briefings will be held with Chairs and Vice Chairs on performance information relevant to their service committee

8. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 8.1 It is recommended that progress made against strategies and performance indicators. Where recommendations are made to improve or sustain performance these should also be noted.
- 8.2 The Council could choose not to monitor the Strategic Plan and/or make alternative performance management arrangements, such as the frequency of reporting. This is not recommended as it could lead to action not being

taken against performance during the year, and the Council failing to deliver its priorities.

9. CROSS-CUTTING ISSUES AND IMPLICATIONS

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

Equality Impact Needs Assessment	None identified.	Policy & Information Officer
Environmental/Sustainable Development	None identified.	Policy and Information Manager
Community Safety	None identified.	Policy and Information Manager
Human Rights Act	None identified.	Policy and Information Manager
Procurement	None identified.	Policy and Information Manager
Asset Management	None identified.	Policy and Information Manager

10. REPORT APPENDICES

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

- Appendix I: Strategic Plan Performance Update Q1 2016/17

11. BACKGROUND PAPERS

None

2016/17

Quarter 1 Performance Update



For further information about
Performance Management at Maidstone
Council, please contact Alex Munden,
Performance Officer.

OUR VISION

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

OUR MISSION

Putting People First.

OUR 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

Enhancing the appeal of the town centre for everyone

Securing improvements to the transport infrastructure of our Borough

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

Planning for sufficient homes to meet our Borough's needs

OUR VALUES

Service



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

Teamwork



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

Responsibility



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

Integrity



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

Value



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

Equality



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






Understanding Performance





Key to performance ratings

Performance indicators are judged in two ways; firstly on whether performance has improved, been sustained or declined, compared to the same period in the previous year. For example, 2016/17 annual performance will be compared against 2015/16 annual performance. This is known as direction. Where there is no previous data, no assessment of direction can be made.

The second way in which performance is assessed looks at whether an indicator has achieved the target set and is known as PI status. Some indicators may show an asterisk (*) after the figure, these are provisional figures that are awaiting confirmation.

Data Only indicators are not targeted but are given a direction. Indicators that are not due to be reported or where there is a delay in data collection are not rated against targets or given a direction.

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

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

Strategic Actions have also been rated using the RAG Status (Red, Amber or Green). The ratings are there to provide an assessment of how well the strategy or plan is progressing.

Performance Summary

This is the annual update on Maidstone Borough Council's Strategic Plan 2015-20. It sets out how we are performing against the Key Performance Indicators and Strategic actions that directly contribute to the achievement of our priorities: Keeping Maidstone an attractive place for all and securing a successful economy for Maidstone Borough.

Outlined below is a summary of the ratings and direction that have been given for the annual results.

RAG Rating	Green	Amber	Red	N/A	Total
KPIs	8	1	6	6	21
Strategic Actions	10	4	0		14
Direction	Up	Across	Down	N/A	Total
KPIs	4	0	7	10	21

Priority 1: Keeping Maidstone an attractive place for all

Providing a Clean and Safe Environment

Over the past 5 years, Maidstone Borough Council has demonstrated its commitment to deliver cost effective and sustainable waste and recycling services, as a result our recycling rate has improved significantly. Maidstone does not experience high levels of crime.

Waste & Recycling Strategy

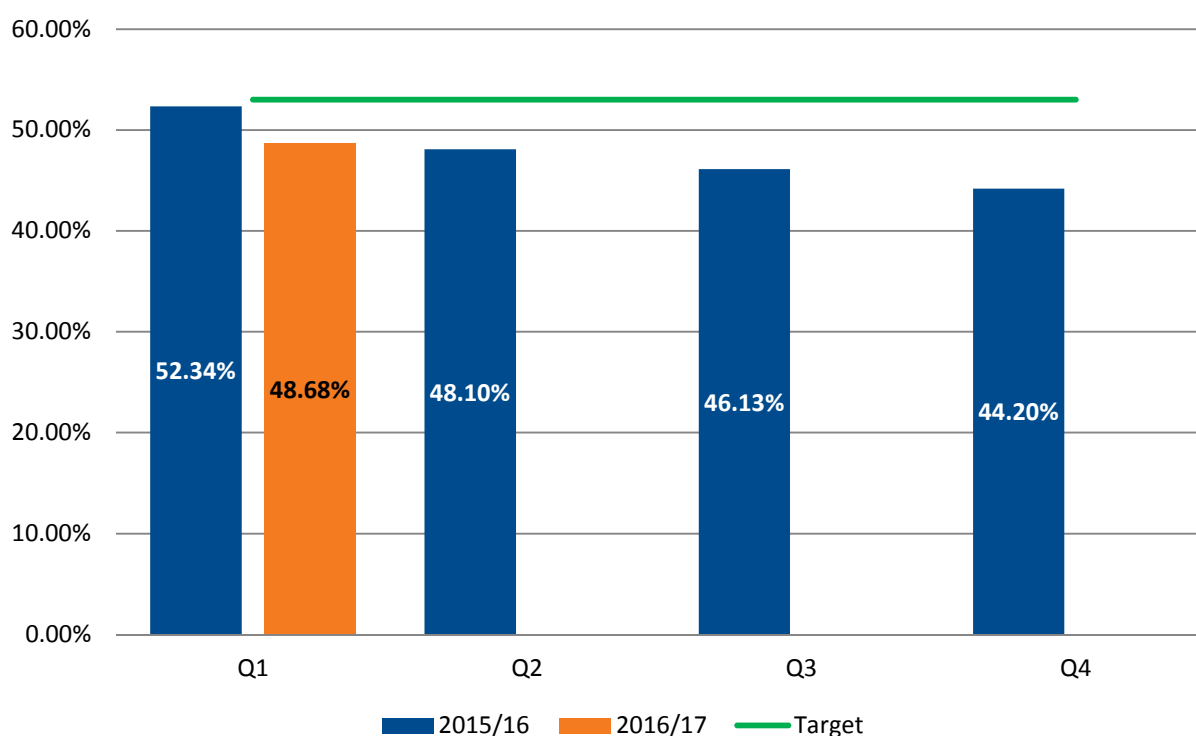
The Communities, Housing and Environment Committee has agreed the revised Waste Strategy 2014-19 and the action plan is now being implemented. This includes a relaunch of the Big Maidstone Food Waste Challenge, new initiatives to increase food waste recycling such as selling food waste liners at cost price and a borough-wide leaflet. The target for recycling has been revised down to 55% by 2020 to reflect the declining national trend. This is predominantly due to light weighting of packaging and increased waste arising due to the strengthening economy.

The use of enforcement powers is also being explored with managing agents and landlords to ensure that action is taken to address waste accumulations and failure to recycle. The recycling rate at the end of March 2016 fell to less than 50% due to increasing levels of contamination. The revised Waste Strategy now incorporates a target to drive down contamination and work has started to ensure residents are aware of what should not be put in their recycling bins, including "no plastic bags" stickers, warning tags for contaminated bins and additional crew training to ensure they follow the correct procedures. Initial signs are showing that contamination levels are reducing, increasing the diversion of good quality recycling.

Percentage of household waste sent for reuse, recycling or composting

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

Current Performance	Q1 Target	Value Vs Target	Direction	Status	Expected Outcome
48.68%*	52.5%	-3.82%	↓	🚨	Target will be slightly missed



Performance Comment: *The figure for quarter 1 includes tonnage for April only as data is provided by Kent County Council and complete data has not yet been received. Recycling rates are higher than the same month in 2014 and 2015, with overall waste reduced. Mixed recycling is higher which has increased recycling rates for April, even though composting levels were down.

Update for 2015/16: Data for quarter 4 is now available. Overall performance in 2015/16 did not meet the annual target. Whilst actual tonnage of recycling and composting collected in quarter 4 was higher than for the same quarter for past two years, as the overall tonnage of household waste has also increased, this meant that the percentage of waste sent for recycling and composting is lower than in previous years.

Total income derived from environment and public realm projects

This indicator reflects the work being undertaken to relieve Council funding pressures. Future targets for this indicator will be budget dependent.

Current Performance	Q1 Target	Value Vs Target	Direction	Status	Expected Outcome
?	£10,000	N/A	?	N/A	N/A

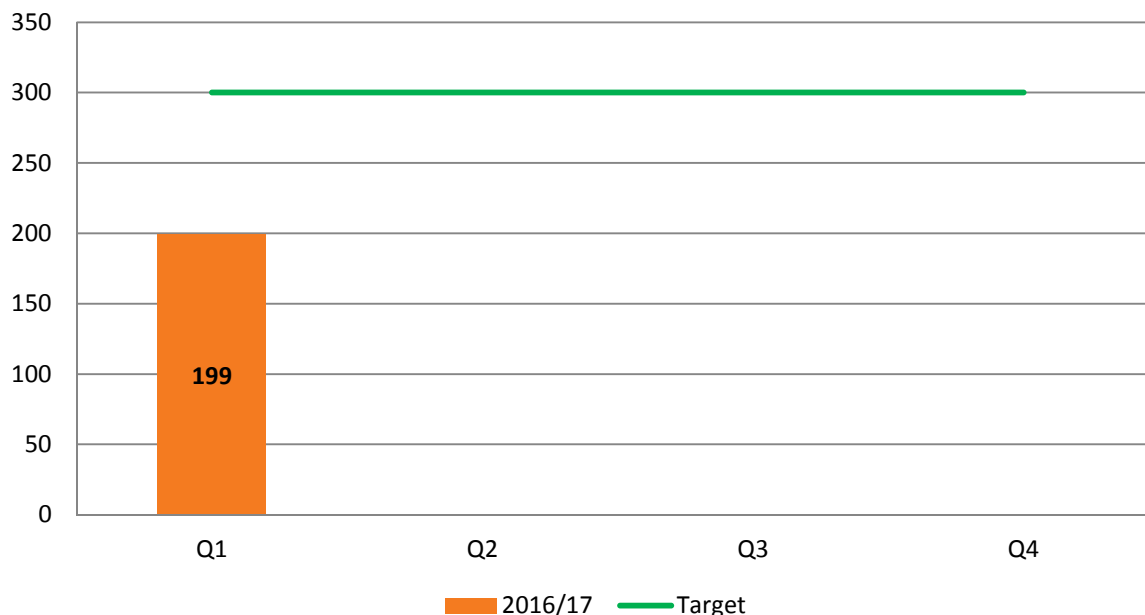
Performance Comment: Figures for Quarter 1 are not currently available.

Actual performance will be reported from Quarter 2 onwards. Current indications suggest that the target for quarter 1 has not been met. Income should improve once the Commercial Officer is in post.

Number of incidences of fly-tipping

This indicator gives a wider view of the issues in waste management beyond street cleansing. It also reflects the work undertaken to reduce the level of fly-tipping in the borough through projects and deterrents. Good performance is indicated by a lower figure.

Current Performance	Q1 Target	Value Vs Target	Direction	Status	Expected Outcome
199	300	-101	?	✓	Target will be achieved



Performance Comment: Performance is well above expected as the number of reported fly-tips in the quarter is more than a third below target. The drop in number of fly-tips compared to the target is likely to be due to seasonal shifts.

Community Safety Strategy

The 2016 Community Safety Action plan has been agreed and is being implemented through the Safer Maidstone Partnership's sub groups. A new sub group called Community Resilience has been established and is set to tackle a number of issues including modern slavery, child sexual exploitation, and 'Prevent' which is an agenda aimed at preventing radicalisation.



A number of action days have been held in relation to the Partnership's road safety priority and a short DVD was created to inform pedestrians of the dangers of traffic.

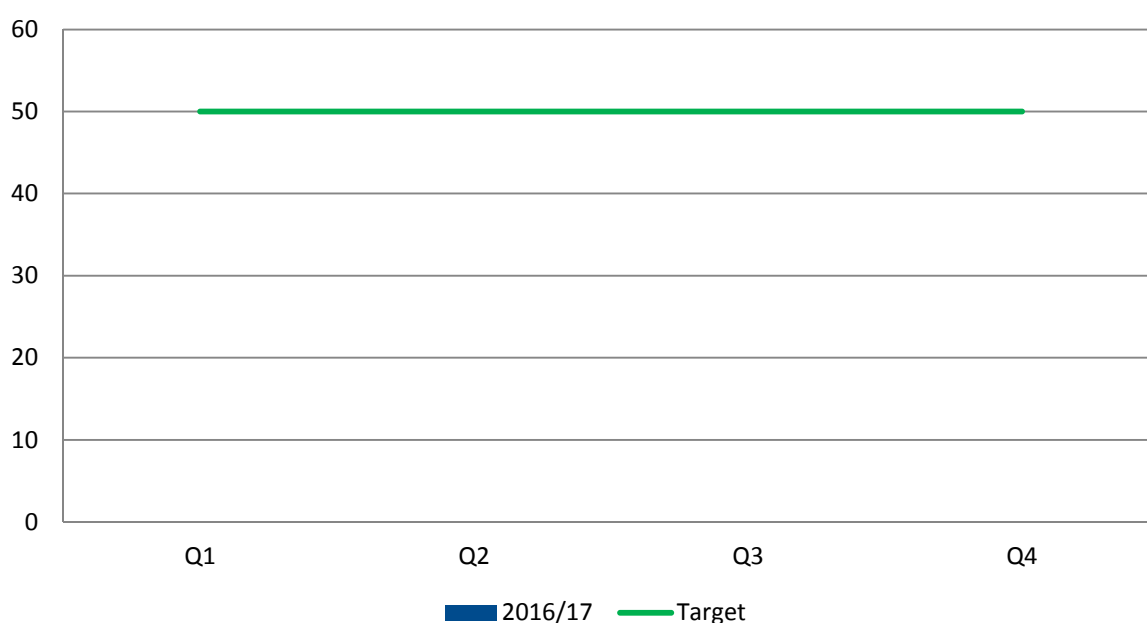
Funding allocated to the Community Safety Partnership (CSP) by the Police Crime Commissioner will help enable the strategic outcomes set out in the CSP Action Plan.

The Maidstone self-neglect forum is now self-sustaining and is being rolled out to other Districts in the county. The Community Safety Unit has also been involved in developing a Waste Management App which enables council employees to highlight areas where syringes linked to drug use are found so they can be removed quickly and then mapped to trace drug use hotspots.

Number of safeguarding practitioners trained

Safeguarding has been identified as a national priority and a compulsory part of what we do as a Council. This indicator measures the number of internal and external staff trained in areas such as child sexual exploitation and anti-extremism. Having more practitioners trained in safeguarding ensures the protection of vulnerable adults and children across Maidstone.

Current Performance	Q1 Target	Value Vs Target	Direction	Status	Outcome
0	50	-50			Target will not be achieved



Performance Comment: No safeguarding practitioners have been trained this quarter. The Safeguarding Policy for Vulnerable Adults and Children will be presented to the September Communities, Housing & Environment Committee and if agreed training will be carried out.

The lack of training to date may have an effect on the ability to attain the annual target by the end of the year. Once the policy has been implemented, training will increase.

Air Quality Strategy

Members' workshop took place on 18 July and following the workshop a further report will be submitted to the Communities, Housing & Environment Committee on 20 September. This will be on the future adoption or otherwise of the Strategy. An indicator will be developed to be measured on a yearly basis if an Air Quality Strategy is adopted.

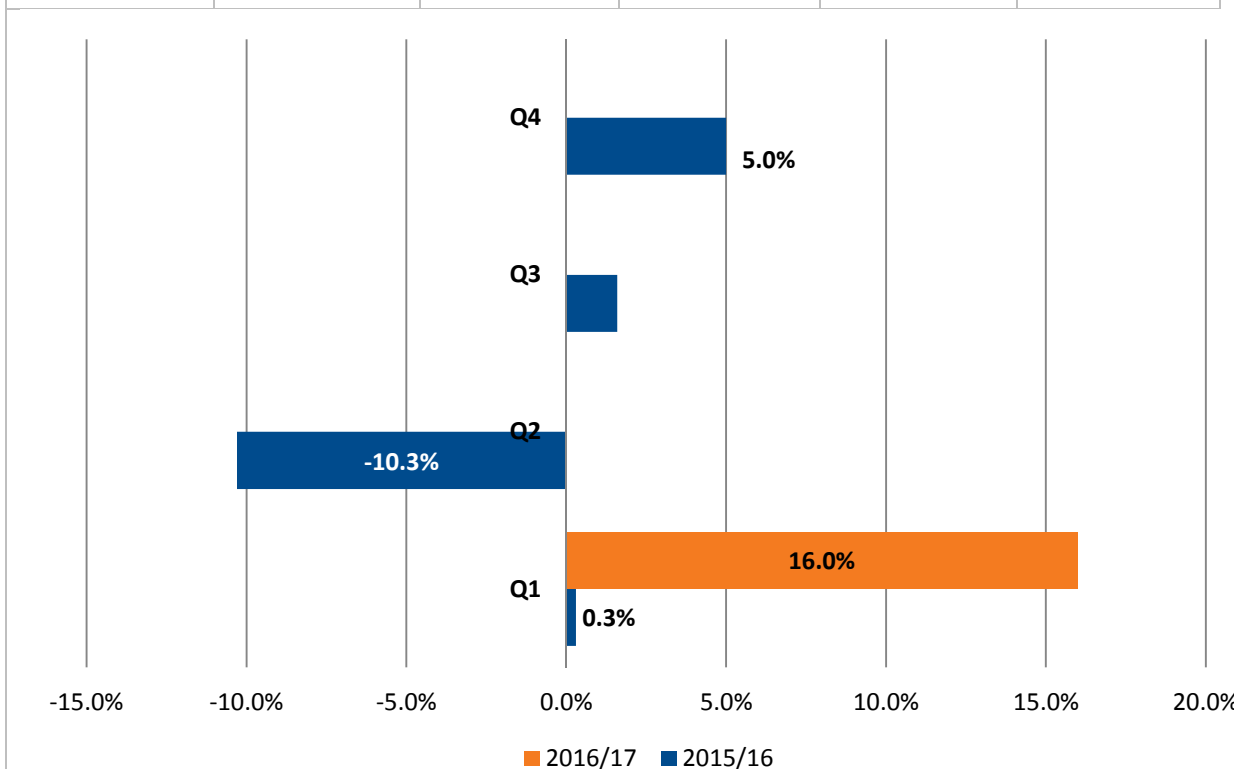
Environmental Quality Survey

A new Environmental Performance Officer is currently being recruited and will carry out full National Indicator (NI) 195 monitoring 3 times per year to monitor the effectiveness of the current cleansing regime and to provide information to make future improvements. This monitoring will include measuring the levels of litter and detritus on land and highways. The officer is expected to be in post by September and will complete the first survey in the Autumn. The survey for 2015/16 showed Maidstone's performance to be better than the national and southern averages.

Percentage Change in All Recorded Crime (Information Only)

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

Current Performance	Q1 Target	Value Vs Target	Direction	Status	Expected Outcome
16.0%					



Performance Comment: There has been a 16% increase in crime this quarter which includes an almost 25% increase in violent crime compared to the same quarter in 2015/16. There has also been an increase in vehicle interference, things such as broken mirrors, possibly linked to the night time economy. Violent offences committed around the night time economy periods had increased but

Percentage Change in All Recorded Crime (Information Only)

numbers have now started to fall. It is normal for around a quarter of violent crime to be domestic abuse and any increase in domestic abuse could be seen in a positive light as it means victims are coming forward. It also shows confidence in the police and other agencies in supporting and protecting victims of domestic abuse. Domestic abuse is a key priority for the Safer Maidstone Partnership and is a key focus area for joint work, particularly around the One Stop Shop and the Multi-agency Risk Assessment Conference (MARAC) process. This enables local organisations to share information about high risk domestic abuse cases.

Encouraging Good Health and Wellbeing

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

Health Inequalities Action Plan Update

The Maidstone Health Inequalities Action Plan is now 2 years old. This provides an opportunity to review progress against actions and move forward in closing the gap in health inequalities.

A draft progress report was submitted to the Maidstone Health and Wellbeing Board on Monday 4th July highlighting key successes in a number of areas detailed below.

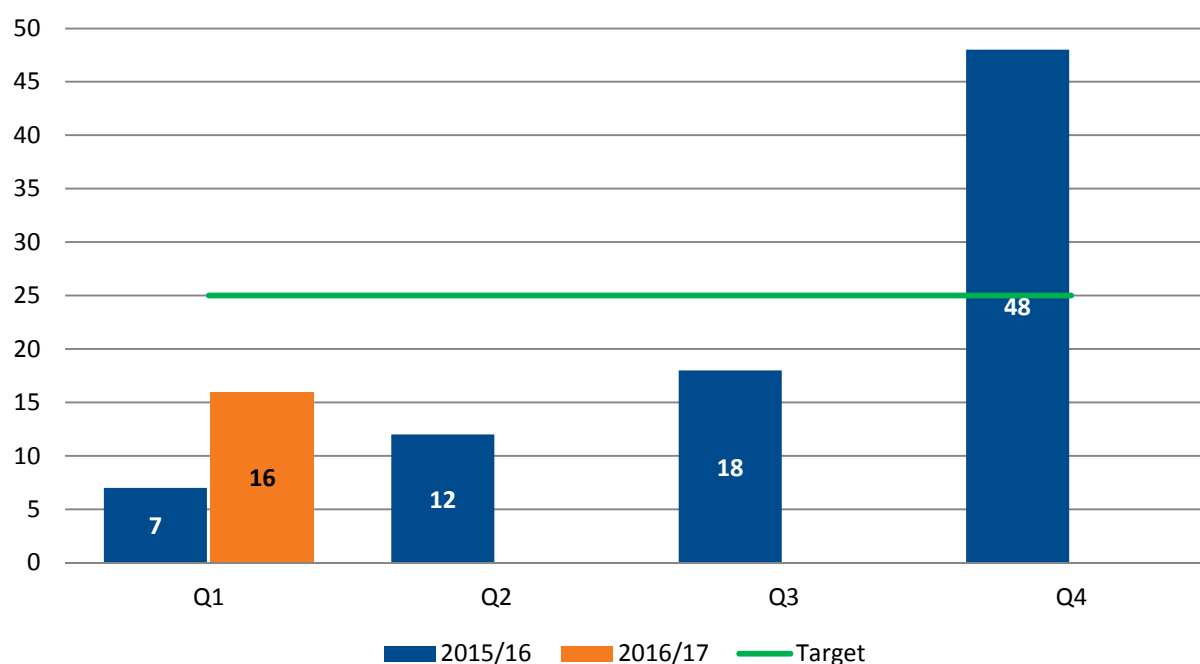
- Breastfeeding contributes significantly to the long-term health of infants and mothers and increases maternal bonding. In Maidstone, the percentage of mothers who breastfeed within 48 hours of giving birth has increased slightly from 74.6% to 75.8%.
- A reduction in hospital admissions for deliberate self-harm has been noted from 215.3 per 100,000 to 205.67 per 100,000 (2014/15).
- The baseline for the number of healthy workplaces signed up to the Kent Healthy Business Awards was 20. Currently 31 workplaces have signed up, with 5 achieving awards in 2015/16.
- The length of stay in temporary accommodation has been reduced to 39.67 days, falling below the 2015 target of 42 days.
- The number of NHS Health Checks carried out within the borough exceeded the target of 1,500, with 2,908 health checks made. This is 93.86% above target.

The report highlights the need to tackle particular areas of concern around incidences of malignant melanoma, statutory homelessness, obese adults, and violent crime. These areas of concern are for Maidstone Borough as a whole. Over the coming months, presentations will be delivered to Wider Leadership Team, Members, and officers with a view to producing a refresh of the Health Inequalities Action Plan in late 2016.

Number of completed Disabled Facilities Grants

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

Current Performance	Q1 Target	Value Vs Target	Direction	Status	Expected Outcome
16	25	-9	↑	●	Target will be slightly missed



Performance Comment:

The first quarter of a new financial year is historically lean on grant completions owing to the higher number of cases at the end of the quarter 4 being targeted for completion by builders to ensure the level of spend against budget is attained.

The same quarter last year saw 7 Disabled Facility Grants completed, less than half the number that were completed this quarter. This is the highest number of Disabled Facilities Grants that have been completed in quarter 1 since 2013. Performance is expected to improve as the year progresses.

Housing Strategy Update



The Council adopted the final version of the Maidstone Housing Strategy 2016-2020 in March 2016. Following adoption the Strategy has now moved into the delivery stage.

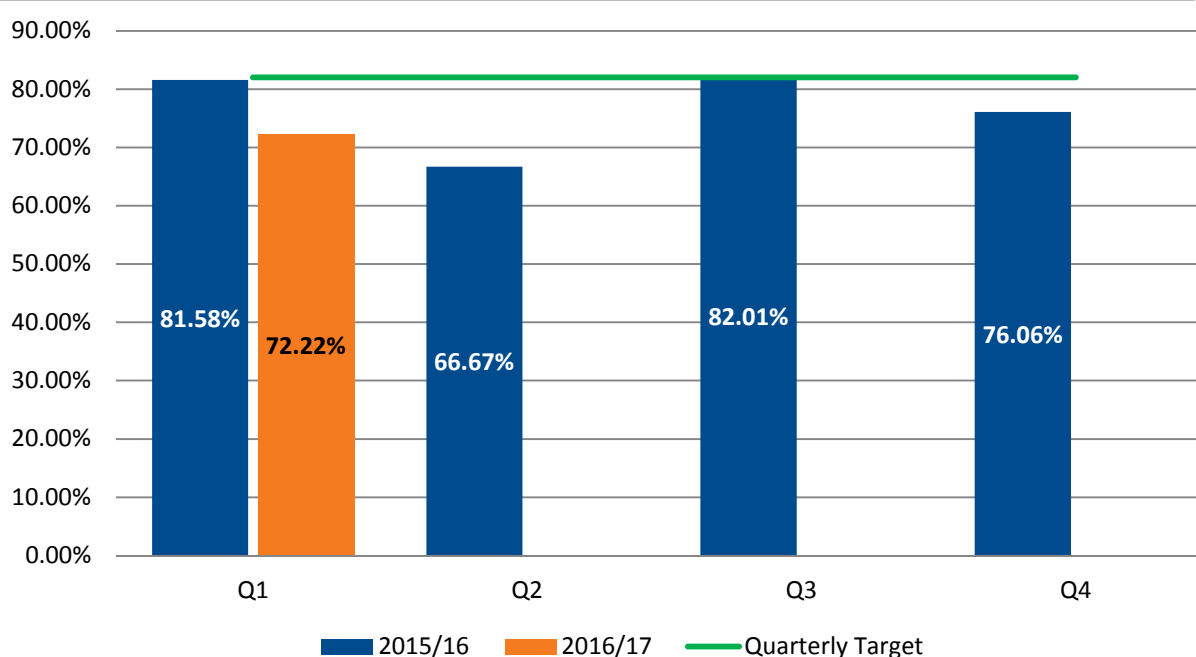
The new Strategy has three key priority themes for the Council to address over the next four years, centred around enabling the delivery of quality homes across the housing market, ensuring existing housing is safe, desirable and promotes good health and well-being and preventing homelessness and securing provision of appropriate accommodation for homeless households.

The Council has made progress during the last quarter against a number of actions stated within the Strategy, in order to help achieve the three key priority themes and stated outcomes. This includes successfully agreeing terms for the purchase of a property for use as temporary accommodation for homeless households, establishing a self/custom build register and continued work on facilitating the redevelopment of Brunswick Street.

User Satisfaction with the Leisure Centre

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

Current Performance	Q1 Target	Value Vs Target	Direction	Status	Expected Outcome
72.22%	82.00%	-9.78%			Target will be slightly missed



Performance Comment: The management at the Leisure Centre have been unable to pinpoint a specific reason for the drop in satisfaction at the centre. Out of all the responses

User Satisfaction with the Leisure Centre

received there were only a handful that had written responses regarding their experience at the centre, which were a mix of both positive and negative. The main negative aspects appeared to point to a period where the pool temperature had dropped due to boiler failure and poor service in the cafe area. Service was slow during peak times and tables were not being cleared.

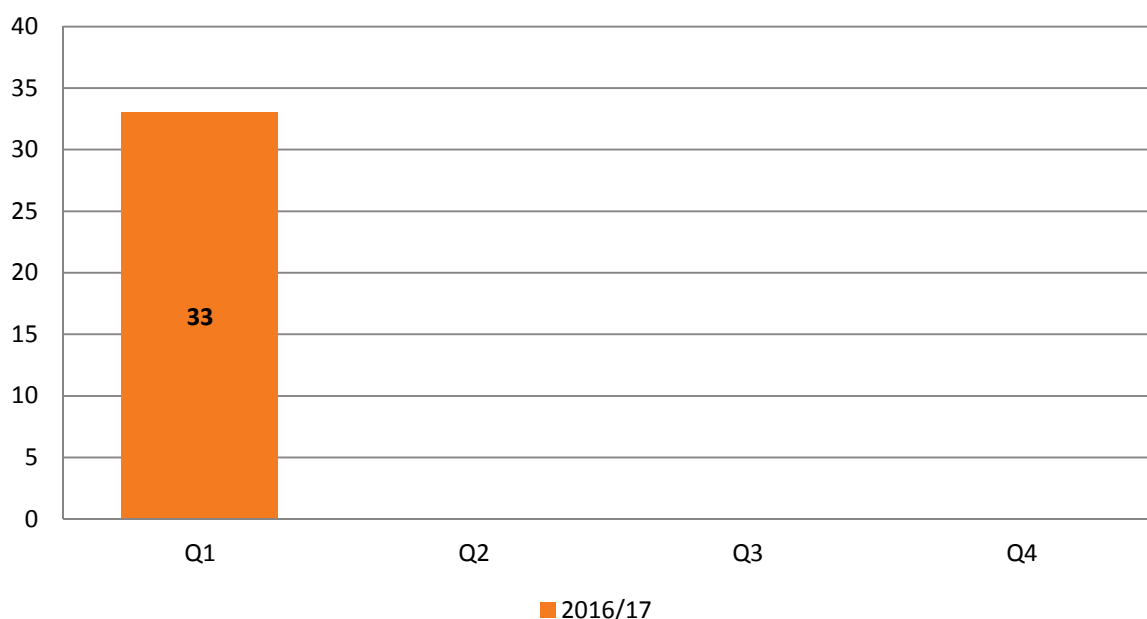
As another point of reference for customers experience, looking at reviews on Trip Advisor the Leisure Centre averaged 3.7 out of 5 from 18 reviews during the quarter. These tend to give a better indicator of what people found right and wrong. Poor satisfaction within trip advisor reviews seemed to point towards issues with the car park (receiving fines) and issues with swimming lessons and communication. In all instances of reviews on Trip Advisor, the management at Maidstone Leisure Centre (MLC) are quick to respond to customers in order to address any issues quickly.

The management at MLC are confident that they are able to improve on these figures going forward and we will be monitoring the situation closely.

Number of people successfully completing a course at the leisure centre following referral by GP

This indicates the key work that is being completed at the Leisure Centre around health. This part of the Leisure Centre's work is not reflected in ratings of satisfaction. This indicator has no target and is for information only.

Current Performance	2016/17 Annual Target	Value Vs Target	Direction	Status	Outcome
33					



Performance Comment: This is an initial figure to form a baseline for following periods. The indicator methodology may need to be reviewed to look at providing this figure as a

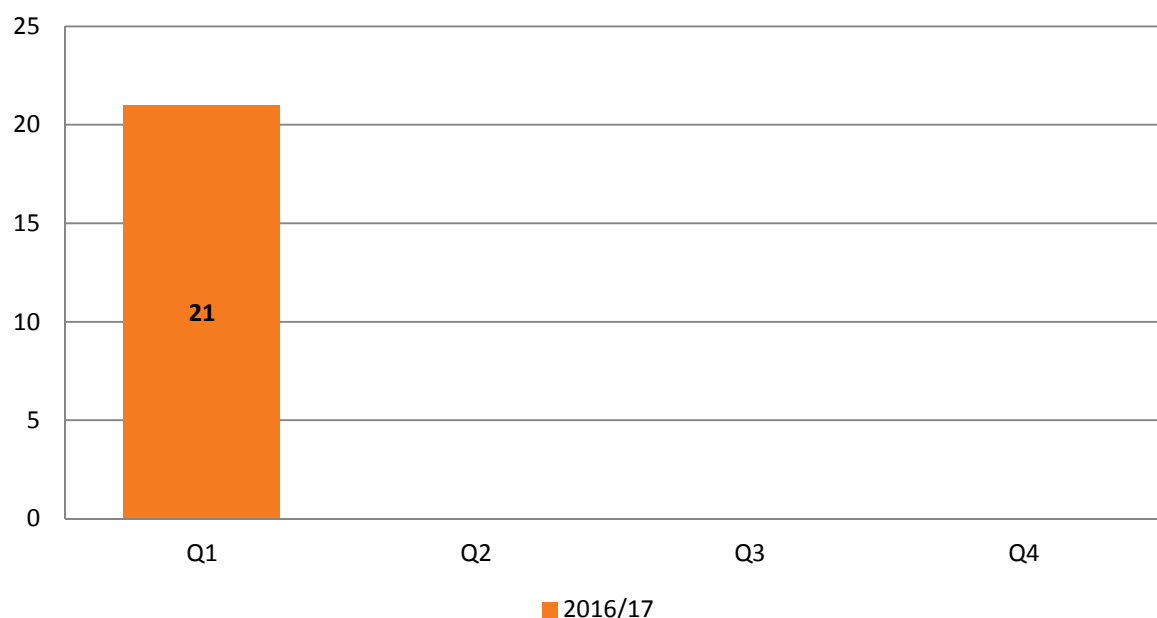
Number of people successfully completing a course at the leisure centre following referral by GP

percentage of those completing courses. This will give an indication of the proportion of people who are completing courses, rather than just the number.

Number of older isolated people prevented from social isolation through museum projects

This is a unique sector leading project, which is currently funded. In the longer term, it will look to continue without funding. It seeks to engage older people in learning in a community group to prevent social isolation.

Current Performance	Q1 Target	Value Vs Target	Direction	Status	Expected Outcome
16					



Performance Comment: These are mainly attendees at café culture events. Cafe Culture is a monthly event for older people to enjoy a drink and share memories over a selection of objects from the museum's collection which encourages them to explore their own lives, memories and experiences. It is a legacy project of a grant aided scheme called Museums on Prescription aimed at tackling social isolation in older residents. We would expect this figure to improve in the next quarter as we have introduced advertising material and made contacts with care providers across the borough and will no longer be relying on referrals from the Museums on Prescription scheme to attend. This is the first measure for this kind of project at the museum.

Respecting the Character of our Borough

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

Communications & Engagement Strategy Update

The Communications and Engagement Strategy and related action plan is being reviewed and will be presented at Policy and Resources Committee in September 2016.

Work is underway identifying key themes, based on customer contact including the resident survey and working with officers. An all member workshop is being held on the 28 July to inform key actions going forward.

NB: Parish charter developed in consultation with parishes and KALC

Priority 1: Keeping Maidstone an attractive place for all &

Priority 2: Securing a successful economy for Maidstone Borough

Ensuring there are good Leisure and Cultural Attractions

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

Festivals & Events Strategy Update

The programme of festivals and events across the borough is growing with new events this year including the Big Day Out in Mote Park in June, and an open air cinema in Whatman Park in September.

A report will be taken to Heritage, Culture and Leisure Committee in November with a review of the Council's own events - The Mela and Proms in the Park with recommendations for the future following consultation with stakeholders and attendees at this year's events. The report will also include a summary of all the events that have taken place at Maidstone Borough Council venues.

Destination Management Plan Update

Good progress is being made against the Action Plan. A Destination Management Plan event is being planned for September 2016 to share progress on the 3 year plan with all stakeholders. Achievements include:


- The creation of Friends of the River group.
- A new tool for venues to link to the Visit Maidstone website to feed on information on accommodation, things to do and what's on.
- A New Historic Interpretation Panel installed, as well as map and information points being replaced through Maidstone.
- Data has been collected from rural areas in order to develop and promote this offer.

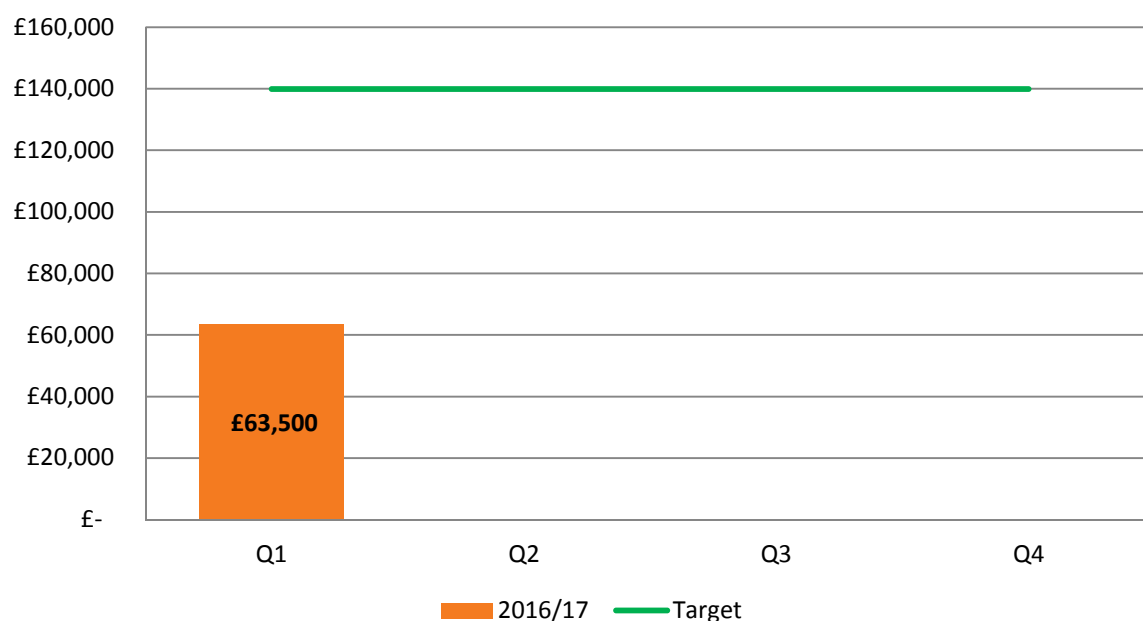
Cultural Strategy Update

Work is continuing on a new Public Realm Design Guide for the Town Centre and a Public Art Policy for the Borough. Consultation is being undertaken on this work with stakeholders in July and August. A bid is being submitted to Heritage Lottery Townscape Initiative Fund for Gabriel's Hill for £2m. This will focus on the built environment, public realm and intangible heritage assets of one of Maidstone's historic former principal streets, now dilapidated and degraded, and will enhance the Council's own public realm for this area. The Council has also been shortlisted for an Urban Panel visit on September 16.

Net contribution generated from commercial activities

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

Current Performance	Q1 Target	Value Vs Target	Direction	Status	Expected Outcome
£63,500	£139,900	-£76,400	?		Target will not be achieved

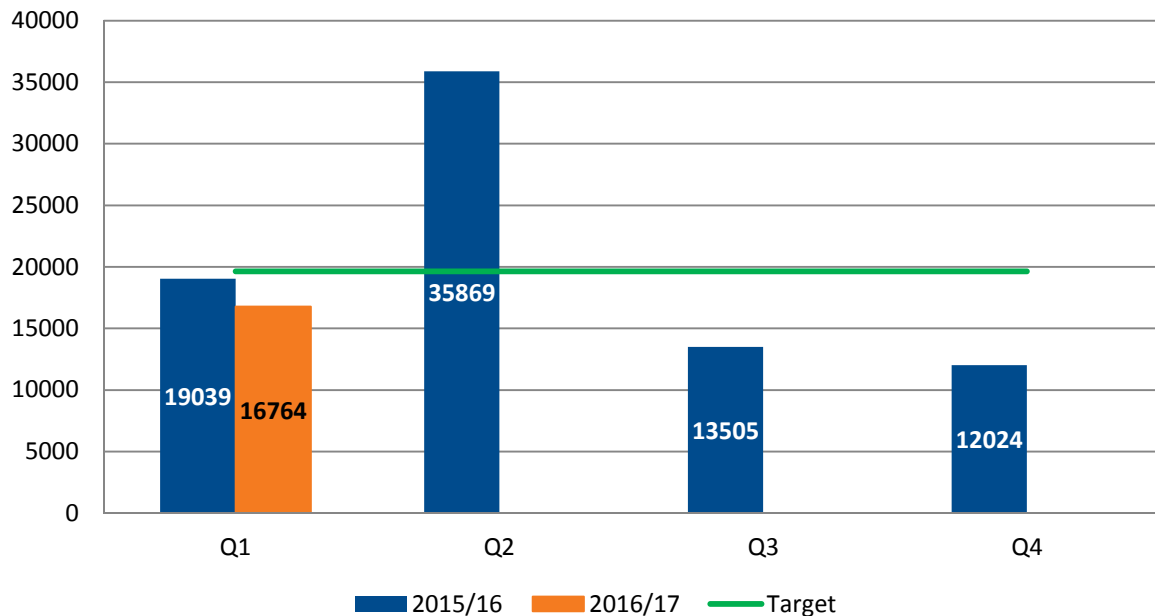


Performance Comment: No Comment Provided

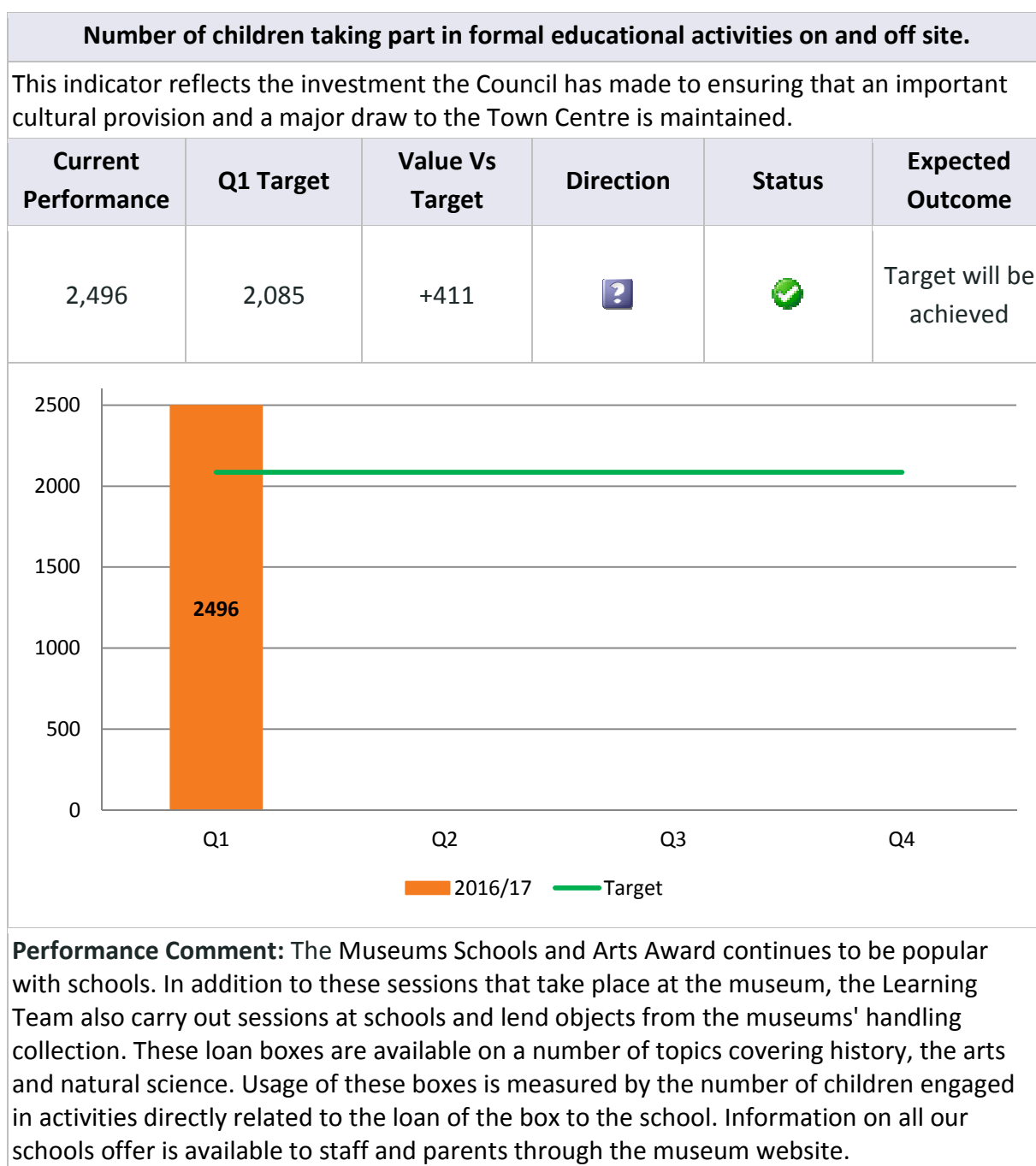
Footfall at the Museum and Visitor Information Centre

This indicator reflects the investment the Council has made to ensure that an important cultural provision and a major draw to the Town Centre is maintained.

Current Performance	Q1 Target	Value Vs Target	Direction	Status	Expected Outcome
16,764	19,625	-2,861	↓	●	Target will be slightly missed



Performance Comment: The 2016/17 target is reflective of the closure on Monday and staff structure changes. Footfall in April and May fell in comparison with both 2014/15 and 2015/16. June had approximately 1,000 more visits than the year before. The quarter as a whole was only 16,764 compared to 19,039 in 2015/16 and 20,320 in 2014/15. It is possible that this was the effect of having a very early Easter, where holidays mostly fell in March. The temporary exhibition at this stage was TIME, a contemporary art exhibition by local artists. The increased figures in June are likely to relate to the museum's annual Dino Day, which attracted nearly 2000 visits in a single day. Dino Day in particular had a positive effect on footfall this quarter and is likely to be a key factor in increasing footfall. Overall, footfall is likely to have been affected due to adverse weather in May and June.



Enhancing the Appeal of the Town Centre

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

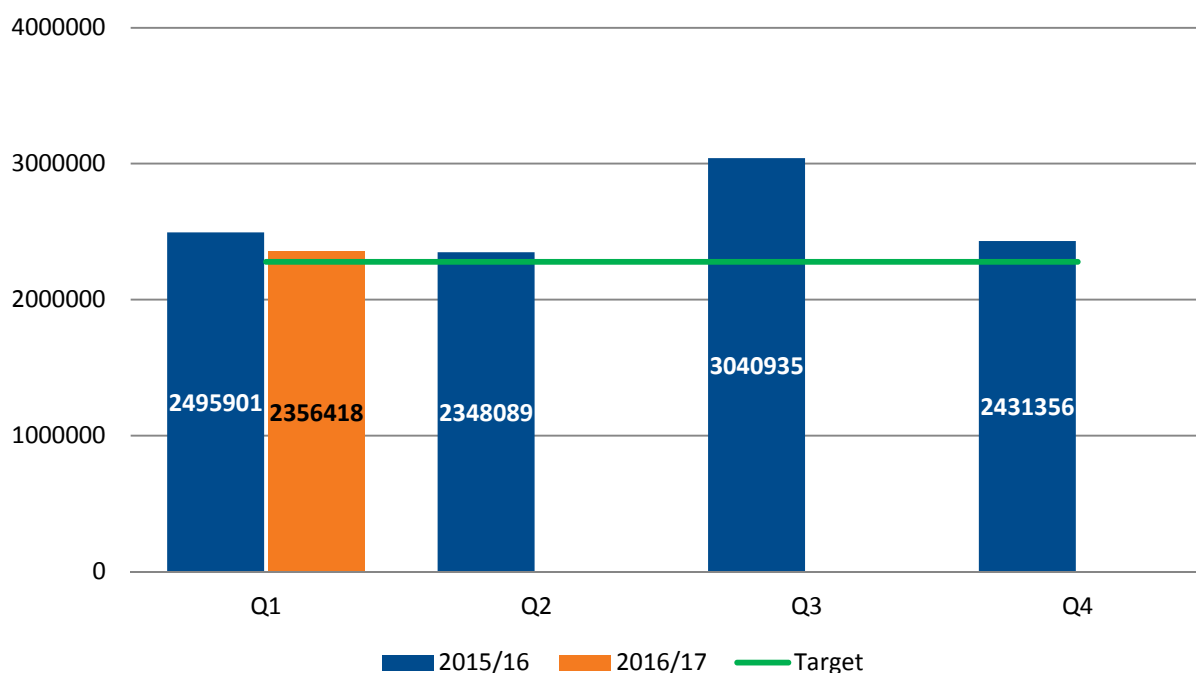
Town Centre Vision Update

Good progress is being made against the Bridges Gyratory scheme plan. Funding has been approved for the Maidstone East station improvements with work due to start shortly. The Mall Bus Station refurbishment has been added as a potential project and funding is currently being sought. The Council has exchanged on the purchase of Granada House on Gabriel's Hill and is in the process of commissioning consultants to develop designs for Public Realm Phases 3 and 4.

Footfall in the High Street

This indicator provides a good balance between Town Centre vitality and satisfaction with the High Street.

Current Performance	Q1 Target	Value Vs Target	Direction	Status	Expected Outcome
2,356,418	2,058,735	+297683			Target will be achieved



Performance Comment: Footfall in quarter 1 is somewhat lower than was observed in the same period last year. Footfall was still above target, and weekly data that is collected is showing an upward trend. This is consistent with the trend that was observed over the same period in 2015/16.

Priority 2: Securing a successful economy for Maidstone Borough

Securing Improvements to the Transport Infrastructure for our Borough






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

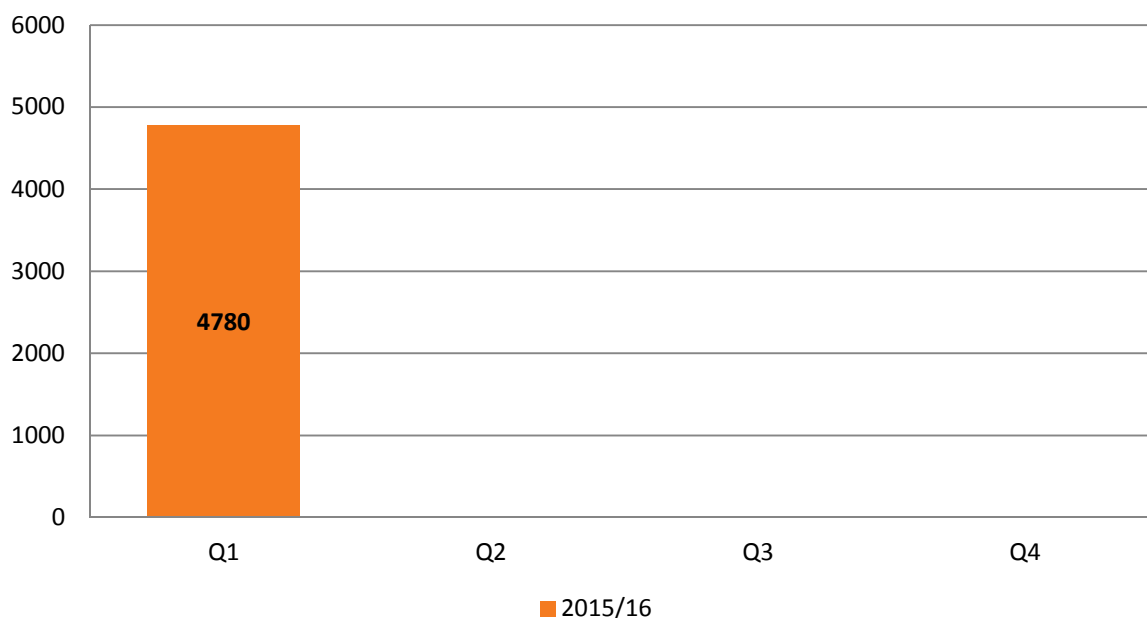
Integrated Transport Strategy (ITS) Update 🚧

The Strategic Planning, Sustainability and Transportation Committee considered the consultation responses made to the Integrated Transport Strategy and the Walking and Cycling Strategy on 14 June. Officers also proposed some changes to both strategies in light of the responses received and additional dialogue with officers and Members at Kent County Council. The Committee agreed that a revised version of each strategy be drawn up reflecting the comments and the proposed changes and they were considered at the meeting of 6 July, before making recommendations to the Joint Transportation Board. Thereafter, the aim is for the Strategic Planning, Sustainability and Transportation Committee to adopt both strategies into the supporting evidence for the Local Plan.

Number of school journeys undertaken without a car as part of borough wide schemes

Figures for this are published by KM Charity Team. This reflects the objectives set out in the Integrated Transport Strategy in reducing the use of unsustainable transport.

Current Value	Q1 Target	Value Vs Target	Direction	Status	Expected Outcome
4780					



Performance Comment: The quarter 1 figure for this data demonstrates a positive modal shift. A total of 4780 car journeys have been avoided through green travelling schemes for school children in quarter 1 of 2016/17. For the same period in 2015/16, the number of car journeys was reduced by 6016. Statistics for green travel increase gradually for the period as different schools and classes upload their data over time after the quarter closes. The data includes schemes such as walking bus, Active Bug, Green footsteps, and Walk-Once-a-Week.

Promoting a range of employment skills and opportunities across the borough



There were 76,300 people employed in the Maidstone economy in 2014 with a high proportion in the public sector, reflecting the town's status as Kent's County Town and administrative capital. There were 6,885 registered businesses in Maidstone in 2013, equivalent to 43 businesses per 1,000 population, compared to 37 for the United Kingdom and higher proportion of people that are self-employed compared to the South East and to United Kingdom.

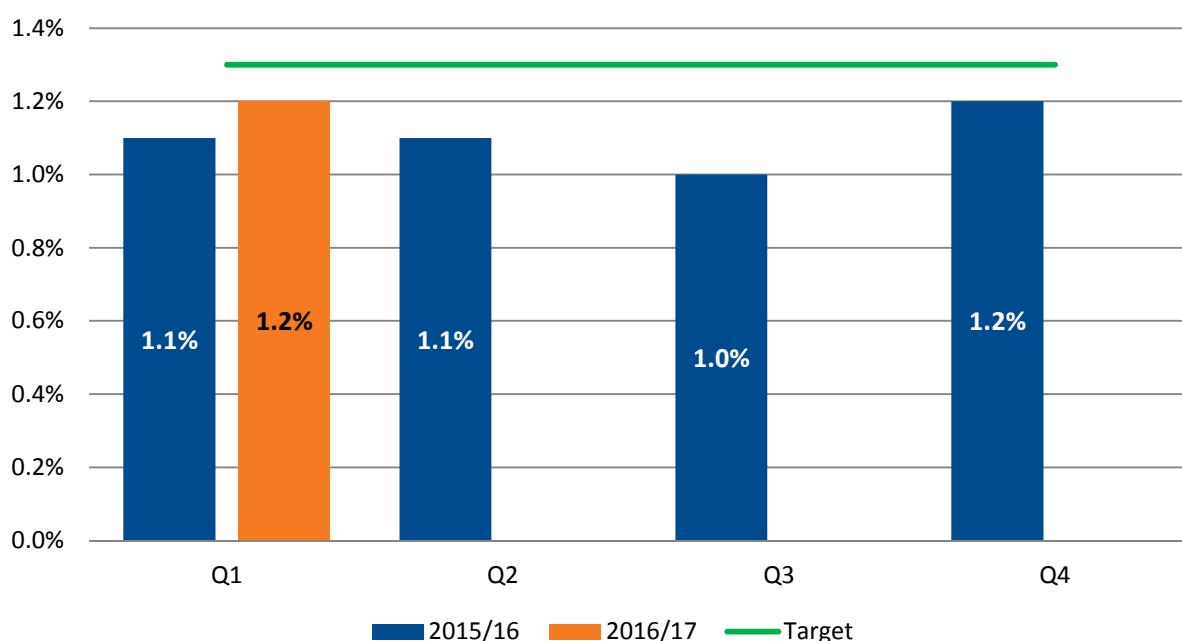
Economic Development Strategy Update

An update presentation and briefing paper was given to Policy and Resources Committee on the 29 June. Local economic indicators are improving. However, Planning Committee has rejected the Woodcut Farm application to create a new business park near Junction 8 M20. Unless the applicant appeals this could have a significant impact on the borough's ability to generate the employment numbers set out in the Strategy.

Percentage of people claiming Out of Work Benefits

Out of Work Benefit claimant count records the number of people claiming Jobseekers Allowance (JSA) and Universal Credit. This indicator is expressed as a proportion of the resident population of the area aged 16 to 64 years old and is provided by the office of National Statistics. A lower figure indicates good performance.






Current Value	Q1 Target	Value Vs Target	Direction	Status	Expected Outcome
1.2%	2%	-0.8%			Target will be achieved

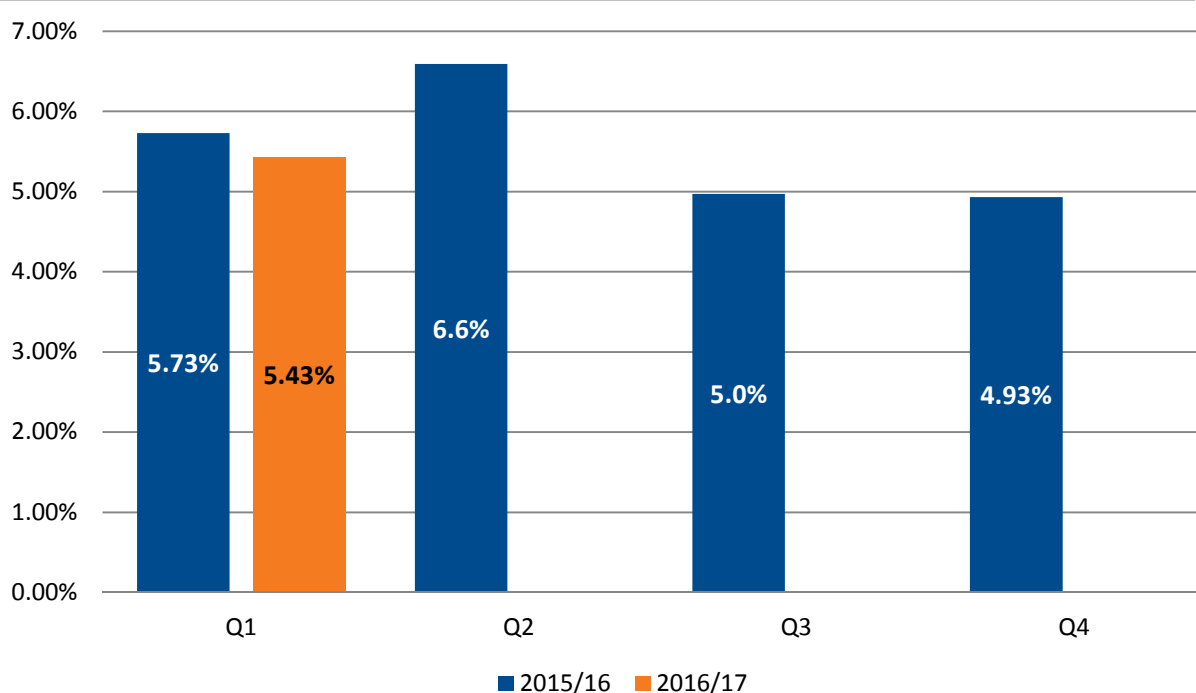


Performance Comment: 1205 people were claiming out of work benefit in May 2016, an increase of 20 people compared to May 2015. Figures for June have not yet been released. When compared to the other local authorities in Kent, Maidstone has the fifth lowest figure. Thanet has the highest level of people claiming out of work benefits at 3.3% and Sevenoaks and Tunbridge Wells have the lowest with 0.7%.

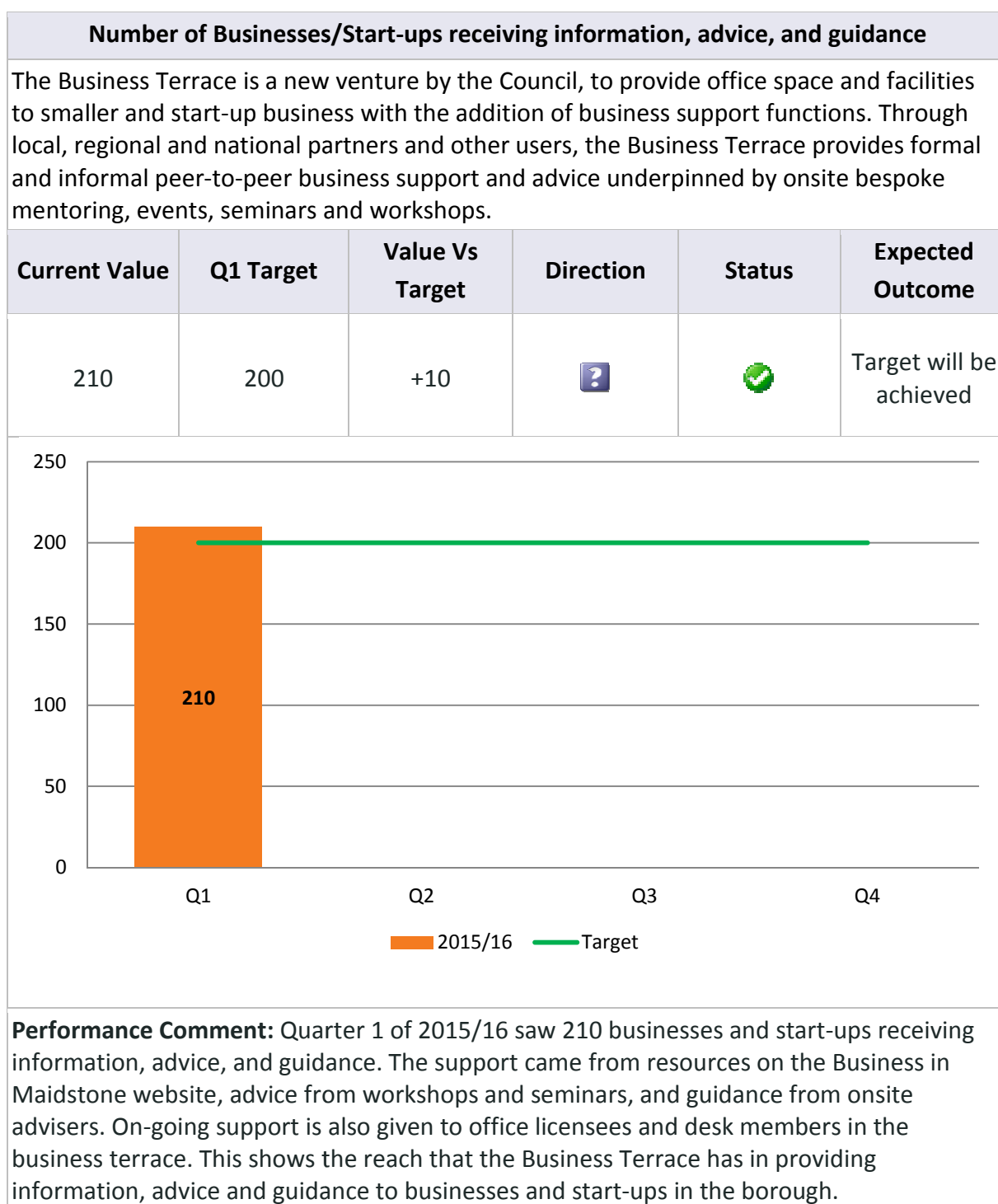
Percentage of 16 to 18 year olds who are not in education, employment or training (NEETs)

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

Current Value	Q1 Target	Value Vs Target	Direction	Status	Expected Outcome
5.43%*					



Performance Comment: *Data is for May only, June data has not yet been released. Maidstone is currently fifth out of the twelve Kent authorities for proportion of NEETs. Sevenoaks has the lowest figure at 4.07% and Swale has the highest at 7.49%. Maidstone has the third lowest proportion of 'unknown' NEETS. These are 16 – 18 year olds where it has not been possible to ascertain their current education or employment status. It is likely that this figure will increase in quarter 2 due to the start of the new academic year before declining over the winter months.



Planning for Sufficient Homes to meet our Borough's Needs

Over the last five years, the supply of new, affordable housing within the borough has been greater than in neighbouring authorities, although still less than historic levels. 189 new affordable homes were built in the borough in 2013/14 and 163 in 2014/15. In total 413 new homes were delivered in 2014/15, of these new homes over 75% were built on land that had previously been developed.

Local Plan Update

The Maidstone Borough Local Plan and accompanying documents were submitted as planned to the Planning Inspectorate (PINS) on 20 May 2016. All the documents have been made available on the website, which has been updated in preparation for the forthcoming examination. An Inspector, Mr Robert Mellor, has been appointed, and his views on the matters to be examined are awaited. In the interim period, officers have been preparing for the examination alongside the appointed Programme Officer, Ms Louise St John Howe. It is anticipated that the examination hearings will commence at the beginning of October and run through until sometime in November or December.

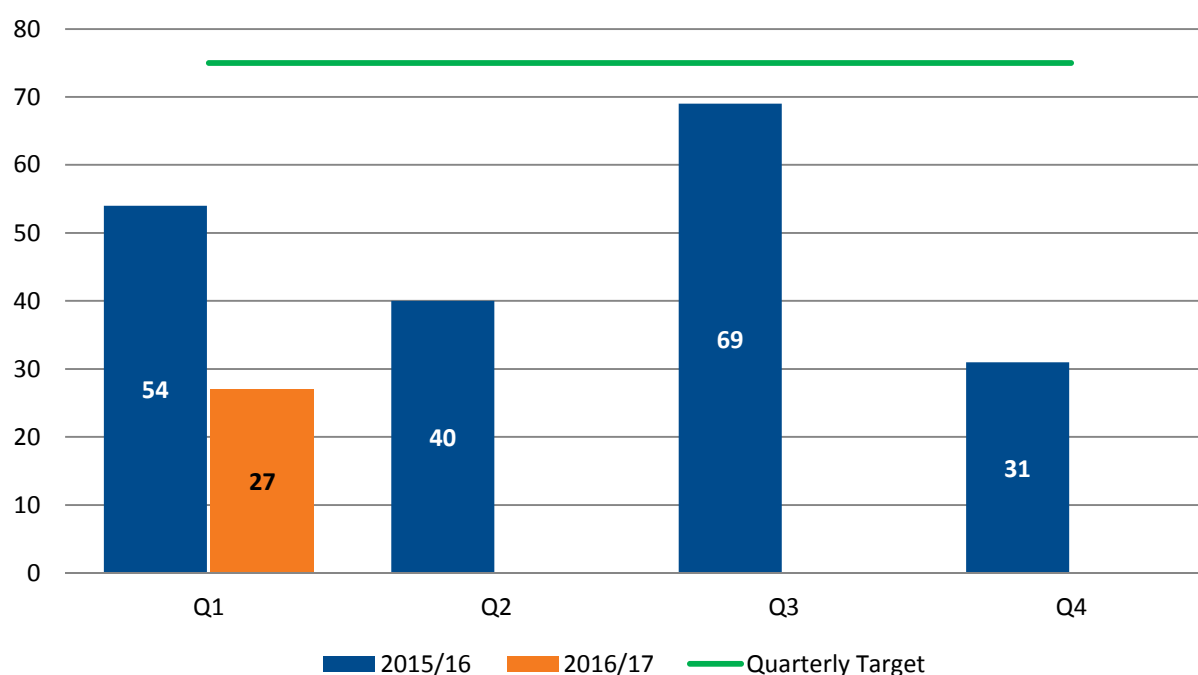
Housing Strategy Update

The Council adopted the final version of the Maidstone Housing Strategy 2016-2020 in March 2016. Following adoption the Strategy has now moved into the delivery stage. The new Strategy has three key priority themes for the Council to address over the next four years centred around enabling the delivery of quality homes across the housing market, ensuring existing housing is safe, desirable and promotes good health and well-being and preventing homelessness and securing provision of appropriate accommodation for homeless households. The Council has made progress during the last quarter against a number of actions stated within the Strategy, in order to help achieve the three key priority themes and stated outcomes. This includes successfully agreeing terms for the purchase of a property for use as temporary accommodation for homeless households, establishing a self/custom build register and continued work on facilitating the redevelopment of Brunswick Street.

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

The provision of comprehensive advice plays an important part in delivering the Council's strategy for preventing homelessness in Maidstone. This measure provides an indication of the effectiveness of housing advice given by the Council in preventing homelessness or the threat of homelessness. The annual target is split to give a quarterly target of 75.

Current Value	Q1 Target	Value Vs Target	Direction	Status	Expected Outcome
27	75	48	↓	🛑	Target will not be achieved



Performance Comment:

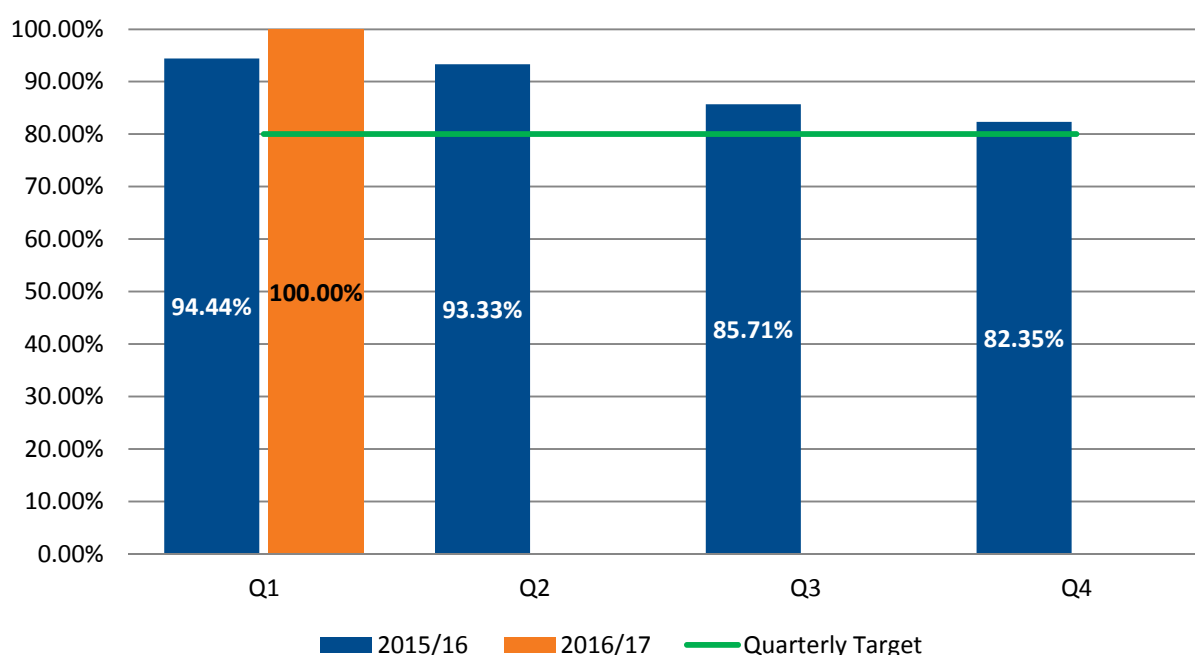
The second Housing Assistant post was vacant for the whole of this quarter. The post has now been recruited to; the successful candidate will start in post in October. A temporary member of staff will be covering the post in the meantime. The average homelessness assessment caseload during this quarter was 30 (including the senior), compared to 14 in 2014/15. Although the third Housing Advisor was recruited to in this period and received her formal training at the end of June, the number of assessments open as of 8 July would still give each advisor close to 30 cases, even with this post included.

It is necessary to prioritise statutory work over preventative, due not only to the nature of those clients already being homeless, but also in an effort to minimise the spending on temporary accommodation.

Processing of major planning applications in 13 weeks

This indicator measures the percentage of major planning applications processed within the statutory timescale of 13 weeks. This has increased importance to central government. Major developments are classified as those providing 10 or more dwellings, or on an area of 0.5 hectares or more where the number of dwellings is unknown. Major applications also include building(s) where floor space is 1000 square metres or more, or the site has an area of one hectare or more.

Current Value	Q1 Target	Value Vs Target	Direction	Status	Expected Outcome
100%	80%	+20%	↑	✓	Target will be achieved

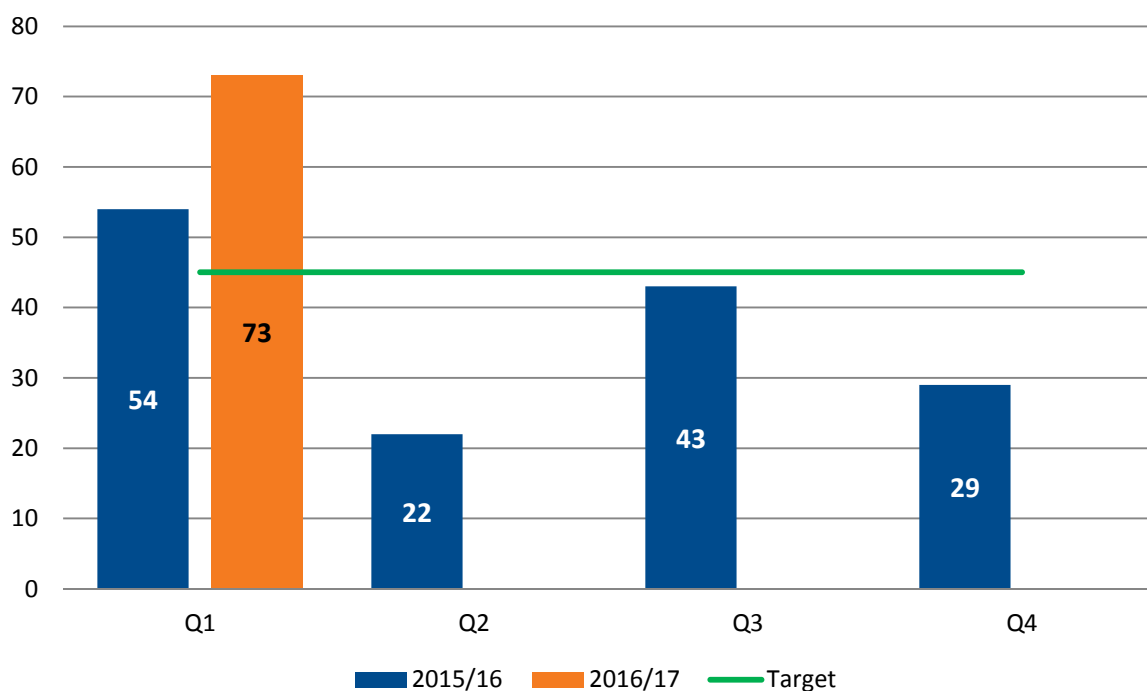


Performance Comment: The performance on majors continues to be very good and demonstrates the good working relationship between officers and developers. Extensions of time are negotiated on a significant proportion of major applications due to the complexities of the application and the requirement to negotiate on Section 106 (S106) agreements. Work has progressed with the draft S106 templates and will soon be available to download on the website, which will help speed up the processing of S106 agreements and enable developers to submit draft agreements with applications. This, together with the agreed protocol in place, (which will commit Legal Services and Development Management officers to producing initial drafts within a set timeframe) will further speed up the legal and decision making processes. This creates a more focused customer experience and delivery of much needed planning permissions.

Number of affordable homes delivered

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

Current Performance	Q1 Target	Value Vs Target	Direction	Status	Expected Outcome
73	45	+28	↑	✓	Target will be achieved

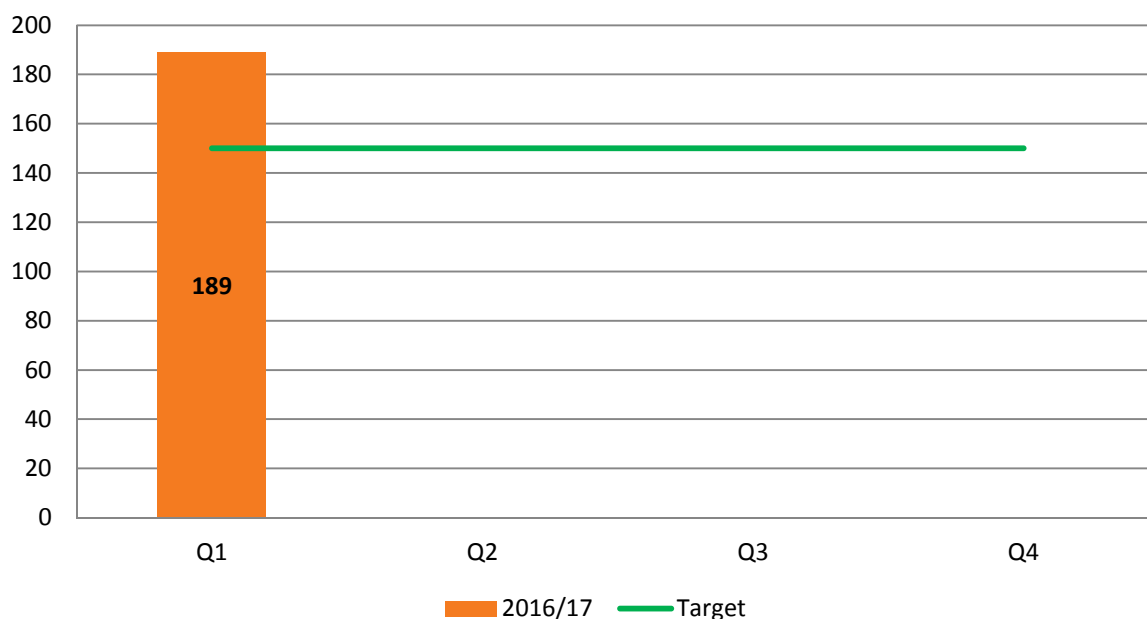


Performance Comment: The first quarter has seen a significant amount of newbuild affordable completions delivered, which has exceeded the quarterly target. There are in excess of 300 affordable units which are forecast for completion this year as many sites have progressed quicker than anticipated. It is therefore expected that we will easily exceed the target for the year.

Number of households housed through housing register

This is an important indicator, which will help to monitor the number of applicants on the housing register who have been successfully rehoused. This provides a balanced view of the work of the housing service, in addition to the homeless preventions indicator.

Current Performance	Q1 Target	Value Vs Target	Direction	Status	Expected Outcome
189	150	+39	?	✓	Target will be achieved



Performance Comment: The quarterly target for the number of applicants housed has been achieved due to a significant amount of newbuild affordable completions which have been achieved during the first quarter. This will provide baseline data to inform future targets for this indicator. Good performance should continue throughout the year due to the expected amount of affordable units that are being built throughout the year.

Policy and Resources Committee

26th July 2016

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

No

Medium Term Financial Strategy and Efficiency Plan – update

Final Decision-Maker	Council
Lead Head of Service	Director of Finance and Business Improvement
Lead Officer and Report Author	Director of Finance and Business Improvement
Classification	Non-exempt
Wards affected	All wards

This report makes the following recommendations:

1. To note progress with the Medium Term Financial Strategy and Efficiency Plan
2. To propose further areas to be explored
3. To note that Members will be consulted on prioritisation of savings ideas.

This report relates to the following corporate priorities:

The Medium Term Financial Strategy and the budget are a re-statement in financial terms of the priorities set out in the strategic plan. They reflect the Council's decisions on the allocation of resources to all objectives of the strategic plan.

Timetable

Meeting	Date
Policy and Resources Committee	29 th June 2016
Policy and Resources Committee	26 th July 2016
Policy and Resources Committee	7 th September 2016
Council	21 st September 2016
All Service Committees	In November 2016
Policy and Resources Committee	14 th December 2016
All Service Committees	In January 2017
Policy and Resources Committee	15 th February 2017
Council	1 st March 2017

Medium Term Financial Strategy and Efficiency Plan – update

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report sets out progress to date with development of the Medium Term Financial Strategy for the five years 2017/18 to 2021/22 and an Efficiency Plan in response to the government's four year local government finance settlement covering the years 2016/17 to 2019/20. The report outlines the work still to be done before the Council can submit an Efficiency Plan to meet the deadline date for acceptance of 14th October 2016.
 - 1.2 Updating the Medium Term Financial Strategy and submission of the Efficiency Plan are necessary steps towards agreeing a budget for 2017/18 and setting next year's Council Tax, decisions which the Council is due to make on 1st March 2017.
-

2. INTRODUCTION AND BACKGROUND

- 2.1 The Medium Term Financial Strategy is a five year rolling strategy that underpins the Council's revenue and capital spending plans. The Medium Term Financial Strategy is ultimately approved by full Council.
- 2.2 This year, the regular cycle for production of a Medium Term Financial Strategy coincides with a requirement set by Government for production of an Efficiency Plan. The Government made an offer of a fixed, four year local government finance settlement in February 2016, covering the years 2016/17 to 2019/20. The offer to each local authority is conditional on the authority producing and publishing on its website an Efficiency Plan that will outline how it will achieve its objectives within the available resources set out in the settlement.
- 2.3 The Government has not set out a template for the Efficiency Plan. The then Secretary of State for Communities and Local Government stated when announcing the four year settlement that the offer and the production of an Efficiency Plan are intended to be 'as simple and straightforward as possible . . . [it] is not about creating additional bureaucracy'.
- 2.4 Regardless of the Government's requirements, it is suggested that a local authority would wish for its own satisfaction to be assured that the Efficiency Plan is robust and sufficiently detailed and credible to demonstrate that the authority can manage within the projected levels of funding.
- 2.5 A local authority is not obliged to accept the offer set out in the four year local government finance settlement. However, the risk in not accepting the offer is that any subsequent year's final settlement may be less favourable than that outlined in February 2016. This risk applies equally to authorities in receipt of Revenue Support Grant (RSG), and those like

Maidstone that are not scheduled to receive RSG in future years. This is because the local government finance settlement comprises not only RSG but also arrangements for redistribution of business rates income. Accordingly, given what is known currently, Officers' recommendation to Members would be that the Council accepts the offer set out in the four year finance settlement and submits an Efficiency Plan.

2.6 A report to Policy and Resources Committee on 29th June 2016 set out revenue budget projections for the five year period covered by the Medium Financial Strategy, together with the underlying assumptions. This indicated that the Council faced a budget gap which would reach between £3.4 million and £5.1 million by the end of the five year period. The projected budget gap grows over the five years. It is important to note that in the first of the five years, 2017/18, the budget gap will amount to between £1.2 million and £1.4 million.

2.7 Consideration also needs to be given to potential pressures, including:

- Cost of providing temporary accommodation
- Cost of dealing with planning and enforcement appeals
- Any failure to deliver existing savings targets
- Spending pressures arising from external economic factors, eg increased inflation, increases in level of pension contribution
- Unfunded new responsibilities.

To the extent that these cannot be addressed, the savings target will increase still further.

2.8 Some initial work has been undertaken to identify steps that can be taken to close the budget gap. However, confirmed savings proposals still fall well short of the amount needed. Accordingly, a number of options need to be explored, as set out below.

3. IMPACT OF RECENT DEVELOPMENTS

3.1 It is very likely that the result of the EU referendum and the formation of a new government will affect the assumptions underlying the Medium Term Financial Strategy, but at this stage it is too early to say what the impact will be. The impact will be felt both at the level of the UK economy as a whole, and on the individual funding arrangements of local authorities like Maidstone.

3.2 So far as the overall economic environment is concerned, if there is a slowdown in economic growth, there could be an impact on the Council's business rates income and greater pressure on services such as housing. The fall in the value of sterling against other currencies could lead to increased inflation. The report to the Policy and Resources Committee on 29th June included a number of assumptions about inflation. Broadly, it was assumed that inflation would remain low, with pay increases of 1% per annum and a range of possible increases for fees and charges, of which the mid-range was also 1%.

- 3.3 The offer of a fixed four year funding settlement was subject to withdrawal 'under exceptional circumstances'. Brexit could be interpreted as constituting exceptional circumstances. Against this, early indications from the new government are that the pressure for further spending cuts may be somewhat less in the short term, which may be positive for local government funding.
- 3.4 It is clear that the assumptions underlying the Medium Term Financial Strategy will need to remain under review and may have to be updated as new information emerges.
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4. AVAILABLE OPTIONS

- 4.1 There are a range of potential approaches to closing the budget gap. Common approaches taken by other authorities include the following.

Stimulating local economic growth

Council tax, Business rates and New Homes Bonus account for the majority of the Council's total income. By adopting policies that stimulate business and housing growth, the Council can increase income. However, the pay-off takes time to benefit revenue budgets and the benefits depend on constraints imposed by central government, such as re-allocation of business rates income between local authorities.

Maximising existing sources of income

The Council already benefits significantly from Parking and Planning fee income, as well as a range of other sources of income. There may be scope for increasing income further, dependent on the trade-off between volume and market share and pricing.

Trading services

Many of the services delivered by the Council can be traded with other local authorities and other third parties. Maidstone has a track record in this area, for example with commercial waste, and continues to develop new initiatives such as debt recovery in the Revenues and Benefits service.

Sharing services

Again, the Council has a good track record of sharing services. There may be further services, eg procurement, where there remains potential, either to share the service with existing Mid Kent Services partners or more widely.

Invest to save and/or to generate income

Most Councils are in a position to invest, either by using cash balances or borrowing, normally through the Public Works Loan Board. Property investments, whether for housing or for commercial purposes, have the potential to generate income above and beyond the cost of servicing and repaying any borrowing.

New sources of income

The flexibility now available to local authorities allows the opportunity to develop entirely new sources of income. These would typically seek to exploit an existing skill or asset of the Council, such as its reputation in the local area, or existing trading relationships, such as those with customers of its garden waste collection service.

Service redesign

Many Maidstone services have been reconfigured over the past few years to save money. A major initiative currently under way concerns the Contact Centre, but there may be further opportunities.

Removal of subsidy / grant

The Council supports a range of services through subsidies or grants. It needs to consider whether these services could continue to be provided without a grant, or with no grant.

Service reduction

The reduction in grant income faced by local authorities over the past six years has forced most councils to explore which services can be reduced whilst still meeting their statutory obligations. Even if a service is notionally 'statutory', there is often scope for reducing the quality or frequency of the service. Councils have many statutory obligations that they will only seek to meet if there is public pressure to do so, or if there is a risk of a successful legal challenge if the council fails to deliver the service.

5. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 5.1 It is suggested that there is no single approach, of those outlined above, which will enable the council to close the budget gap. Instead, a combination of all is likely to be necessary.
- 5.2 The choice of measures needs to depend on:
- an overall assessment of the Council's priorities
 - an assessment of what measures are in fact viable, in light of the skills, resources and capacity available.

- 5.3 Heads of Service have been asked to put forward budget proposals relating to their areas. They have been charged with submitting radical ideas, going above and beyond the minimum target saving required, in order that meaningful choices can be made between the different options.
- 5.4 At the same time, it will be necessary to consider the services offered by the Council, and to prioritise them, distinguishing between services where there is an overwhelming imperative that they be delivered, those that Members would like to be delivered, those that are of lower priority, and those that are not needed at all.
- 5.5 We plan a structured process for the prioritisation of budget proposals, involving consultation with Members, enabling a report back to Committee with a draft Efficiency Plan at a special meeting on 7th September 2016.
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6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 The background to the Medium Term Financial Strategy and Efficiency Plan was described in a briefing meeting for all Members, held at the Town Hall on 4th July 2016. The meeting was well-attended and there was a wide-ranging debate about the way forward. This has confirmed the need to take a comprehensive and holistic approach to the development of budget proposals.
- 6.2 As set out above, further engagement with Members is now proposed, prior to reporting back to Committee on 7th September 2016.
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7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 Following consideration of the draft Efficiency Plan on 7th September 2016, any necessary amendments will be made and it will be considered by Council on 21st September 2016. Subject to Council's approval, it will then be published by 14th October 2016.
- 7.2 The proposals in the Efficiency Plan will then form the basis of the budget proposals for the financial year 2017/18. These will be considered by Service Committees in the Autumn and will in due course be considered by Council when setting a budget on 1st March 2017.
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8. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The Medium Term Financial Strategy and the budget are a re-statement in	Director of Finance and

	financial terms of the priorities set out in the strategic plan. They reflect the Council's decisions on the allocation of resources to all objectives of the strategic plan.	Business Improvement
Risk Management	Ensuring that there are sufficient resources to meet the Council's strategic priorities is a key risk. The Medium Term Financial Strategy helps to ensure that this risk is managed.	Director of Finance and Business Improvement
Financial	The Medium Term Financial Strategy and the Efficiency Plan detailed financial plans and budgets, and all the financial activities of the Council. It is important the Committee gives due consideration to the financial consequences of the proposals set out in this report.	Director of Finance and Business Improvement
Staffing	The process of developing the budget strategy will identify the level of resources available for staffing over the medium term.	Director of Finance and Business Improvement
Legal	The Council has a statutory obligation to set a balanced budget and development of the MTFS and the strategic revenue projection in the ways set out in this report supports achievement of a balanced budget.	Director of Finance and Business Improvement
Equality Impact Needs Assessment	The report sets out a policy that will have a positive impact as it will enhance the lives of all members of the community through the provision of resources to core services. In addition it will affect particular groups within the community. It will achieve this through the focus of resources into areas of need as identified in the Council's strategic priorities.	Director of Finance and Business Improvement
Environmental/Sustainable Development	The resources to achieve the Council's objectives are allocated through the development of the Medium term Financial Strategy.	Director of Finance and Business Improvement
Community Safety	The resources to achieve the Council's objectives are allocated through the development of the Medium term Financial Strategy.	Director of Finance and Business Improvement
Human Rights Act		

Procurement	The resources to achieve the Council's objectives are allocated through the development of the Medium term Financial Strategy.	Director of Finance and Business Improvement
Asset Management	The Medium Term Financial Strategy is intended to ensure that resources are available for asset management in line with the Council's corporate objectives.	Director of Finance and Business Improvement

9. REPORT APPENDICES

None

BACKGROUND PAPERS

Medium Term Financial Strategy 2017/18 and Efficiency Plan – Report to Policy and Resources Committee, 29th June 2016

'Maidstone Borough Council's Financial Position and the Way Forward',
Presentation to Members, 4th July 2016

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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