

POLICY AND RESOURCES COMMITTEE MEETING

Date: Wednesday 19 September 2018
Time: 6.30 pm
Venue: Town Hall, High Street, Maidstone

Membership:

Councillors Mrs Blackmore, Boughton, M Burton, Clark, Cox (Chairman), Field, Garland, Mrs Gooch, Harper, Harvey, McLoughlin, D Mortimer, Newton, Perry (Vice-Chairman) and Springett

The Chairman will assume that all Members will read the reports before attending the meeting. Officers are asked to assume the same when introducing reports.

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2. Notification of Substitute Members	
3. Urgent Items	
4. Notification of Visiting Members	
5. Disclosures by Members and Officers	
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7. To consider whether any items should be taken in private because of the possible disclosure of exempt information.	
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9. Presentation of Petitions (if any)	
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Issued on Tuesday 11 September 2018
Over/:

Continued

Alison Broom

Alison Broom, Chief Executive

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PUBLIC SPEAKING AND ALTERNATIVE FORMATS

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

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

To find out more about the work of the Committee, please visit www.maidstone.gov.uk.

Should you wish to refer any decisions contained in these minutes to Council, please submit a Decision Referral Form, signed by five Councillors, to the Head of Policy, Communications and Governance by 7 August 2018

MAIDSTONE BOROUGH COUNCIL

Policy and Resources Committee

MINUTES OF THE MEETING HELD ON TUESDAY 24 JULY 2018

Present: Councillors Mrs Blackmore, Boughton, M Burton, Clark, Cox, Mrs Gooch, Harvey, McKay, McLoughlin, D Mortimer, Newton, Perry, Mrs Ring, Springett and Mrs Wilson

26. APOLOGIES FOR ABSENCE

It was noted that apologies were received by Councillors Field, Garland and Harper.

27. NOTIFICATION OF SUBSTITUTE MEMBERS

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

- Councillor McKay for Councillor Harper;
- Councillor Ring for Councillor Garland; and
- Councillor Mrs Wilson for Councillor Field.

28. URGENT ITEMS

The Chairman informed the Committee that he had decided to accept two urgent updates to item 14. Revenue Outturn 2017/18 – Allocation of Underspend. The Chairman explained that the reason for urgency was that they related to proposals submitted by the Communities, Housing and Environment Committee which had met since the agenda had been published for Policy and Resources Committee.

29. NOTIFICATION OF VISITING MEMBERS

There were no visiting members.

30. DISCLOSURES BY MEMBERS AND OFFICERS

There were no disclosures by Members or Officers.

31. DISCLOSURES OF LOBBYING

Councillors Newton, Gooch, Springett and Perry had been lobbied on item 14. Revenue Outturn 2017/18 – Allocation of Underspend.

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

RESOLVED: That all items be taken in public, as proposed.

33. MINUTES OF THE MEETING HELD ON 27 JUNE 2018

The Chairman explained that following the meeting, it had been confirmed that the field to the South West of the Enterprise Zone (Pope's Field) was not included in the Enterprise Zone. Therefore a note had been added to the minutes stating this, and an updated map had been published on the Council's website showing the correct boundaries of the Enterprise Zone.

RESOLVED: That the minutes be agreed as an accurate record of the meeting held on 27 June 2018 and signed.

34. PRESENTATION OF PETITIONS (IF ANY)

There were no petitions.

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

There were no questions from members of the public.

36. COMMITTEE WORK PROGRAMME

RESOLVED: That the Committee Work Programme is noted.

37. COMMUNICATION AND ENGAGEMENT ACTION PLAN 2018-19

Mrs Angela Woodhouse, the Head of Policy, Communications and Governance, introduced the Communications and Engagement Action plan for 2018-19. It was noted that the action plan followed the themes agreed in the Council's Communication and Engagement Strategy and detailed the communications support planned for services across the Council. The previous time the Action Plan had been considered by the Committee, further detail had been requested and this had been provided.

In response to questions from the Committee, it was confirmed that:

- 16-24 year olds were a hard group to engage with, so the Communications Team was trying different channels to engage with this group including exploring the use of Snapchat, Instagram and LinkedIn.
- The Communications Team were working with One Maidstone in any areas of common interest.
- The Council's Returning Officer had an obligation to encourage participation in elections, particularly for those groups that had potential barriers to participation that the Council could address.

The Committee made the following suggestions for the Communications Team to include in their engagement work:

- Ensuring the name of the ward in which the household was located in was included on the Council Tax bill at annual billing time.
- Improvements were required to the form that allowed residents to report fly tipping.
- Information on numbers of prosecutions for fly tipping, dog fouling and littering should be continue to be published in Borough Insight.
- Exploring the possibility of using Kent County Council’s Highway Information Boards to display messages from Maidstone Borough Council as well.

RESOLVED:

That the Communication and Engagement Action Plan for 2018-19, as set out in Appendix A, is approved.

Voting: For - 14 Against - 0 Abstentions - 1

38. 100% BUSINESS RATES RETENTION PILOT - UPDATE

Mr Mark Green, the Director of Finance and Business Improvement, updated the Committee on the 100% Business Rates Retention Pilot and the associated projects that had been agreed as a result of the additional funding.

The Committee noted the following:

- Spending had been lower than expected on the Members Community Grant Scheme. Mr Green encouraged members to discuss any ideas they had with officers even if it seemed initially that they would be outside of the grant’s original remit.
- If there was additional funding available as Business Rates income was higher than the forecast or projects were underspent then a decision was required by Policy and Resources on what to use this funding for.
- The Ministry of Housing, Communities and Local Government had announced that Kent and Medway authorities would need to apply again to be part of the 2019/2020 pilots. If successful then the pilot was anticipated to be 75% retention of Business Rate growth rather than 100%.
- Maidstone had put forward feasibility studies for improvements to the Bus Station as the Council’s application to the North Kent Cluster Housing and Commercial Growth Fund.

RESOLVED:

That the progress with the Business Rates Retention pilot projects be noted.

39. REVENUE OUTTURN 2017/18 – ALLOCATION OF UNDERSPEND

Mr Green presented his report on the Allocation of the 2018/19 underspend to the Committee, including two urgent updates which outlined a proposal submitted from the Communities, Housing and Environment Committee regarding a feasibility for a Low Emission Zone.

Mr Green explained that the Service Committees had been asked for suggestions for one off projects relevant to the Council’s strategic objectives that could be funded from the underspend. As a result, Heritage Culture and Leisure Committee had asked for funding for a Heritage and Culture Officer and funding to support expansion of local Nature Reserves and securing Area of Outstanding Natural Beauty status for the Greensand Ridge. Communities Housing and Environment Committee had requested funding for a feasibility study to introduce a Low Emission Zone in the Town Centre to address poor air quality in the borough.

Following a debate where it was suggested that the most prudent approach to the underspend was to allocate it to reserves, it was moved by Councillor Boughton and seconded by Councillor M Burton that:

The 2017/18 underspend of £185,000 is allocated to reserves.

Voting: For - 7 Against - 8 Abstentions - 0

The motion therefore fell.

The Committee supported the proposals made by the Service Committees and welcomed that the majority of the £185,000 would still be allocated to reserves even after allocating to the identified projects.

The Committee was asked to consider creating a contingency fund to ensure the Economic Development team had certainty over its funding after 2020/2021 when the Business Rates baseline was likely to be reset. This was important as the Economic Development team was funded through the income from Business Rates retention growth.

RESOLVED:

1. That the 2017/18 revenue underspend of £185,000 is allocated as set out in in the urgent update.

Voting: For - 8 Against - 7 Abstentions - 0

Councillors Blackmore and Boughton requested that their dissent be noted on this vote.

2. That the proposal to use the surplus of on the Kent Business Rates Pool, as set out in paragraph 1.13, is approved.

Voting: Unanimous

40. DURATION OF MEETING

6.30 p.m. to 8.44 p.m.

Report Title	Committee	Month	Lead	Report Author
Kent Medical Campus Innovation Centre (Special Meeting)	P&R	Oct-18	Dawn Hudd	Abi Lewis
Debt Recovery Policy	P&R	Oct-18	Steve McGinnes	Sheila Coburn
Property Asset Review	P&R	Oct-18	Mark Green	Lucy Stroud
Risk Management Update	P&R	Oct-18	Russell Heppleston	Russell Heppleston & Alison Blake
100% Business Rates Retention Pilot - Update	P&R	Oct-18	Mark Green	Ellie Dunnet
Flooding Update	P&R	Oct-18	Mark Green	Lucy Stroud
Commissioning and Procurement Strategy	P&R	Nov-18	Mark Green	Georgia Hawkes
Sports Facilities and Playing Pitch Strategiers - Capital Budgets	P&R	Nov-18	Mark Egerton	Sue Whiteside
Draft Strategic Plan 2019/20 - 2023/24	P&R	Nov-18	Alison Broom	Angela Woodhouse
Draft Medium Term Financial Strategy 2019/20 - 2023/24	P&R	Nov-18	Mark Green	Mark Green
Q2 Budget Monitoring 2018/19	P&R	Nov-18	Ellie Dunnet	Paul Holland
Q2 Performance Report 2018/19	P&R	Nov-18	Angela Woodhouse	Anna Collier
IT Strategy -2018-2023	P&R	Dec-18	Stephen McGinnes	Chris Woodward
Collection Fund adjustment 2018/19 and Council Tax base 2019/20	P&R	Dec-18	Mark Green	Ellie Dunnet
Medium Term Financial Strategy - Budget Proposals 2019/20	P&R	Dec-18	Mark Green	Ellie Dunnet
King Street Housing Development	P&R	Dec-18	Dawn Hudd	Andrew Connors
100% Business Rates Retention Pilot - Update	P&R	Jan-19	Mark Green	Ellie Dunnet
Fees & Charges 2019/20	P&R	Jan-19	Mark Green	Ellie Dunnet
Medium Term Financial Strategy - Capital Programme 2019/20 - 2023/24	P&R	Jan-19	Mark Green	Ellie Dunnet
Strategic Plan 2019/20 - 2023/24 - Final	P&R	Feb-19	Alison Broom	Angela Woodhouse
Q3 Budget Monitoring 2018/19	P&R	Feb-19	Ellie Dunnet	Paul Holland
Q3 Performance Report 2018/19	P&R	Feb-19	Angela Woodhouse	Anna Collier
KPIs for 2019-20	P&R	Mar-19	Angela Woodhouse	Angela Woodhouse
Risk Management Update	P&R	Apr-19	Russell Heppleston	Russell Heppleston & Alison Blake
100% Business Rates Retention Pilot - Update	P&R	Apr-19	Mark Green	Ellie Dunnet
Kent Medical Campus Innovation Centre	P&R	Apr-19	Dawn Hudd	Abi Lewis
Mote Park Lake Dam	P&R	TBC	Mark Green	
Economic Development Strategy Review	P&R	TBC		

Policy and Resources Committee

19/09/18

Rochester Bridge Trust

External Board/Outside Body	Rochester Bridge Trust
Councillor(s) represented on the Outside Body/External Board	Derek Butler (former Councillor)
Report Author	Derek Butler
Date of External Board/Outside Body Meeting Attended	21/08/18

Purpose of the External Board/Outside Body:

The purpose of the Trust is to maintain the Bridges crossing the Medway at Rochester and if necessary rebuild the Bridges.

Update:

The Trust continues to flourish and there has been a meeting since the end of the Municipal Year. This meeting was held on Tuesday 21st August 2018. The annual report and accounts have now been published. There are over £115 Million of assets made up of land and property investments and financial investments. There is extensive work to be undertaken during the next 18 months to 2 years to keep the Bridges up to date and in some way restoring some more original features and character of the old Bridge whilst increasing the flow on the new Bridge from 2 lanes to three. Historically the Trust has helped in financing bridges in Maidstone and also financing schools such as Rochester Girls Grammar School and Maidstone Grammar School for Girls. It continues to sponsor pupils entering Universities for degrees in Engineering and has just commenced a programme of sponsorship for pupils entering University for degrees in Agriculture. There are other grants available both for educational means and projects on the River Medway. Full details can be obtained from the Rochester Bridge Trust website.

Agenda Item 13

Policy & Resources Committee 19 September 2018

Council Tax Reduction Scheme 2019-2020

Final Decision-Maker	Full Council
Lead Head of Service/Lead Director	Stephen McGinnes Mid Kent Services Director
Lead Officer and Report Author	Sheila Coburn Head of Revenues and Benefits Partnership
Classification	Public
Wards affected	All

Executive Summary

Each year Full Council has to approve the Council Tax Reduction Scheme for the following year.

Where there are changes proposed, it is necessary for a public consultation to take place, requiring an early decision on any proposed changes.

This report recommends there are no changes to the current scheme for 2019-2020 for the reasons set out in paragraph 3.1.

This report makes the following recommendations to this Committee:

That Council is recommended to carry forward the 2018-19 Council Tax Reduction scheme to 2019-2020 with no changes to the scheme

Timetable

Meeting	Date
CLT	7 August 2018
Policy & Resources Committee	19 September 2018
Council	12 December 2018

Council Tax Reduction Scheme 2019-2020

1. INTRODUCTION AND BACKGROUND

- 1.1 The Council Tax Reduction Scheme (CTRS) was introduced in April 2013 as a replacement for Council Tax Benefit (CTB), a national scheme administered on behalf of the Department for Works and Pensions (DWP).
- 1.2 Each year the scheme must be approved by Full Council.
- 1.3 Any changes to the scheme for any year have to go for public consultation before being approved.
- 1.4 Since its introduction in April 2013, our local scheme has been 'refreshed' annually for prescribed statutory changes.
- 1.5 The scheme is 'underpinned' by the Kent-wide agreements, which recognises that all Kent districts (as the billing authorities) will seek to have a common 'platform'.
- 1.6 From 1 April 2017, Maidstone Borough Council received no Revenue Support Grant from the Government in relation to the cost of the scheme. This was the catalyst for the scheme to be reviewed for 2017-2018.
- 1.7 As a result, 6 changes to the scheme were introduced for 2017-2018 from 13 options that were identified:

Option 1 - Reducing the maximum level of support for working age applicants from 87% to 80%
Option 2 - Removing the Family Premium for all new working age applicants
Option 5 - Reducing the period for which a person can be absent from Great Britain and still receive Council Tax Reduction to four weeks
Option 11 - Removing the work related activity component in the calculation of Council Tax Reduction
Option 12 - Limiting the number of dependent children within the calculation for Council Tax Reduction to a maximum of two
Option 13 - Introducing a scheme, in addition to Council Tax Reduction, to help applicants suffering exceptional hardship

- 1.8 The remaining 7 options were not introduced for 2017-2018 and on 26 November 2016, Policy & Resources Committee recommended to Council that the 7 options below were rejected after considering the potential impact of the proposed changes on working age claimants with the protected characteristics of disability, age and sex, under the Equalities Act (2010).

Options		Estimated annual saving (all precepting authorities)
Option 3 - Reducing backdating to one month	Backdated awards are only granted where good cause is shown for the delay in claiming. Restricting the period claims can be backdated could disproportionately impact on disabled residents and those residents requiring assistance to claim.	N/A
Option 4 - Using a minimum income (notional income) for self employed earners after one year's self-employment	Residents that are unable to earn a reasonable income through self employment (equivalent to 35 hrs at minimum wage) following 12 months of trading should be encouraged to seek paid employment in order to become more financially independent. Allowances to be made for customers with caring responsibilities that prevent 35hrs work.	£47,208
Option 6 - Reducing the capital limit from the existing £16,000 to £6,000	Capital limit of £6,000 represents a reasonable amount to be held in savings for emergencies. (3 months income). With a significant number of residents believed to hold less than £6,000 savings, any higher allowance could be perceived as unfair to those residents meeting the cost of the scheme through their Council Tax.	£58,316
Option 7 - Introducing a standard level of non-dependant deduction of £10 for all claimants who have non-dependants resident with them	A single rate of deduction provides an incentive to take employment and increase income, with no increased contribution required as earnings increase. A standard deduction is less intrusive with no evidence of income required for other household members, also easing administration for the council.	£149,313
Option 8 – Taking any Child Maintenance paid to a claimant or partner into account in full in the calculation of Council Tax Reduction	Levels of child poverty are projected to increase as a result of wider welfare reform changes. Introducing child maintenance as income within the calculations of CTR on top of those changes would contribute to higher levels of child poverty.	£35,966
Option 9 -	99% of residents in receipt of CTR	£26,464

Restricting the maximum level of Council Tax Reduction payable to the equivalent of a Band D charge	and 71% of all residents live in a property in band D or below. Subsidising Council Tax charges above the value of band D could be perceived as unfair to those residents meeting the cost of the scheme through their Council Tax.	
Option 10 – Removing Second Adult Reduction from the scheme	Second adult rebate does not consider the means of the main householder to meet the Council Tax liability. Where the main householder is on a low income they would be able to claim independently for CTR.	£3,679

1.10 The current scheme for 2018-2019 was approved by Full Council in December 2017, with no changes being made to the scheme apart from technical changes to allow for the introduction of Universal Credit later this year.

1.11 Council Tax Reduction provides financial assistance in the form of a rebate on the Council Tax bill and this has reduced over recent years.

2016/2017	£10,679,971
2017/2018	£10,264,000
2018/2019	£ 9,058,176 (estimated)
2019/2020	£ 8,247,000 (estimated)

1.12 Collection for the amount of Council Tax billed to customers in receipt of Council Tax Reduction remains high with the following percentages being collected since the introduction of a local scheme in 2013:

2013/2014	74.50%
2014/2015	80.90%
2015/2016	81.83%
2016/2017	83.10%
2017/2018	82.69%

1.13 The Council has an Exceptional Hardship Policy to support our most vulnerable customers who have seen a reduction in the amount of support they receive or are suffering financial hardship.

- 1.14 The Policy is referred to in documentation sent to customers and on the Council's website, and the Citizen's Advice Bureau and Debt Advice Agencies are aware of the Policy.
- 1.15 With Central Government funding for council services due to reduce significantly after 2019-2020, fundamental changes will need to be considered to the Council Tax Reduction Scheme for 2020-2021.
- 1.16 It is therefore intended that no changes are made for 2019-2020 for the following reasons:
- Members considered the impact of other options identified to be too great when they made the decision on the scheme for 2017-2018, with no material change in impact anticipated.
 - The impact of the introduction of Universal Credit on 21 November 2018 will represent a significant change for households in receipt of welfare benefits.
 - Significant changes are expected for 2020-2021 and there has been a year on year reduction in the cost of Council Tax Reduction a result of earlier changes and a reduction in caseload.
 - The Council has a policy in place to help those households who are experiencing financial hardship.
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2 AVAILABLE OPTIONS

- 1.1 Option 1 – maintain current scheme. In agreeing to the recommendation not to make any changes to the 2019-2020 scheme, recommendation would be made to Full Council to re confirm the scheme, with no public consultation required.
- 1.2 Option 2 – revise the scheme. If this Committee does not agree to the recommendations, there would need to be a public consultation on the options available in 1.9 or as determined by this Committee. A report would then come back to this Committee in order for recommendation to be made to Full Council.
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2. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 2.1 Option 1 is the preferred option for the reasons set out in 1.13, with recommendation to Council there are no changes to the 2019-2020 Council Tax Reduction Scheme.
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3. RISK

3.1 The risks associated with this proposal, including the risks if the council does not act as recommended, have been considered in line with the Council’s Risk Management Framework.

4. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

5.1 Depending on the recommendation agreed by this Committee, a public consultation may need to take place.

5. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

5.1 The final decision at Full Council will be notified to those households affected and key stakeholders.

6. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The council needs to balance the needs of low income households with the wider interest of local taxpayers to ensure that vulnerable residents are protected whilst providing a scheme that is affordable.	Sheila Coburn, Head of Revenues and Benefits Partnership
Risk Management	The risks associated with implementing and operating the scheme are not considered high. Endorsement of a scheme helps reduce the risk	Sheila Coburn, Head of Revenues and Benefits Partnership
Financial	CTR reduces the amount of Council Tax that can be collected. The cost of the scheme is met in full by the council and preceptors. The cost of the scheme has been reducing year on year.	Finance Team
Staffing	No impact	Sheila Coburn, Head of Revenues and Benefits Partnership

<p>Legal</p>	<p>Section 13A of the Local Government Finance Act 1992 requires the Council to adopt a Council Tax Reduction Scheme. Schedule 1A of the Act requires the Council to consider whether to revise or replace its scheme for each year.</p> <p>The Act contains a statutory duty to consult on a proposed scheme, with guiding principles for fair consultation set out in case law. As the proposed 2019-2020 scheme is unchanged from the current year 2018-2019, and consultation took place in 2017, no further consultation is necessary</p>	<p>Keith Trowell, Team Leader (Corporate Governance), Legal Services</p>
<p>Privacy and Data Protection</p>	<p>It is recognised the recommendations will impact on what information the Council holds on its residents.</p> <p>The data will be held and processed in accordance with the data protection principles contained in Schedule 1 to the Data Protection Act 1998.</p>	<p>Keith Trowell, Team Leader (Corporate Governance), Legal Services</p>
<p>Equalities</p>	<p>The recommendations do not propose a change in service therefore will not require an equalities impact assessment</p>	<p>Equalities and Corporate Policy Officer</p>
<p>Crime and Disorder</p>	<p>No impact</p>	<p>Sheila Coburn, Head of Revenues and Benefits Partnership</p>
<p>Procurement</p>	<p>No impact</p>	<p>Sheila Coburn, Head of Revenues and Benefits</p>

		Partnership
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7. REPORT APPENDICES

None

8. BACKGROUND PAPERS

None

Agenda Item 14

Policy and Resources Committee

4 September 2018

Equalities Annual Update

Final Decision-Maker	Policy and Resources Committee
Lead Head of Service/Lead Director	Head of Policy, Communications and Governance
Lead Officer and Report Author	Equalities and Corporate Policy Officer & Policy and Information Manager
Classification	Public
Wards affected	All

Executive Summary

The purpose of this report is to provide an annual update on the progress made against the equalities objectives set in 2017 and to set the action plan for the forthcoming year.

This report makes the following recommendations to this Committee:

1. That the progress made on the equalities objectives as set out in paragraph 1.7 of the report is noted.
2. That the new action plan, as included in Appendix 1 to the report, is agreed.

Timetable

Meeting	Date
CLT	4 September 2018
Policy and Resources Committee	19 September 2018

Equalities Annual Update

1. INTRODUCTION AND BACKGROUND

- 1.1 The Equalities Policy was approved by the Policy and Resources Committee in 2017. The policy sets the Council's commitments under the Equalities Act 2010 and the way in which it fulfils its public sector equality duty.
- 1.2 Our Equalities Policy and objectives are reviewed every three years and progress with regards to the objectives set is reported on an annual basis.
- 1.3 The purpose of this report is to provide an update on the progress made against the objectives set in 2017 and outline new actions for the forthcoming year.

Equalities Objectives

- 1.4 The current equalities objectives were agreed by the committee in 2017. The objectives are structured around three defined roles:
 - Community Leader
 - Service provider
 - Employer
- 1.5 These are set out in our Equalities Policy and add structure and transparency to the way in which we develop and report on our objectives.
- 1.6 To ensure delivery of the objectives set, an action plan was developed which has been monitored throughout the course of the year.

Summary of achievements

- 1.7 This is a summary of some of the achievements from the past year:

As a Community Leader

- We now have a single point of contact in place with Involve. Involve are a key community based organisation who deliver a number of community forums for the council with a particular focus on seldom heard groups. Our single point of contact ensures there is consistent engagement with Involve, facilitating a two-way conversation between the Council and all its communities.
- We now have a Community Section established in the Borough Insight. It is used to inform our residents on the dates of the community forums we support via Involve. It will be used to showcase community groups and training and volunteering opportunities on offer.
- Consultations are now successfully being delivered in-house and a toolkit and guidelines have been developed to support this. This has improved consistency of consultation across the council with collection of demographics improving analysis of how decisions affect customers.

- An organisation widereview identified the lack of consistency and knowledge in how we approach providing information in accessible formats. A toolkit has been developed which will improve understanding and raise standards in this area and will be rolled out before the end of the year.

As a Service Provider

- The Equalities Impact Assessment process has been redesigned with a new guidance document to make it more intuitive to complete. This assessment should be carried out for all proposed new or reviews to council policies and service delivery. A training plan has been devised and will be delivered to all departments by the end of the year.
- GDPR Audits have been completed for departments across the Council for sensitive personal data (which includes equalities data). Recommendations have been given to services and action plans are under development

As an Employer

- Equalities are now considered as part of Service Planning. Unit Managers are required to consider equalities alongside their business planning for the forthcoming year ensuring that due regard is given.
- The standards of EIAs have been raised. Support and guidance to officers is now provided and as a result EIAs are now considered at an earlier stage in the decision making process and the supporting evidenced being provided demonstrates a more considered and informed approach is being taken. A system is now in place to monitor EIAs via modern.gov, to ensure that Equalities is being considered in all reports
- Democratic Services team now take a proactive approach with new members in terms of ensuring their needs are considered from an equalities perspective. For example by providing reports in large print.
- Information on equalities is now included in all new member training packs.
- A quarterly update on forthcoming community forums facilitated by Involve is included in the Member newsletter to enable members' in their role within their communities.

1.8 Appendix 1 (Equalities Objectives & Action Plan) shows the updated action plan for the coming year. It identifies new actions we will undertake over the next year to ensure that we continue to move forward in achieving the existing objectives set; many of the actions are natural 'next steps'.

Armed Forces Covenant

1.9 The Armed Forces Covenant is a promise from the nation that those who serve or have served in the armed forces and their families are treated fairly.

- 1.10 Two of the squadrons at Maidstone's Invicta Barracks are Gurkha Engineers who play a key part in operations around the world. As a result, Maidstone has an established Nepalese community.
- 1.11 Maidstone Borough Council have to date had prominent involvement in the work involved in the Armed Forces Covenant in Maidstone.
- 1.12 The Leader and Deputy Leader recently renewed this commitment, attending the 5th Kent and Medway Civilian Military Covenant Conference at Brompton Barracks in June this year.
- 1.13 To raise the profile of the Military Covenant and the work that we are doing in this area, work streams will be incorporated into the Equalities Objectives & Action Plan. It will be monitored and reported on as part of this annual report.

Dementia

- 1.14 Dementia has also been included as a new action within the Equalities Objectives & Action Plan to raise its profile within the organisation and to ensure there is consistent approach across the organisation to increase the impact of what we do.
- 1.15 Awareness of Dementia and the importance of Councils increasing their understanding and engaging more with this agenda is gaining momentum nationally. For example, making public spaces more intuitive to use, ensuring the right support is in place for residents as we move forward in a digital age and ensuring our communications from signage to letters are widely accessible.
- 1.16 This month staff across the Council have been involved in events to inform and raise awareness of Dementia. On 8 September a team took part in the Alzheimer's Society's Memory Walk in aid of Dementia awareness at Mote Park. On 9 September, National Dementia Carer's Day was promoted across the organisation with information provided to staff, including the Dementia Friend video and on 10 September, Dementia awareness sessions led by a Dementia Friends Champion were run for staff to find out more about dementia and the support available. Further training may be rolled out more widely to staff and members as members have expressed an interest in Dementia awareness training
- 1.17 The Council is engaged with the Aging Well Health and Wellbeing Sub Group and is already taking steps to becoming a Dementia Friendly organisation. A member of staff has been designated to attend the Maidstone area information seminar and further actions to achieve this status have been included in the action plan at Appendix 1 and will be monitored over the course of the year.

2. AVAILABLE OPTIONS

- 2.1 Keep the current the Equalities Objectives & Action Plan. Whilst there have been no legislative changes the current actions have been achieved, not

updating the plan would mean that the Council has identified that no further actions or improvement is required.

- 2.2 Approve the action plan (as detailed in Appendix 1) to enable the organisation to continue to improve on the way in which it fulfils the Public Sector Equalities Duty.

3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 3.1 As set out at paragraph 2.2. to approve the new objectives and actions as detailed in Appendix 1. The action plan has been closely monitored to ensure it is delivered. The new action plan has been identified via a strategic overview exercise and therefore on an informed basis. This continued approach and correlation with the strategic planning process provides parity of esteem which in itself improves the organisations awareness and understanding of equalities.

4. RISK

- 4.1 The report is an information report, providing an update on the progress made on actions agreed by Committee. The recommendations made are either actions which are natural next steps to those already agreed or in terms of the new objectives – raising the profile and complimenting streams of work that have already been agreed.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 The Equalities Objectives and Action Plan were agreed by the Committee in 2017. This report provides an update on the progress made to date and an opportunity for the Committee to have an input into the new action plan.

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 If agreed the updates proposed to the Equalities Objectives and Action Plan will be made and the document will be made available on the intranet and internet for staff and residents.
- 6.2 The action plan will continue to be monitored by the Equalities and Corporate Policy Officer.

7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The Equalities Policy and Objectives are key documents that underpin our Corporate Priorities and support the Council's ongoing commitment to the residents of Maidstone, ensuring that the Council is accountable, transparent and involving residents in its decision making.	Equalities and Corporate Policy Officer
Risk Management	Already covered in the risk section – if your risk section is more than just a paragraph in this box then you can state 'refer to paragraph ... of the report'	Equalities and Corporate Policy Officer
Financial	The Equalities Policy supports decisions made by the Council in this area of business.	Equalities and Corporate Policy Officer
Staffing	The Policy, objectives and actions will be monitored and reported on by the Equalities and Corporate Policy Officer.	Equalities and Corporate Policy Officer
Legal	An annual report is required as part of the Council's adherence to the Public Sector Equalities Duty.	Equalities and Corporate Policy Officer
Privacy and Data Protection	There are a number of works streaks referenced in the action plan around public consultation which involve the collection of data. The appropriate privacy statement is in place.	Equalities and Corporate Policy Officer
Equalities	The Equalities Policy defines and supports the actions the Council takes to ensure that equalities implications are considered as part of the decision making process. EIAs are a key part of this process.	Equalities and Corporate Policy Officer
Crime and Disorder	The policy will support decisions made by the Council in this area of business.	Equalities and Corporate Policy Officer

Procurement	EIAs are a key, supporting part of the commissioning and procurement process.	Equalities and Corporate Policy Officer
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8. REPORT APPENDICES

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

- Appendix 1: Equalities Objectives & Action Plan
-

9. BACKGROUND PAPERS

None

Equalities Objectives & Action Plan

Aim	Actions	Responsible officer	How will we know that this done?	To be delivered by:
Role 1: As a Community Leader We will engage with residents in an open and meaningful way.				
Provide a consistent approach to providing information to residents in alternative formats across the authority	<ul style="list-style-type: none"> • Roll out toolkit to all staff and councillors and ensure a Council wide approach • Produce new Policy and Strategy Guidance • Meet the EU accessibility standards (EN301549) for public sector websites and apps within the timescales set by Government 	<ul style="list-style-type: none"> • Policy and Information team - Equalities and Corporate Policy Officer • Communications team • Democratic Services 	<ul style="list-style-type: none"> • A clear process and procedure to providing information used consistently across the authority and monitored. • Publish an accessibility statement using the European Commission framework. 	December 2018
Demonstrate effective engagement with the community, charity and voluntary sector, providing evidence of involvement in the Council's decision-making process.	<ul style="list-style-type: none"> • Develop and grow an internal database of organisations in the community, charity and voluntary sectors • Use social media 	<ul style="list-style-type: none"> • Policy and Information team - Equalities and Corporate Policy Officer • Data Intelligence Officer • Communications and Marketing team 	<ul style="list-style-type: none"> • Increased response rate from groups with low response rates to consultation: 18-24 year olds, over 75 year olds and BME groups 	November 2019

Equalities Objectives & Action Plan

	<p>(and other means including the Borough Insight community section) to amplify the voice and opportunities being offered by the community, charity and voluntary sectors</p> <ul style="list-style-type: none"> • Develop individually tailored communication and engagement strategies for consultations 			
<p>Raise the profile of the Military Covenant in Maidstone</p>	<ul style="list-style-type: none"> • Develop a new Internet information page • Develop an information toolkit for all staff and councillors • Increase involvement of military including cadets at civic and community events 	<ul style="list-style-type: none"> • Mayoralty team • Equalities and Corporate Policy Officer 	<ul style="list-style-type: none"> • Number of hits on Military Covenant Internet information page • Increased awareness of Council's role in military covenant demonstrated by enquiries to Military Covenant lead officer 	<p>March 2019</p>

Equalities Objectives & Action Plan

Role 2: As a Service Provider				
We will ensure our services are inclusive, accessible and support residents and customers.				
Ensure sensitive personal data is only collected where required and managed securely	<ul style="list-style-type: none"> • Implement actions from Information Audits • Undertake annual audit 	<ul style="list-style-type: none"> • Policy and Information Manager • Information and Corporate Policy Officer • Unit Managers 	<ul style="list-style-type: none"> • Sensitive personal data only collected where there is a legal basis or consent is given. • Improved use of Equalities data as an evidence base, where held appropriately. 	Review March 2019
Raise standard of Equalities Impact Assessments (EIAs)	<ul style="list-style-type: none"> • Undertake training with Managers and Key officers that complete EIAs • Monitor Committees work programmes to identify where EIAs should be included. 	Policy and Information team - Equalities and Corporate Policy Officer	<ul style="list-style-type: none"> • Engagement with Policy and Information Team at earliest opportunity. • Well thought out and prepared documents • All reports to have clearly considered equalities implications. • All EIAs to be published on the website. 	December 2018
Provide a consistent approach to contract management across the services.	<ul style="list-style-type: none"> • Review Commissioning and Procurement Strategy 	Procurement	<ul style="list-style-type: none"> • Ensuring all contracts managed are compliant with the Council's values, in 	March 2019

Equalities Objectives & Action Plan

	<ul style="list-style-type: none"> Evaluate commission and procurement processes and procedures 		<p>line with the Public Sector Equality Duty.</p>	
<p>To take steps to becoming a Dementia Friendly Organisation</p>	<ul style="list-style-type: none"> Identify a member of staff to act as a champion for age-friendliness Attend the information seminar the Maidstone area Review training and awareness of dementia across the organisation Review information and signage from a dementia perspective 	<ul style="list-style-type: none"> Health and Well-Being team HR Customer Services Communications and Engagement team Digital team Policy and Information team 	<ul style="list-style-type: none"> Join up with other local organisations and businesses on emerging dementia initiatives The inclusion or referencing of dementia in new policies across the council Information being produced, across all communication channels in an accessible manner 	<p>March 2019</p>

Equalities Objectives & Action Plan

Role 3: As an Employer To have a workforce that feels valued and respected.				
To deliver annual Equalities training to all elected members as part of ongoing professional development	<ul style="list-style-type: none"> Equalities Training to be included in the Member Development Programme 	Democratic Services & Policy and Information	<ul style="list-style-type: none"> Councillors demonstrating an understanding of the implications and importance of providing a sound evidence base as part of Equalities Impact Assessments in determining changes to or reviews of Policy decisions. 	July 2019
To ensure newly elected members are offered appropriate support to be effective in their role	<ul style="list-style-type: none"> At new member induction session (and on a rolling annual basis) provide a form to request reports, minutes and communications in alternative formats such as large print. 	Democratic Services	<ul style="list-style-type: none"> Completed forms returned to Democratic Services. Take-up of support. Improved understanding of elected members and their needs and requirements within Democratic Services team. 	June 2019

Agenda Item 15

Policy & Resources Committee 19 September 2018

Key Performance Indicator Update Quarter 1 2018/19

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

Executive Summary

Policy & Resources Committee is asked to review the progress of Key Performance Indicators that relate to the delivery of the Strategic Plan 2015-2020. The Committee is also asked to consider the comments and actions against performance to ensure they are robust.

This report makes the following recommendations to Policy & Resources Committee:

That the summary of performance for Quarter 1 of 2018/19 for Key Performance Indicators (KPIs) be noted.

Timetable

Meeting	Date
Policy & Resources Committee	19 September 2018

Key Performance Indicator Update Quarter 1 18/19

1. INTRODUCTION AND BACKGROUND

- 1.1 Having a comprehensive set of actions and performance indicators ensures that the Council delivers against the priorities and actions set in the Strategic Plan.
- 1.2 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.
- 1.3 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.
- 1.4 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 for when the information is expected.
- 1.5 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.

2. Quarter 1 Performance Summary

- 2.1 There are 27 key performance indicators (KPIs) which were developed with Heads of Service and unit managers, and agreed by the four Service Committees for 2018/19. 14 are reported to the Committee for this quarter.
- 2.2 Overall, 83% (10) of targeted KPIs reported this quarter achieved their target compared to 67% (8) in quarter 4 of 2017/18 and 47% in the same quarter last year.
- 2.3 There are 3 contextual indicators (indicators without targets) represented in the chart below as N/A, these indicators were requested for inclusion as they are important to assessing how the council is performing by examining the outcomes. These indicators are; the percentage of littering reports attended to, the number of households living in temporary accommodation at the last night of the month and the number of households living in nightly paid temporary accommodation on the last night of the month.

RAG Rating	Green	Amber	Red	N/A	Total
KPIs	10	0	1	3	14
Direction	Up	No Change	Down	N/A	Total
Last Year	8	0	4	2	14
Last Quarter	8	0	4	2	14

Data Not Provided or Available

The percentage of land and highways with acceptable levels of litter and detritus.

- 2.4 As per the DEFRA guidance, this indicator is measured three times per year in quarters 2, 3 and 4 in order to keep consistency with previous years. The monitoring involves rescoring the level of litter and detritus in 300 x 25m transects of highway taking into consideration all land uses i.e. retail, high intensity housing, rural etc.

3. Performance by Priority

Priority 1: Keeping Maidstone Borough an attractive place for all

- 3.1 Percentage of reports of littering attended to was 68.69%. For this indicator the lower the percentage the better as it indicates that the cleansing schedules are sufficient for additional reactive cleanses to be unnecessary. Over the past couple of months there have been some significant changes to the street cleansing schedules with the intention that the schedules will be able to be published by the end of the financial year. This should enable residents and Members to check when roads are due to be cleaned and therefore reduce the number of reports of litter. The proposed improvements to the schedules will work to reduce this percentage from 68% towards 50%.
- 3.2 Percentage of fly tips resulting in enforcement action was 61.1% against a target of 50%. This quarter showed that the service is maintaining the high number of enforcement actions. The Waste Crime Team is now fully operational and this has resulted in a higher percentage of enforcement action.
- 3.3 Percentage of fly-tips cleared or assessed within 2 working days was 96.88% against a target of 89%. A new fly tipping response team has been created which involved moving two street cleansing operatives to work directly for the Waste Crime Team. The dedicated team has enabled fly tipping to be dealt with more quickly and for evidence to be gathered at the same time as the waste being removed in many cases. The Waste Crime Team is also now fully staffed with four officers who are able to support the response team in gathering evidence and intelligence more quickly so the waste can be removed without delay.
- 3.4 The percentage of fly-tips cleared or assessed within 4 working days was 99.2% against a target of 94%. During this quarter there were only 2 fly tips which could not be removed within 4 working days. This was because they involved large quantities of hardcore and the team needed to wait for Kent County Council and the Waste Disposal Authority to arrange for a facility to accept the waste. Once the arrangements were in place the team removed the waste straight away.

- 3.5 54.96% of household waste was sent for reuse, recycling, or composting during quarter 1. The past quarter has provided an improved recycling rate and the target was achieved. This was mainly due to increase garden waste collection over the period of prolonged good weather.

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

- 3.6 Footfall on the High Street had a value of 2,973,349 against a target of 2,400,000. Quarter 1 footfall continues to follow the trend of previous years. There has been a drop of 100,718 from the same quarter last year however footfall has increased by 167,337 from the previous quarter.

Priority 2: Securing a successful economy for Maidstone Borough

- 3.7 Performance in major applications was 97.22% for quarter 1 significantly above the target of 88%. This is a significant achievement in overall performance and reflects the hard work that the team have put in.
- 3.8 The performance in minor applications has seen a significant increase since the last financial year. At the end of the 17/18 financial year, performance stood at 75.97%. Whilst this was largely due to work to eliminate the backlog of applications, the current performance for quarter 1 of 98.23% reflects the hard work that the team have put in to turn the performance around. This can be linked to the success of the Planning Service Implementation Project (PSIP) which the whole team have been a part of and contributed to.
- 3.9 Performance for other applications was 97.42% for quarter 1. This exceeds the target of 90%. Again, this reflects the hard work put in by the team to deliver the success of the PSIP Project.
- 3.10 Affordable completions are usually slow for the first two quarters of the year and historically pick up for the final two quarters. However the quarter's target of 45 has been exceeded with 78 affordable completions being delivered for the first quarter of the year. Of these, 39 have been for shared ownership and 39 have been for affordable rent. We remain on track to achieve the year-end target.
- 3.11 The number of households housed through housing register this quarter was 173 against a target of 156. The quarterly target for the number of applicants housed has been met due to an increase in the amount of available vacant and new build properties received from our Registered Providers. The number of households who are on the Council's Housing register was 572 on 30 June 2018 which was a decrease from the end of the previous quarter.
- 3.12 Due to changes in monitoring as a result of the introduction of the Homelessness Reduction Act the housing team have had to change the data which they collect under the current indicator 'number of households prevented from becoming homeless through the intervention of housing advice'.

- 3.13 Therefore they are showing as missing target as they have been unable to collect the data as they would have previously. Of what was collected prevention duty was ended to 22 households as a result of suitable accommodation being secured that would be available for at least 6 months and a further 2 applicants had the Relief duty ended as a result of securing suitable accommodation available for at least 6 months.
- 3.14 As a result of this change, Communities Housing and the Environment Committee have been asked to agree a change to the indicator and target, from number of households prevented from becoming homeless through the intervention of housing advice' to 'the number of cases where the homelessness Prevention Duty or Relief Duty has been brought to an end due to the applicant having secured suitable accommodation that will be available for at least 6 months'. With a target set at 200 cases for the year, reflecting the significant change in the legislation.
- 3.15 There were 110 households living in temporary accommodation in the last night of June 2018. This represents the total number of households in all types of temporary accommodation used by the Authority and includes, B&B providers, providers of nightly paid temporary accommodation, accommodation owned and leased by the Authority, Registered Providers stock used by the Authority as temporary accommodation. The number of households in all types of temporary accommodation has increased during the quarter. At the end of Q4 2017/18 there were 99 households in TA, which has increased by 11 in this quarter. This increase is also reflective of the increase in number of statutory homeless applications, which rose from 160 in quarter 4 2017/18 to 298 in quarter 1 2018/19. The Homelessness Reduction Act did increase the number of cases will fall under a statutory application, as the trigger for an application increased from a threat of homelessness within 28 to 56 days.
- 3.16 There were 54 households living in nightly paid temporary accommodation on last night of June 2018. This indicator is the total number of households is nightly paid accommodation, i.e. B&B's and private providers of nightly paid accommodation. This indicator is included as the Authority pays per night for each unit of accommodation, which is at a significant cost to the Authority. At the end of quarter 4 2017/18 there were 48 households in nightly paid TA, which increased to 54 at the end of Q1 2018/19.

4. RISK

- 4.1 This report is presented for information only, committees, managers and heads of service can use performance data to identify service performance and this data can contribute to risk management.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 The Key Performance Indicator Update is reported quarterly to the Service Committees: Communities Housing and Environment Committee, Strategic Planning, Sustainability and Transportation Committee, and Heritage Culture and Leisure Committee. Each Committee will receive a report on the

relevant priority action areas. The report is also presented to Policy & Resources Committee, reporting only on the priority areas of: A clean and safe environment, regenerating the Town Centre, and a home for everyone.

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

6.1 The Council could choose not to monitor the Strategic Plan and/or make alternative performance management arrangements, such as 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.

7. 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.	Head of Policy, Communications & Governance
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.	Head of Policy, Communications & Governance
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.	Senior Finance Manager (Client)
Staffing	Having a clear set of targets enables staff outcomes/objectives to be set and effective action plans to be put in place	Head of Policy, Communications & Governance
Legal	There is no statutory duty to report regularly on the Council's performance. However, under	Keith Trowell, Team Leader (Corporate

	Section 3 of the Local Government Act 1999 (as amended) a best value authority has a statutory duty to secure continuous improvement in the way in which its functions are exercised having regard to a combination of economy, efficiency and effectiveness. One of the purposes of the Key Performance Indicators is to facilitate the improvement of the economy, efficiency and effectiveness of Council Services. Regular reports on the Council's performance assist in demonstrating best value and compliance with the statutory duty.	Governance)
Privacy and Data Protection	We will hold data in line with the Data Quality Policy, which sets out the requirement for ensuring data quality. There is a program for undertaking data quality audits of performance indicators.	Keith Trowell, Team Leader (Corporate Governance)
Equalities	The Performance Indicators reported on in this quarterly update measure the ongoing performance of the strategies in place. If there has been a change to the way in which a service delivers a strategy, i.e. a policy change, an Equalities Impact Assessment is undertaken to ensure that there is no detrimental impact on individuals with a protected characteristic.	Equalities & Corporate Policy Officer
Crime and Disorder	None Identified	Policy & Information Manager
Procurement	Performance Indicators and Strategic Milestones monitor any procurement needed to achieve the outcomes of the Strategic Plan.	Head of Policy, Communications & Governance, & Section 151 Officer

8. REPORT APPENDICES

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

Appendix 1: Key Performance Indicator Update Quarter 1 18/19





9. BACKGROUND PAPERS




None

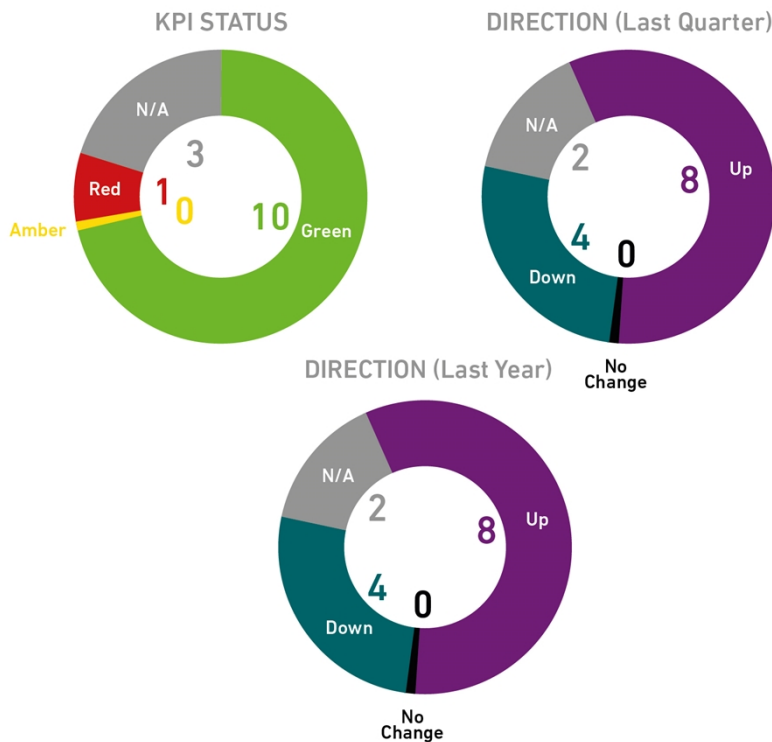
Performance Summary

This is the quarter 1 performance update on Maidstone Borough Council’s Strategic Plan 2015-20. It sets out how we are performing against Key Performance Indicators that directly contribute to the achievement of our priorities. Performance indicators are judged in two ways; firstly, whether an indicator has achieved the target set, known as PI status. Secondly, we assess whether performance has improved, been sustained or declined, compared to the same period in the previous year, known as direction.

Key to performance ratings

RAG Rating	
	Target not achieved
	Target slightly missed (within 10%)
	Target met
	Data Only













Direction	
	Performance has improved
	Performance has been sustained
	Performance has declined
N/A	No previous data to compare



RAG Rating	Green	Amber	Red	N/A	Total
KPIs	10	0	1	3	14
Direction	Up	No Change	Down	N/A	Total
Last Year	8	0	4	2	14
Last Quarter	8	0	4	2	14




Priority 1: Keeping Maidstone Borough an attractive place for all

Providing a clean and safe environment

Performance Indicator	Value	Target	Status	Last Year	Last Quarter
Percentage of reports of littering attended to	100%			N/A	N/A
Percentage of fly tips resulting in enforcement action	61.1%	50%			
Percentage of fly-tips cleared or assessed within 2 working days	96.88%	89%			
Percentage of fly-tips cleared or assessed within 4 working days	99.22%	94%		N/A	N/A
Percentage of household waste sent for reuse, recycling and composting (NI 192)	54.96%	52.5%			



























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

Regenerating the Town Centre

Performance Indicator	Value	Target	Status	Last Year	Last Quarter
Footfall on High Street	2,973,349	2,400,000			

Priority 2: Securing a successful economy for Maidstone Borough

A home for everyone

Performance Indicator	Value	Target	Status	Last Year	Last Quarter
Processing of planning applications: Major applications (NI 157a)	97.22%	88%			
Processing of planning applications: Minor applications (NI 157b)	98.23%	80%			
Processing of planning applications: Other applications (NI 157c)	97.42%	90%			
Number of affordable homes delivered (gross)	78	45			
Number of households housed through housing register	173	156			
Number of households prevented from becoming homeless through the intervention of housing advice	24	150			
Number of households living in temporary accommodation last night of the month	110				
Number of households living in nightly paid temporary accommodation on the last night of the month	54				

Agenda Item 16

POLICY AND RESOURCES COMMITTEE

**Wednesday 19
September 2018**

Update on the Development of the New Strategic Plan

Final Decision-Maker	Policy and Resources Committee
Lead Director	Alison Broom, Chief Executive
Lead Officer and Report Author	Alison Broom, Chief Executive and Angela Woodhouse, Head of Policy, Communications and Governance
Classification	Public
Wards affected	ALL

Executive Summary

This report sets out the draft vision, objectives and outcomes for committee consideration following the workshops and events with Councillors and the Leadership Team. The report seeks agreement to consulting on the draft vision, objectives and outcomes and the approach that will be taken.

This report makes the following recommendation to this Committee:

Agree the draft vision, objectives and outcomes for further consideration by Councillors, Committees and consultation with the public and stakeholders.

Timetable

Meeting	Date
Policy and Resources Committee	19 September 2018

Update on the Development of the New Strategic Plan

1. INTRODUCTION AND BACKGROUND

- 1.1 Policy and Resources Committee agreed in July 2018 to a corporate planning timetable for the creation of a new Strategic Plan to run concurrently with the Medium Term Financial Strategy from 2019-2024.
- 1.2 The timetable included further councillor workshops to develop the strategic plan prior to consultation with stakeholders and service committee review in October. The timetable as agreed is set out in **Appendix A**.
- 1.3 This report provides an update on the work undertaken so far to develop the plan, the draft vision, objectives and outcomes proposed for consultation and the planned approach to consultation

2. ACTION TAKEN SO FAR

- 2.1 Four workshops were held covering the four emerging themes of the Council's future strategic plan, the numbers in brackets represent the number of Councillor attendees at each workshop:
 - Creating a great place for living and visiting (17)
 - Great communities by design (16)
 - People are healthy and safe (10)
 - Prosperity – Working in the Borough (13)
- 2.2 The purpose of the workshops was for Councillors to consider the objectives and outcomes the Council should aspire to in the new Strategic Plan considering what the Council could do to achieve these objectives alone and working with others. All presentations and information shared and gathered at each workshop has been circulated to all Councillors.
- 2.3 In terms of the vision for the Strategic Plan. It has been identified from conversations with Members that our vision needed to go beyond the 5 years of the strategic plan to ensure it leads all policies and strategies of the Council and really sets out where we want to be in the future as such it is proposed that the vision is until 2045. The draft vision is set out in section 3.
- 2.4 Wider Leadership Team considered the outputs from the workshops and as a result it is recommended that the number of objectives is reduced from 12 to 8 and the pillars are removed. This recommendation is made to reduce duplication and complexity based on member consideration of how future outcomes could be achieved as there was a degree of repetition and overlap across the original twelve draft objectives. A table mapping the bullet points from the workshops onto the draft outcomes can be found at **Appendix C**.

3. AVAILABLE OPTIONS

3.1 The Policy and Resources Committee in July agreed to a period of consultation from September to November with a range of stakeholders as set out in Appendix A. The approach to this consultation is set out from 3.7 below.

3.2 The Committee is asked to consider and agree the draft vision, objectives and outcomes for consultation as set out at **Appendix B**.

3.3 Following the workshops in June and August a vision has been developed for the consideration of the Committee by the Leadership Team:

“A borough of opportunity that works for everyone; that residents are proud to be part of.”

3.6 Each Committee and individual councillor will have an opportunity to comment on the vision, objectives and outcomes prior to approval by policy and Resources in November as part of the recommended Strategic Plan to Council.

Councillor and Committee Consultation

3.7 Each Service Committee in October will have the opportunity to review the vision, objectives and outcomes and comment, this will then be reported to Policy and Resources in November for consideration.

3.8 It is proposed that each Councillor is asked to individually complete a prioritisation exercise using pairwise comparison for the 8 objectives. Pairwise comparison is used to work out the relative importance of a number of different options. The advantage of this method is that each objective has to be considered and assessed against the other.

3.9 Each objective will be compared to every other objective in turn and members will be asked to select which one out of each pair is the most important. This comparison will be set in the context of the agreed vision for example, out of objective 1 and objective 2 which is most important to achieving our vision.

3.10 This will run online from 29 October for one week. The results will be presented to Policy and Resources in November and used to consider the Medium Term Financial Strategy.

Public Consultation

3.11 The proposal is to run an online survey which will run from 24 September until 11 November. This will be a prioritisation exercise linked to the budget and the results will be presented to the Policy and Resources Committee in November

Parish Consultation

3.12 The Director of Finance and Business Improvement has been working with Parish Councils to arrange area meetings to consult on the draft Strategic Plan in October with one event in the West and another in the East of the Borough.

Stakeholder Engagement

3.13 A meeting will be held with key stakeholders to identify how they can influence and work with us to achieve the objectives and how our objectives align to those organisations that play a role in our communities and place.

3.14 The Committee has already agreed to a plan for consultation and engagement, a decision is required on what to consult on. As such there are several options available, as the Committee have already approved creating a new Strategic Plan and carrying out consultation a do nothing option has not been included:

1. Approve the draft vision, objectives and outcomes set out at **Appendix B.**
2. Approve one of the draft visions set out above and the objectives and outcomes set out at **Appendix B.**
3. Approve a new vision and priorities for consultation.

3.13 Option 1 would ensure the wishes and thoughts of those Members who have contributed so far to the development of the new Strategic Plan are taken into account and given consideration. Option 2 recognises that further input and development prior to consultation is required. Option 3 may mean that previous work by a large number of members with input from officers is disregarded and may prove challenging to achieve in a committee meeting, this may result in slippage in the timetable for the plan.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

4.1 The Committee is asked to take forward options 1 or 2 as set out above.

5. RISK

5.1 This report sets out the next steps in the development of the new Strategic Plan. Risks associated with the delivery of the Strategic Plan will be set out in the Risk Management Framework and operationally through the service planning process.

5.2 If the Committee do not agree to a draft vision, objectives and outcomes for consideration then the timetable for the new strategic plan will have to be reconsidered

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 As outlined in the report the draft vision, objectives and outcomes will be used to consult the public on the councils priorities linked to the budget. The process for consultation is set out in the report.

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 Following the approval of the vision, objectives and outcomes, consultation will be carried out as outlined in the report.
- 7.2 Results of the consultation will be reported to Policy and Resources Committee in November 2018, with the Medium Term Financial Strategy and Strategic Plan going to Council on 12 December 2018.

8. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The Strategic Plan sets the Corporate Priorities	Head of Policy, Communications and Governance
Risk Management	Already covered in the risk section	Head of Policy, Communications and Governance
Financial	Financial implications of the Strategic Plan will be addressed by developing an updated Medium Term Financial Strategy in parallel with the Strategic Plan.	Section 151 Officer & Finance Team
Staffing	Creating a new strategic plan will have staffing implications for the Policy and Information Team and Leadership Team.	Head of Policy, Communications and Governance
Legal	There are no legal implications	
Privacy and Data Protection	All data collected as part of the Strategic Plan process will be processed in accordance with the Data Protection Act	Head of Policy, Communications and Governance
Equalities	Equalities will need to be taken into account when we plan the consultation and any	Head of Policy, Communications and Governance

	service changes resulting from the budget	
Crime and Disorder	Crime and Disorder will be considered during the strategic plan process	Head of Policy, Communications and Governance
Procurement	N/A	Head of Policy, Communications and Governance

9. REPORT APPENDICES

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

- Appendix A: Corporate Planning Timetable
- Appendix B: Draft Vision, Objectives and Outcomes
- Appendix C: Map of workshop notes to Objectives and Outcomes

10. BACKGROUND PAPERS

None

Corporate Planning Timetable

Date	Action
12 June 2018	All Member Workshop on the Strategic Plan
22 June 2018	Leaders' Forum to look at results of the workshop and consider the themes for the follow up member workshops
W/C 25 June 2018	Summary of workshop outcomes issued to all Members.
16 July to 10 August	Workshops held on themes involving Councillors, Officers, External Support as appropriate
June – September	Data Collection to inform the Strategic Plan including key stakeholder priorities, resident survey data and performance information. This will be reported to Committee with Strategic Plan themes
13 September	Leaders' Forum to consider the themes, actions, analysis and stakeholder engagement
September – October	Resident Consultation on the Budget and to inform the Strategic Plan. Where the engagement is primarily carried out digitally, provision will be made for including those who cannot access consultation in this way. We will involve the Communications Member Sounding Board. Service Planning – Heads of Service and Unit Managers
October 2018	Draft Strategic Plan Themes to each Service Committee
November 2018	Medium term Financial Strategy to Service Committees
28 November 2018	Strategic Plan to Policy and Resources Committee
12 December 2018	Medium Term Financial Strategy and Strategic Plan to Council

Draft Vision

“A borough of opportunity that works for everyone; that residents are proud to be part of.”

Draft Objectives and Outcomes

1. Objective: Great Environmental Quality

Outcomes:

1. The borough’s biodiversity and green corridors are improved
2. More residents participate in taking care of the environment
3. The carbon footprint of the borough is reduced
4. Everyone has access to high quality and attractive parks and green spaces
5. More waste is treated locally and used as valuable resource
6. A borough which is recognised as being clean and well cared for

2. Objective: Well Connected Safe and Empowered Communities

Outcomes:

1. A borough where more people feel safe
2. The harm caused by crime and anti-social behaviour is reduced
3. More investment in community infrastructure
4. A diverse range of community activity enabled by the Council
5. A borough with more neighbourhood plans
6. Community creativity is encouraged and enabled

3. Objective: Embracing Growth

Outcomes:

1. New places are created that are well designed and connected
2. The council leads the master planning and invests in the creation of new places
3. All new homes are built to a high quality of environmental and renewable building standards
4. The housing need is met for all
5. Communities are engaged in planning growth of their place.

4. Objective: Renowned for Heritage and Culture

Outcomes:

1. The value of tourism is increased
2. Well established and promoted cultural quarter
3. A destination that hosts high quality festivals and events and celebrates diversity
4. Increased resident participation in cultural and heritage activities
5. Everyone knows we are the County town of Kent

5. Objective: A decent home for everyone

Outcomes:

1. Homelessness and rough sleeping is prevented
2. Residents have a decent home
3. The borough has a range of housing type and tenure to meet residents needs
4. The accommodation needs of Gypsy and Traveller community are met
5. We have enabled and delivered affordable housing

6. Objective: Better Transport Systems

Outcomes:

1. The transport system supports the growth in homes and jobs
2. Sustainable travel options are invested in and improved
3. Greater joined up decision making for transport
4. The air quality impacts of transport are reduced

7. Objective: People Fulfil their Potential

Outcomes:

1. Deprivation is reduced
2. Skills levels and earning potential are raised
3. Health and well-being inequalities are reduced
4. Social mobility is improved

8. Objective: A Thriving Economy

Outcomes:

1. Business start-ups and survival rates are improved and we are the best in Kent
2. A revitalised town centre
3. Inward investment is increased from the South East and beyond
4. Improved high speed broadband
5. The Kent Medical Campus is delivered

Workshop feedback mapped to Outcomes

Outcome	June Workshop	August Workshop
Objective: Great Environmental Quality		
<p>The borough's biodiversity and green corridors are improved</p>	<p>Also conserve natural environment Need more conservation areas, green land and AONB Make space to plant trees There is green space but lots of poor green space – mixture of wild and managed. Have a green land ridge AONB When trees are planted make sure developers look after them. Look at stewardship to look after the green spaces. Plant more trees work with landowners e.g. Golding Homes. Council need to do more to preserve green. Failed to keep green space and trees Open space should be managed for the environment, at least a part should be wildlife. Work with other organisations to apply for grants. Parishes can do more and purchase land to keep it green, the borough should do the same. Better management of green spaces, including more green spaces, hubs and also qualitative. Put money in a pot for council for a larger, better open space that is strategically planned. Don't do token gestures – do a large, well run, properly managed green space. More and better green space, some wild, some managed. Need to do more to conserve the best bits of the built and natural environment We will Conserve the best bits of the natural and built</p>	<p>More trees and looked after Right tree for right place Ownership of trees and verges – standardisation (cost saving) of maintenance KCC and MBC New homes 1 tree per room Green corridors connecting communities Accessible open space Reduce housing density in residential developments to allow for wider roads, more communal space (and trees). (Downside: more land will be required to reach housing demand).</p>

Outcome	June Workshop	August Workshop
Objective: Great Environmental Quality		
	<p>environment We will Facilitate the management of green spaces including for wildlife. Green – what is greening for developments? Land bank, more strategic planning for green spaces. How do we maintain it? Littering - fly tip. Future planning – give % land to PO/MBC, eg allocate S106 to one project.</p>	
More residents participate in taking care of the environment	<p>Recycling mascot – equivalent for being active to primary schools in Mote Park area. Sacks of clothes in alleyway – need to educate people of all backgrounds. Biodiversity has to be up the agenda – engage the schools – educate</p>	<p>People taking responsibility More school involvement in clean and green agenda Co-operative model – residents taking equal responsibility for their communities/environment</p>
The carbon footprint of the borough is reduced	<p>Air quality pollution monitoring Air quality issues. Air quality. Pollution – especially in Maidstone – keep the town clean and the villages. Air pollution Pollution – location of jobs and proximity to new homes.</p>	<p>Trees linked to Air Quality</p>
Everyone has access to high quality and attractive parks and green spaces	<p>We Will commit to delivering our Parks and Open spaces 10 year strategic plan Losing green areas. Access to parks (without charges) Green and blue spaces. More facilities in parks and quiet places. More environmentally friendly places. Efficient green places Green spaces Better transport links to park areas.</p>	<p>A park for everyone How do people get to Mote Park Creating spaces for people to mix Better space standards</p>
More waste is treated locally and used as	<p>Recycling is now very good, won't improve much more. Waste.</p>	<p>Invest in food waste recycling to power etc Free bins</p>

Outcome	June Workshop	August Workshop
Objective: Great Environmental Quality		
valuable resource	<p>Energy. Need more waste facilities and open tips. Fly tipping – needs charges reduced and facilities to be accessible. Not enough provision for waste – creates fly tipping, especially need facilities in the north. Fly Tipping – protect the countryside, more facilities needed.</p>	
A borough which is recognised as being clean and well cared for	<p>Attractiveness of Maidstone as a place to visit / live. Clean the gullies in the villages. Need to do better cleaning streets because of the pollution. Fly tipping an issue – needs moving. Cleanliness is a big issue in the villages. Dog fouling is a key issue that is consistently reported. I am yet to see an enforcement officer in my village (3.5 yrs).The town looks very clean on Saturday mornings.</p>	<p>More enforcement – dog fouling etc Less noisy borough Move away from strimmer's? less noise pollution etc</p>

Outcome	June Workshop	August Workshop
Objective: Well Connected Safe and Empowered Communities		
A borough where more people feel safe	Clean safe environment (less crime.)	
The harm caused by crime and anti-social behaviour is reduced		
More investment in community infrastructure	<p>Community opportunities through improvement projects and local schemes that can be delivered on a voluntary basis and help promote cohesion.</p> <p>Development can help save local community facilities in rural areas.</p> <p>Better use of technology to connect people – apps/geolocation.</p> <p>More S106 funds for community infrastructure halls/ groups.</p>	
A diverse range of community activity enabled by the Council	<p>Focus on the town centre – social hub should be evolving.</p> <p>Enabling/Supporting Community Development Groups</p> <p>Councillors championing issues and change.</p> <p>More community groups particularly in areas of deprivation.</p> <p>Breaking down into smaller communities not wards – working in neighbourhoods.</p> <p>More publicity for community groups etc</p> <p>Increase Residents Associations etc.</p> <p>We have a key role as influences and enablers</p> <p>More support and involvement for community groups e.g. rural café bus, coffee club in the museum.</p> <p>Trial small community groups built by communities with ward councillors</p> <p>Trialling small neighbourhood/community groups working with Councillors to address local needs and issues.</p> <p>Promoting greater resilience amongst local communities to assist people within their areas.</p>	

Outcome	June Workshop	August Workshop
Objective: Well Connected Safe and Empowered Communities		
	<p>Community involvement to promote better inclusion. Children have a strong identity with the Borough – their impact on friends/family, working with this group. Communication promoting what is already out there. Recognise and deal with those smaller communities. Connecting to the right places. Make the most of the ward councillors and their local knowledge. Operating as the signposting body.</p>	
A borough with more neighbourhood plans		
Community creativity is encouraged and enabled		

Outcome	June Workshop	August Workshop
Objective: Embracing Growth		
<p>New places are created that are well designed and connected</p>	<p>New town (jobs) Linking in with development within the borough. When we build include transport Respect our rural communities by not over-developing and we will create a new garden village Giving people an area to go to get together. Give each community heart. Develop new hamlets not expand the towns. Hub and spokes of hamlets through Maidstone Garden village, single settlement with new school and doctors etc. Active forward. Build housing with people's wellbeing in mind, space between buildings, giving people space between each other. Influence planning process for GP clinics. Build a new settlement east of Lenham Need to work with infrastructure providers' e.g. KCC we can be naive on how we deal with them. Delivery of services as villages/towns expand. Create a new garden village and stop growing current villages beyond their boundaries. Schools/nursery provision – are they in the right place and connected to communities. Development, like growth, has negative perception – we need to show the positives it brings. Garden settlements – ring-fence green spaces/new spaces. Densities of housing – still need quality and need space for green space. We Will Develop homes and neighbourhoods that enable our residents to live healthier lifestyles and community by design. We Will Ensure regeneration is designed with well-being in mind</p>	<p>New housing developed – accessible for bin lorries Reduce housing density in residential developments to allow for wider roads, more communal space (and trees). (Downside: more land will be required to reach housing demand). Stop retrospective planning permission for gypsy/travellers and have more designated and suitable sites London Best use of land Residential environments to reflect our aspirations for higher quality jobs Integration and sense of communities and transport & amenities in a new place</p>

Outcome	June Workshop	August Workshop
Objective: Embracing Growth		
	<p>We Will Invest in open space (not just green) development and shaping</p> <p>We Will Align our policies on housing, economic development and open spaces</p> <p>We Will work with our developers and residents to enable communities to shape their own areas</p>	
<p>The council leads the master planning and invests in the creation of new places</p>	<p>Political appetite to change parameters – planning.</p> <p>Building flexibility into plans and policies</p> <p>Good planning standards, members very engaged.</p> <p>Use health developer’s money to bring forward these houses.</p> <p>Try to be holistic with developer contributions to help local communities</p> <p>Get ahead of the game & plan sustainable communities now</p> <p>Look to other societies who do manage housing and town centres are optimal – esp. good for transport inc. trains.</p> <p>Lobby the government to relax AONB rules.</p> <p>Create garden villages.</p> <p>We Will Work with developers in a meaningful way. Including:</p> <p>Set specific and clear terms for engaging with local community</p> <p>we will encouraging them to fill the education & skills deficit</p> <p>we will work with developers to secure infrastructure first</p> <p>we will start planning now for post 2031 to ensure the requisite infrastructure to deliver:</p> <ul style="list-style-type: none"> ○ A new town ○ New village hamlets across the borough. ○ we will Work with developers to bring forward ○ A variety of housing ○ A larger settlement with infrastructure 	<p>Be the master planner</p> <p>Develop our Members more to recognise good design and improvement/design audits to development policy</p> <p>Gain greater control over land to be developed and break up land into smaller plots or smaller developers and faster delivery</p> <p>Buying land for development – enable control</p> <ul style="list-style-type: none"> ○ From other large landowners (MOD) <p>Future “new towns”/communities</p> <ul style="list-style-type: none"> ○ Compulsory purchase
<p>All new homes are</p>	<p>Redevelopment of Park Wood?</p>	<p>Quality built and maintainable homes</p>

Outcome	June Workshop	August Workshop
Objective: Embracing Growth		
built to a high quality of environmental and renewable building standards	<p>Lobby Government on infrastructure required to deliver Urban areas – not letting them decline.</p> <p>Need to do better at conservation of buildings and maintenance.</p> <p>Sutton Road – Old Sutton School parking issues, roads narrow too high density.</p>	<p>Life-long homes/living – modifiable to meet changing needs of the individual</p> <p>Better quality built houses to environmental standards</p> <p>Eco standards</p> <p>Run efficiently</p> <p>Integrated CHP on new housing developments</p> <p>Greater distinctiveness in design of houses – less blah</p> <p>Higher quality of housing – more distinctive housing reflecting local building styles and building for future with new designers</p> <p>Higher quality of Environmental and Renewable building standard built in the borough</p>
The housing need is met for all	<p>Diminishing our stock of bungalows – encourage developers??</p> <p>Build more.</p> <p>Homes for life long living – encouraging independent living.</p> <p>Affordable elderly accommodation</p> <p>Working with developers around access to advice and support around buying your own home.</p> <p>Create lifetime living properties – whole lifetime houses.</p> <p>Work with developers to get a diversity of dwellings built</p> <p>Too many people in too small developments Needs open space and decent gardens.</p> <p>Too cramped in town.</p> <p>More bungalows for the elderly.</p> <p>Create mixed communities not just 3 bed houses.</p> <p>Use empty garage spaces to build new homes.</p> <p>Provide smaller homes that the elderly would want to help them downsize.</p> <p>Bedsits also want a car.</p> <p>Need to reduce housing density.</p> <p>Develop all 3 at same time – housing, economic development and open space – the latter has been left behind.</p>	<p>Address better elderly, disabled and mental health issues – particularly for those in owner occupational</p>

Outcome	June Workshop	August Workshop
Objective: Embracing Growth		
	<p>Look at building Hamlets outside our villages. Mini towns being built in the villages.</p>	
<p>Communities are engaged in planning growth of their place.</p>	<p>Work with developers to get better community engagement by design. Issue for older generation who are capital rich but cash poor and an issue for rural areas. Do we actually understand what an older person may want? How do we get developers to understand? Towns change over time but people remember it as it used to be – show how it has already changed.</p>	<p>Create a sense of community in new places</p> <ul style="list-style-type: none"> • What does this mean • Does it include infrastructure • Learn from Langley Park <p>i.e. know what the components are Critical mass that enables new community Integration of new and existing community Social mix Creating community & resilience</p>

Outcome	June	August
Objective: Renowned for Heritage and Culture		
The value of tourism is increased	Profit into H & Culture.	
Well established and promoted cultural quarter	Making a Town Centre Cultural Hub. Redevelop ourselves and create a hub. Town Centre is the cultural centre Art in Town Centre, diversity, draw. Create a cultural hub in the town centre and run events that make the most out of the heritage. Create a cultural hub in the town centre. Cultural Ambition for Maidstone a Hub – be brave + ambitions.	
A destination that hosts high quality festivals and events and celebrates diversity	Increased promotion of events/assets – not just council owned.	
Increased resident participation in cultural and heritage activities	Create heritage events – based on industries – paper, brewery, flagstone, legal, public sector. Install artwork linked to the place. The Old Archbishops Stables used to store carriages – more carriages to use it as a venue into the old building. Making the most of what we have – heritage /cultural assets? Make more of Archbishop’s Palace area – look at it as an area the town investing as a package and priority. These every square on one of our industries – celebrate heritage i.e. flagstone, brewery etc. Make most of our river – more opportunities on being active around river.	
Everyone knows we are the County town	Make use of county town. Does it matter that we have disparate communities?	

Outcome	June	August
Objective: Renowned for Heritage and Culture		
of Kent	Urban/Rural – Maidstone Identity Promoting the county town of Kent. Promoting a positive identity for Maidstone. 365 campaign – build on that.	

Outcome	June	August
Objective: A decent home for everyone		
Homelessness and rough sleeping is prevented	Hostel – option to open.	
Residents have a decent home	No decent home affects jobs	Everyone to be in a decent home, in the tenure they would like
The borough has a range of housing type and tenure to meet residents needs	<p>Encouraging greater community inclusion through promoting more use of co-operative housing.</p> <p>Loss of key worker schemes more shared ownership.</p> <p>Give a housing mix. Cost of an area where it is possible to meet – this comes with a cost.</p> <p>Providing a range of housing in urban areas where constraints make it more difficult to provide affordable housing but that is where the need is most.</p> <p>Accessibility to housing.</p> <p>Removing the stigma of social housing.</p> <p>Housing waiting list.</p>	<p>Different models of housing schemes/energy purchasing schemes</p> <p>Tenure mix</p> <p>Mix of tenure to improve social integration and the number of social interactions between social classes</p>
The accommodation needs of Gypsy and Traveller community are met	<p>Working with neighbour authorities on G & T.</p> <p>GTAA has been met and over-supplied (normal G&T sites).</p> <p>a few tweaks to Local Plan, e.g. G&T site size</p>	
We have enabled and delivered affordable housing	<p>Wider role for property company as an enabler</p> <p>Sitting on a time bomb. w/renters around affordability.</p> <p>Buying into housing provision.</p> <p>Affordability gap, rent – buying.</p> <p>Build affordable houses</p> <p>Build affordable houses</p> <p>Town lets are the way forward.</p> <p>Property company focussed on our top priorities – homelessness</p> <p>we will Expand the delivery programme of Council's property company (inc. borrowing)</p>	<p>Greater amount of affordable homes that are buy/rent – MBC being shared equity partner</p> <p>Investing in housing</p>

Outcome	June	August
Objective: Better Transport Systems		
<p>The transport system supports the growth in homes and jobs</p>	<p>Congestion. Availability of transport between homes and jobs e.g. town centre bus routes. Ban cars in town centre Restrict use of private cars in town centre Town centre congestion charge. Reduce cars in our town centre It's better in school holidays. Maidstone congestion needs fixing – all times of day, puts people off coming to the town. Ring road around the Town Centre. Congestion very poor Issues of congestion including Willington Street. we will Restrict use of private cars in the town centre Bigger roads – build developments with ability to accommodate more links rather than doing it later. Congestion charge for TC – ban cars in the town centre. we will Build the Leeds/Langley Bypass Impact of transport – community transport, transport around Maidstone. Integrated transport – i.e. from rural areas into the urban for schools. Parking should be under developments. New schools, especially secondary school – but not causing congestion. we will New Bridge over the River Medway We will Encourage more parking provision we will Encourage the allocation of land at J8 to be developed we will Enable larger, more flexible development at Junction 8</p>	<p>Parking Leeds Langley Relief Road</p>

Outcome	June	August
Objective: Better Transport Systems		
Sustainable travel options are invested in and improved	<p>Investment in public transport. Improvements to bus routes / modernising public transport. Availability of transport between homes and jobs e.g. town centre bus routes. Public transport cost can be prohibitive. Improve park and ride and increase the number of sites. Council Bus Service Optimise river – park and sail. Reduce the parking in the town centre to encourage use of the park and ride. Improve cycling opportunities – realistic transport assessments. Rapid transit – would cost too much. Need alternatives to car. Bus services need to be improved. Transport facilities for elderly poor. Transport for disabled also poor. Make more cycle routes – regeneration?? Time?? Smaller, frequent buses. We Will Take control of our own public transport to improve connectivity, accessibility and environmental impact We Will Have a public transport network that is electric and restricted access to vehicles in the town we will Invest in public transport provision we will Increase the number of park & ride sites think forward – get ahead of the move to electric cars. MBC bus service. Not enough buses We will Research alternative means of transport to the car especially to and from the town centre Will there be enough energy eg electric cars.</p>	<p>Cycleways</p>

Outcome	June	August
Objective: Better Transport Systems		
	<p>Extend footpath network. Free transport (bus pass) / not paying for it Establishing more foot paths Rapid transit – would cost too much. Need alternatives to car. Can we meet power demand – electric cars etc. Deals with cars and buses in town centre.</p>	
Greater joined up decision making for transport	<p>Looking beyond our boundaries, working with our partners. Greater role in regulating bus service. Highways infrastructure. Borough wide bus partnership. Move S106 contributions for transport. Closer working relationship with bus companies. Arriva: to tell us what 5-10 year plan. Utilities clogging up roads. New point to point transport system – alternative to the road</p>	Critical mass in order to justify infrastructure and amenities
The air quality impacts of transport are reduced	<p>20mph zone will help safety but creates more pollution and has health repercussions.</p>	Less dense communities – more trees and better air quality

Outcome	June	August
Objective: People fulfil their potential		
Deprivation is reduced	<p>Child poverty – reasons why children cannot attend school and lack of sanitary products for females. Inequality can be demonstrated as pockets in areas not normally associated within deprivation e.g. Marden.</p>	Energy efficiency – affordable to run
Skills levels and earning potential are raised	<p>Highly skilled, highly paid jobs Encourage job creation in Maidstone. Apprenticeships providing more opportunity for jobs. Zero hours contracts.</p>	

Outcome	June	August
Objective: People fulfil their potential		
	<p>Encourage businesses into the borough for apprenticeships.</p> <p>Low prospects, no jobs, no motivation</p> <p>No motivation</p> <p>Schools discouraging apprenticeships.</p> <p>Unemployment.</p> <p>How can developers be encouraged to provide more apprenticeship/employment opportunities on new housing developments?</p> <p>School funders for children who can't afford them.</p> <p>Encourage more education facilities in Kent/Maidstone.</p> <p>Education schools influence.</p> <p>Improved education needs to be tackled as well as economic growth.</p> <p>Reducing the divide between those that go to university and those that don't.</p> <p>Wealth distribution through an adequate range of employment.</p> <p>University / HE campus.</p> <p>We will Attract a new university</p> <p>Facilitate supply of affordable business premises in exchange for work experience and apprenticeships.</p> <p>Jobs that cater for local community – rural areas – agriculture.</p> <p>Only provide jobs which match skillset of current population.</p> <p>Range of employment opportunities within borough.</p> <p>we will Encourage entrepreneurship. Promote skills & career opportunities in our primary schools –ward member matched with local business to establish relationship</p> <p>we will For premises which we own, offer affordable/lower rent in exchange for work experience/apprenticeships</p>	
Health and well being inequalities are	We Will Commit to delivering our Health and Wellbeing Action Plan	

Outcome	June	August
Objective: People fulfil their potential		
reduced	<p>We Will Have a joined up approach in working with our partners and community to improve the health and lifestyles of our residents including sports.</p> <p>More facilities for exercise (e.g. in parks.)</p> <p>Hold seminars and invite large business to improve mental health in businesses.</p> <p>Diet and lifestyle</p> <p>Inequality between areas. Some areas are a lot nicer than others.</p> <p>Greater relationship with CCG section 106-spending on things such as green spaces.</p> <p>Encourage people to be healthier.</p> <p>Joined up thinking for sport activities co-ordinating sport and leisure.</p> <p>Sports co-ordination. For health and wellbeing throughout MBC and HCL.</p> <p>New businesses that offer healthy food, incentivise businesses.</p> <p>Stop planning permission for fast food places.</p>	
Social mobility is improved		Mobility standards

Outcome	June	August
Objective: A thriving economy		
Business start-ups and survival rates are improved and we are the best in Kent	<p>Encourage support for local businesses. Continued support for start-ups. Councillors supporting farming diversification. Support creative industries Creating opportunity for business to acquire freehold – council to facilitate Room for businesses to grow. Expand business terrace into industrial sector. Extension of Business Terrace to support development of maturing businesses. we will Expand to encourage start-up businesses and support expansion.</p>	
A revitalised town centre	<p>Pedestrianize heart of town centre, better use of Jubilee Square – connecting town squares. Focus on the town centre – social hub should be evolving. Town Centre is the cultural centre Art in Town Centre, diversity, draw. Make Town Centre resilient Want a busy town centre - needs to be busy. Concentrate the town centre it's too spread out Town centre – not attractive. Maidstone should be a better place to shop – needs more variety. Maidstone East – must be good quality including design. we will Deliver the commercial office space element of Maidstone East ASAP</p>	
Inward investment is increased from the South East and beyond	<p>Attracting businesses to match the skill set of an area. Availability of highly paid jobs to encourage people to work in the borough not in London. Marketing Maidstone – smart town, smart people ‘open for business.’</p>	<p>Investments need to have a return/increase revenue Attract investors – long term investments in the Borough Diverse investments – spreading risk Multiple sectors Large scale borrowing – PWLB</p>

Outcome	June	August
Objective: A thriving economy		
	<p>Making businesses feel welcome – overcoming the past. Actively marketing Maidstone to businesses – target the London market. Incentives to attract businesses to rural areas. Take opportunities on key sites eg Invicta Barracks. Need to take opportunities for key sites eg Invicta Barracks and influence. Planning policy? Availability of business premises competing with other areas Early review of employment land supply and need (local plan review) Flexibility to adapt large allocated employment sites to suit business need. (i.e. present large employers leaving). we will Market Maidstone for inward investment we will Acquire land/premises to create new space for the light industrial sector for rent and freehold purchase we will Have a consistent and positive to new business applications we will Take control by buying land for commercial development we will Allocate additional employment land in the Local plan & have clear policies that Planning committee will adhere to.</p>	
Improved high speed broadband	<p>Homeworkers need broadband supply. Homeworking – broadband supply. Broadband supply. Connectivity Rural amenities – 3G/4G patches, swimming pools.</p>	
The Kent Medical Campus is delivered	<p>Ensuring Kent Medical Campus delivers.</p>	

Agenda Item 17

Policy & Resources Committee

**19 September
2018**

1st Quarter Budget Monitoring 2018/19

Final Decision-Maker	Policy & Resources Committee
Lead Head of Service/Lead Director	Mark Green, Director of Finance & Business Improvement
Lead Officer and Report Author	Ellie Dunnet, Head of Finance
Classification	Public
Wards affected	All

Executive Summary

This report sets out the financial position for the Council at the end of Quarter 1 2018/19 against the revenue and capital budgets, and provides updates on the position with Reserves and Balances, Council Tax and Business Rates, Treasury Management and Maidstone Property Holdings Ltd.

We are expecting to remain within the agreed overall budget for this financial year. At the end of the first quarter there was an underspend against the revenue budget of £0.831m, which is projected to decrease by the end of this financial year.

Capital expenditure totalling £1.671m had been incurred between 1 April and 30 June.

The balance on the general fund is forecast to decrease to £8m by 31 March 2019.

Collection Rates were exceeded for Business Rates, but narrowly missed for Council Tax. Uncollectible business rates totalling £0.15m are proposed for write off.

Growth in business rates measured against the Council's baseline is £1.9m against a forecast of £2.2m.

The Council held investments totalling £23.9m at 30 June 2018.

This report makes the following recommendations to this Committee:

1. That the revenue position at the end of the first quarter and the actions being taken or proposed to improve the position, where significant variances have been identified, be noted.
2. That the capital position at the end of the first quarter is noted.

3. That the performance of the collection fund and the estimated level of balances at the year-end is noted.
4. That the write-off of unpaid business rates as set out in **Appendix 1** is approved.
5. That the performance in relation to the treasury management strategy for the first quarter of 2018/19 is noted.

Timetable	
<i>Meeting</i>	<i>Date</i>
Policy & Resources Committee	19 September 2018

1st Quarter Budget Monitoring 2018/19

1. INTRODUCTION AND BACKGROUND

- 1.1 The Medium Term Financial Strategy for 2018/19 onwards was agreed by full Council on 7 March 2018. This report provides the Committee with an overview of the capital and revenue budget and outturn for the first quarter of 2018/19, and highlights other financial matters that may have a material impact on the Medium term Financial Strategy or the balance sheet.
 - 1.2 The Director of Finance & Business Improvement is the Responsible Financial Officer, and has overall responsibility for budgetary control and financial management. However in practice, day to day budgetary control is delegated to service managers, with assistance and advice from their director and the finance section.
 - 1.3 Attached at **Appendix 1** is a report detailing the position for the revenue and capital budgets at the end of the June 2018, along with updates on a number of the relevant areas. This is a new format from that used in previous years, designed to bring together all the relevant information in a single report that can also be used as a stand-alone document. It includes all the information that Members have previously seen in budget monitoring reports.
-

2. AVAILABLE OPTIONS

- 2.1 There are no matters for decision in this report. The Committee is asked to note the contents but may choose to take further action depending on the matters reported here.
-

3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 3.1 In considering the strategic position on the revenue budget and the capital programme at the end of June 2018 the committee can choose to note this information or it could choose to take further action.
 - 3.2 The committee is requested to note the content of the report and agree on any necessary action to be taken in relation to the budget position.
-

4. RISK

- 4.1 This report is presented for information only and has no risk management implications.
- 4.2 The Council has produced a balanced budget for both capital and revenue expenditure and income for 2018/19. This budget is set against a backdrop of limited resources and a difficult economic climate. Regular and comprehensive monitoring of the type included in this report ensures early

warning of significant issues that may place the Council at financial risk. This gives this committee the best opportunity to take actions to mitigate such risks.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

5.1 No consultation has been undertaken in relation to this report.

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

6.1 The first quarter budget monitoring reports are being considered by the relevant Service Committees throughout September, including this full report to Policy & Resources Committee on 19 September 2018.

6.2 Details of the discussions which take place at service committees regarding budget management will be reported to Policy and Resources Committee where appropriate.

7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	This report monitors actual activity against the revenue budget and other financial matters set by Council for the financial year. The budget is set in accordance with the Council's Medium Term Financial Strategy which is linked to the strategic plan and corporate priorities.	Head of Finance
Risk Management	This has been addressed in section 4 of the report.	Head of Finance
Financial	Financial implications are the focus of this report through high level budget monitoring. The process of budget monitoring ensures that services can react quickly to potential resource problems. The process ensures that the Council is not faced by corporate financial problems that may prejudice the delivery of strategic priorities.	Head of Finance

Staffing	The budget for staffing represents a significant proportion of the direct spend of the council and is carefully monitored. Any issues in relation to employee costs will be raised in this and future monitoring reports.	Head of Finance
Legal	The Council has a statutory obligation to maintain a balanced budget and this monitoring process enables the committee to remain aware of issues and the process to be taken to maintain a balanced budget for the year.	Mid Kent Legal
Privacy and Data Protection	No specific issues arise.	Head of Finance
Equalities	The budget ensures the focus of resources into areas of need as identified in the Council's strategic priorities. This monitoring report ensures that the budget is delivering services to meet those needs.	Head of Finance
Crime and Disorder	No specific issues arise.	Head of Finance
Procurement	No specific issues arise.	Head of Finance

8. REPORT APPENDICES

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

Appendix 1: First Quarter 2018/19 Revenue and Capital Monitoring – Policy & Resources

9. BACKGROUND PAPERS

None

First Quarter Budget Monitoring 2018/19

Policy & Resources Committee

19 September 2018

Lead Officer: Mark Green

Report Author: Ellie Dunnet / Paul Holland

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Executive Summary

This report is intended to provide Members with an overview of performance against revenue and capital budgets and outturn during the first quarter of 2018/19. It also includes an update on other matters which may have a material impact on the Council's Medium Term Financial Strategy and Balance Sheet.

Robust budget monitoring is a key part of effective internal financial control, and therefore is one of the elements underpinning good corporate governance.

The aim of reporting financial information to service committees at quarterly intervals is to ensure that underlying trends can be identified at an early stage, and that action is taken to combat adverse developments or seize opportunities.

It is advisable for these reports to be considered in conjunction with quarterly performance monitoring reports, as this may provide the context for variances identified with the budget and general progress towards delivery of the Council's strategic priorities.

Headline messages for this quarter are as follows:

- We are expecting to remain within the agreed overall budget for this financial year. At the end of the first quarter there was an underspend against the revenue budget of £0.831m, which is projected to decrease by the end of this financial year.
- Capital expenditure totalling £1.671m was incurred between 1 April and 30 June.
- The balance on the general fund is forecast to decrease to £8m by 31 March 2019.
- Collection Rates were exceeded for Business Rates, but narrowly missed for Council Tax. Uncollectible business rates totalling £154,173.56 are proposed for write off.
- Growth in business rates measured against the Council's baseline is £1.9m against a forecast of £2.2m.
- The Council held investments totaling £23.9m at 30 June 2018.

Revenue Budget

1st Quarter 2018/19



Revenue Spending

At the end of the first quarter, there is an overall positive variance of £831,000 against the Council’s revenue budget. Based on current information we expect this to reduce but for the Council to remain within budget for the year.

The three tables on page 6 set out the summary position, analysed in three ways:

Table 1: by Committee

Table 2: by Priority

Table 3: by Expenditure Type

The figures are presented on an accruals basis i.e. they include expenditure for goods and services which we have received but not yet paid for.

All Committees remained within the agreed overall budget, or have achieved/exceeded this during quarter one. Where income has fallen short of the budget, the impact has been offset through reduced expenditure. The charts below show income and expenditure against the budget for the first quarter of 2018/19. The charts include housing benefit income and expenditure, which is why the totals for Policy & Resources Committee are significantly higher than for other areas.

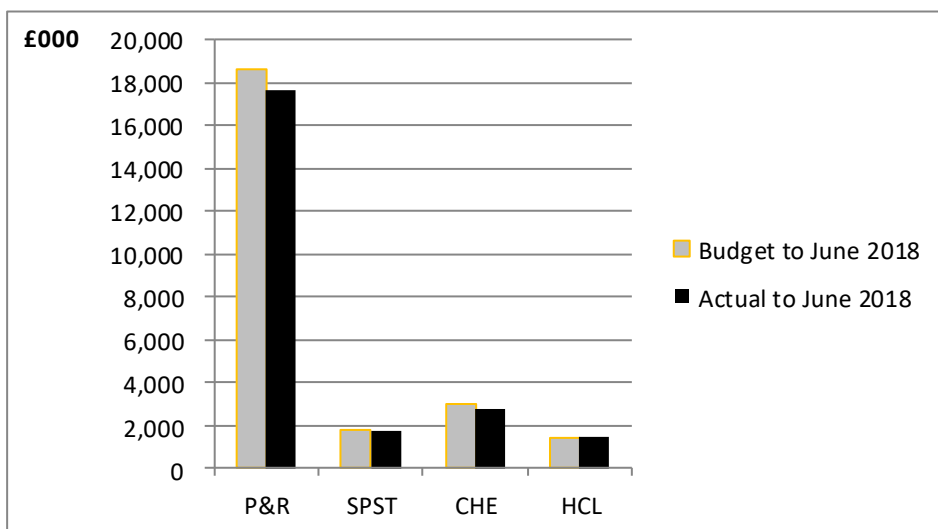


Chart 1 Performance against budget analysed by service committee (Expenditure)

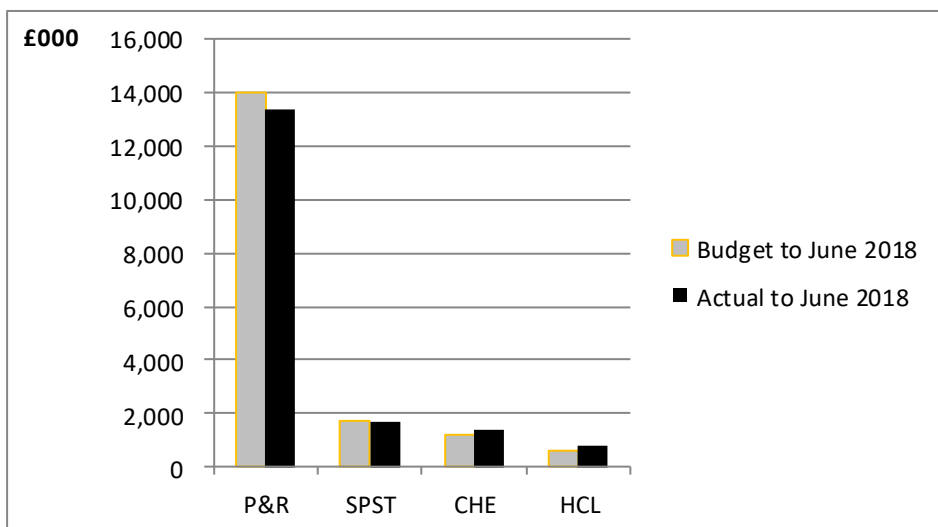


Chart 2 Performance against budget analysed by service committee (Income)



Within these headline figures, there are a number of adverse and favourable variances for individual service areas. This report draws attention to the most significant variances, i.e. those exceeding £30,000 or expected to do so by the end of the year. Pages 6-7 provide further detail regarding these variances, and the actions being taken to address them.

The variances are grouped by service committee, and each committee has been given an opportunity to consider and respond to the matters arising within their respective areas. Where applicable, the response of the committee has been provided.

It is important that the potential implications of variances are considered at this stage, so that contingency plans can be put in place and if necessary, this can be used to inform future financial planning.



Revenue Budget Summary Q1 2018/19

ANALYSIS BY COMMITTEE

Committee	Full Year Budget £000	To 30 June 2018 £000	Actual £000	Variance £000	Year End Forecast £000	Year End Variance ¹ £000
Policy & Resources	10,116	2,746	2,441	305	10,171	-56
Strategic Planning, Sustainability & Transportation	-1,000	52	34	18	-965	-35
Communities, Housing & Environment	8,752	1,809	1,430	379	8,514	238
Heritage, Culture & Leisure	1,494	814	686	128	1,531	-37
Net Revenue Expenditure	19,363	5,422	4,591	830	19,252	111

Table 1 - Analysis by Committee

ANALYSIS BY PRIORITY

Priority	Full Year Budget £000	To 30 June 2018 £000	Actual £000	Variance £000	Year End Forecast £000	Year End Variance ¹ £000
Character	626	232	214	17	626	0
Health & Wellbeing	2,472	476	111	365	2,281	191
Clean & Safe	4,403	1,108	1,056	52	4,333	70
Leisure & Culture	2,466	852	773	79	2,466	0
Town Centre	105	63	36	27	105	0
Employment & Skills	293	76	76	0	293	0
Homes	1,430	382	330	52	1,430	0
Infrastructure	348	169	207	-39	509	-161
Trading	-5,065	-893	-886	-7	-5,047	-18
Central & Democratic	12,286	2,957	2,674	283	12,257	29
Net Revenue Expenditure	19,363	5,422	4,591	830	19,252	111

Table 2 - Analysis by Priority

ANALYSIS BY SUBJECTIVE SPEND

Subjective	Full Year Budget £000	To 30 June 2018 £000	Actual £000	Variance £000	Year End Forecast £000	Year End Variance ¹ £000
Employees	20,259	5,077	4,991	86	20,305	-46
Premises	4,491	2,127	2,236	-109	4,491	0
Transport	1,073	269	242	27	1,073	0
Supplies & Services	19,115	2,562	2,190	372	18,939	176
Agency	5,829	1,445	1,428	17	5,829	0
Transfer Payments	48,085	11,454	10,690	764	47,985	100
Asset Rents	1,101	48	40	8	1,101	0
Income	-80,590	-17,561	-17,225	-336	-80,471	-119
Net Revenue Expenditure	19,363	5,422	4,591	830	19,252	111

Table 3 - Analysis by Subjective Spend

Significant Variances

	Positive Variance Q1	Adverse Variance Q1	Year End Forecast Variance
Heritage, Culture & Leisure Committee	£000		
Mote Park Adventure Zone – This was due to open in Summer 2018, however due to the flooding incident that occurred earlier this year the project has been substantially delayed and will not now open until Spring 2019. This means that the estimated income of £57,000 which the Council had expected to generate from August 2018 will not be realised this year.			-57
Parks & Open Spaces – Although this area is currently showing a positive variance there are urgent tree works required that mean that by year-end it is forecast to be on budget.	35		0
Crematorium – Income has been higher than forecast for the year to date but the surplus is expected to reduce due to maintenance works required to the cremator and reinstatement works to the carpark following its expansion. The reinstatement works relate to landscaping and planting around the new car park which were not covered in the capital work.	51		20

Table 4 Significant Variances – Heritage, Culture & Leisure Committee

	Positive Variance Q1	Adverse Variance Q1	Year End Forecast Variance
Strategic Planning, Sustainability and Transportation Committee	£000		
Development Control Advice – Income is showing a positive variance mainly due to the introduction of Planning Performance Agreements.	31		60
Development Management Section – There has been a high level of expenditure on temporary staff costs, although the vacant posts they are covering are now being filled.		-35	-60
On Street Parking – Penalty Charge Notice (PCN) income budgets have been realigned with the new contract. At the end of the first quarter, the income target was not being achieved for on street PCNs, creating a variance of -£43,000. There have been some issues with reporting this data following the introduction of a new system in June, which may partially explain the variance. Parking meters income and dispensation payments are performing slightly better than budget which has helped to partially offset the variance for PCNs.		-36	-32
Pay & Display Car Parks – Pay & Display income is currently £13,000 below expectation and this is forecast to be £78,000 by the end of the year. However this has been offset by increased season ticket sales and the Parking Reserve budget introduced when the increased tariff was implemented.	68		159
Park & Ride – The first month of pay to park has been disappointing with income 50% lower than the equivalent period last year. Expenditure is currently £35,000 over budget, and whilst this is expected to improve slightly, if income levels stay the same then they will end the year £143,000 under the budgeted figure. A 'pay to park' model is currently being trialled for this service, and this will be subject to evaluation towards the end of this year.		-48	-161

Table 5 Significant Variances – Strategic Planning, Sustainability and Transportation Committee

Significant Variances (continued)

	Positive Variance Q1	Adverse Variance Q1	Year End Forecast Variance
Communities, Housing & Environment Committee	£000		
Recycling Collection – This area shows an underspend in running costs and increased income from garden waste bin hire due to increased demand.	37		70
Homeless Temporary Accommodation – Demand for this service continues to increase, following the introduction of the Homelessness Reduction Act which became law in April 2018. The underspend reflects the Council’s strategy of investing in its own properties for temporary accommodation, which means that income is retained by the Council. Surplus budgets will be set aside and reinvested into the ongoing maintenance of these properties.	31		45
Homelessness Prevention – The forecast year end variance reflects potential underspends including £60,000 on the Homefinder scheme.	51		103
Grounds Maintenance Commercial - Income in the first quarter is higher than forecast due to Section 106 works that have been completed. However additional income is earmarked to fund remedial works at the Parkwood Depot.	91		20

Table 6 Significant Variances – Communities, Housing & Environment Committee

	Positive Variance Q1	Adverse Variance Q1	Year End Forecast Variance
Policy & Resources Committee	£000		
Elections – This variance has arisen from insufficient funding for MBC elections which occur during a year when no other elections are taking place. 2018 was the first year since 2008 in which a standalone Local Election has taken place. In years when joint elections have taken place, it has been possible to offset some of the costs of running the election against the amounts which we are able to claim back from the Electoral Commission. This will be addressed as part of the upcoming budget cycle.		-42	-42
Sundry Corporate Properties – The budget includes a £0.257m additional income target, but this is dependent upon new commercial premises being purchased. At this stage none have been identified but this could change during the year should suitable opportunities arise.		-75	-165
Legal Services – The variance arises from additional income received for works done on Section 106 agreements and other legal agreements.	46		37
Procurement Section – The current overspend will be offset by a restructure which should bring this area within budget by the year end.		-32	0
Human Resources – The current underspend represents vacant posts which will shortly be filled.	67		14
Debt Recovery Service - The current underspend represents a vacant post which will shortly be filled, plus additional income that has been received. As this service has vacancies which are currently being recruited to, we are anticipating that this may have an adverse impact on income over the course of the year so we are currently not forecasting an underspend for the end of the year.	46		0

Table 7 Significant Variances – Policy & Resources Committee

Reportable Virements

In accordance with best practice, and in order to be transparent about alterations made to the agreed budget during the course of the year, virements are reported to Policy and Resources committee as part of the budget monitoring process. A virement represents the transfer of a budget between objectives that occurs after the budget for the year has been formally approved by Council. Generally this will be linked to decisions with a financial impact which have been taken outside of the budget setting process, or for projects where funding spans more than one financial year.

Virements may be temporary, meaning that there has been a one off transfer of budget to fund a discrete project or purchase, or permanent, meaning that the base budget has been altered and the change will continue to be reflected in the budget for subsequent years.

The table below details the reportable virements which were made during the first quarter of 2018/19:

Reason	Value £000	Temp/Perm
Establish budgets for business rates retention pilot projects	520	Temporary
Fund new waste crime budgets as agreed by CHE October 2017	12	Temporary
Reinstate Mote Park gate locking budget	12	Temporary
Funding for the Economic Development service	22	Temporary
Funding for Penenden Heath Botanical Garden	21	Temporary
Mid Kent Planning Support employee budget savings	52	Temporary

Table 8 Reportable Virements, Q1 2018/19

Capital Budget

1st Quarter 2018/19



Capital Spending

The five year capital programme for 2018/19 onwards was approved by Council on 7 March 2018. Funding for the programme remains consistent with previous decisions of Council in that the majority of capital resources come from New Homes Bonus along with a small grants budget.

Progress made towards delivery of planned projects for 2018/19 is set out in the table on the following page. This shows expenditure incurred up to the end of June 2018. The budget figure includes resources which have been brought forward from 2017/18, and these have been added to the agreed budget for the current year.

To date, expenditure totaling £1.671m has been incurred against a budget of £28.754m. At this stage, it is anticipated that there will be slippage of £8.850m, although this position will be reviewed at the end of the year when the Committee will be asked to approve the carry forward of resources into the next financial year. Further detail relating to the areas for which slippage has been identified has been provided on page 13.



Capital Budget Summary Q1 2018/19

Capital Programme Heading	Adjusted Estimate 2018/19 £000	Actual to June 2018 £000	Budget Remaining £000	Projected Expenditure 2018/19 £000	Projected Slippage to 2019/20 £000
Communities, Housing & Environment					
Housing Development and Regeneration	9,301		9,301	4,144	5,157
Temporary Accommodation	4,683	533	4,150	4,683	0
Disabled Facilities Grants	1,348	41	1,307	641	707
Flood Action Plan	501		501	501	0
Public Realm Capital Improvements	150	12	138	72	78
Commercial Waste	180		180	180	0
Gypsy Site Fencing Works	42		42	42	0
CHE Total	16,205	586	15,619	10,263	5,942
Heritage, Culture & Leisure					
Mote Park Dam Works	1,230	13	1,217	58	1,172
Mote Park Visitor Centre	583	30	553	448	135
Mote Park Adventure Zone and Other Improvements	1,455	687	768	1,332	123
Continued Improvements to Play Areas	589	29	560	279	310
Museum Development Plan	154	1	153	154	0
Crematorium Development Plan	416	88	328	203	213
Other Parks Improvements	100		100	100	0
HCL Total	4,527	848	3,679	2,574	1,953
Policy & Resources					
Property Investment Strategy	2,355		2,355	2,355	0
Infrastructure Delivery	600		600	600	0
Town Centre Regeneration	2,830	186	2,644	2,548	282
Corporate Property	843	44	799	694	149
Maidstone East/Sessions Square	551	7	544	326	225
Software / PC Replacement	120		120	120	0
Feasibility Studies	74		74	74	0
P&R Total	7,373	237	7,136	6,717	656
Strategic Planning, Sustainability & Transportation					
Bridges Gyrotory Scheme	449		449	150	299
Riverside Towpath	40		40	40	0
SPS&T Total	489	0	489	190	299
Sub-total All Committees	28,594	1,671	26,923	19,744	8,850
Section 106 Contributions	160		160	160	0
TOTAL	28,754	1,671	27,083	19,904	8,850

Table 9 Capital Expenditure, Q1 2018/19

Capital Budget Variances Q1 2018/19

Communities, Housing & Environment Committee

- The Housing Development and Regeneration scheme includes the developments at Union Street and Brunswick Street which are both in the early stages of development. This means that there is likely to be significant slippage of the budget into 2019/20.
- The Temporary Accommodation budget will be fully utilised to purchase properties to house homeless families. The purchases of 15 properties are either completed or in progress and a further 2 are likely to be purchased when suitable ones are identified.

Heritage, Culture & Leisure Committee

- At this stage it is not anticipated that there will be any significant spend on the Mote Park Dam Works project during 2018/19.
- As referenced in the revenue section of this report there has been a delay in completing the Adventure Zone project. The costs above do not include an estimated £0.4m of costs that have been incurred to date as a result of the flooding incident that are currently the subject of an insurance claim. There will be a further update on the position in the second quarter budget monitoring report.
- The play area improvements scheme is now substantially complete, but the budget does include funding for ongoing maintenance and replacements which is unlikely to be needed this year so this will be slipped into 2019/20.
- The Crematorium Development Plan included improvement works to the Car Park. The estimated costs of this were £0.236m, but the final cost of the project was £0.320m. (The scheme commenced during 2017/18, so the total cost is spread over two financial years). During the course of the works being undertaken a number of issues were identified. Additional drainage works and a retaining wall were required, and the cost of resurfacing of the car park was not included in the tender documents that were issued for this contract. The remaining budget has been earmarked for future projects.

Policy & Resources Committee

- The Town Centre Regeneration scheme is scheduled for completion in early 2019 so final contract payments will fall into the early part of 2019/20.
- The Maidstone East/Sessions Square budget line represents funding available for the partnership with Kent County Council to facilitate the ongoing development of this site. Income generated on the car park at this site is being used as the primary source of funding for this work. At this stage there is sufficient funding available to proceed with the development work so it is anticipated that there will be budget carried forward at the year end.

Strategic Planning, Sustainability & Transportation Committee

- To date, there has been no expenditure incurred against a budget of £0.489m. At this stage, it is anticipated that there will be slippage of £0.190m, although this position will be reviewed at the end of the year when the Committee will be informed of the resources proposed for carry forward into the next financial year.

Reserves & Balances

1st Quarter 2018/19



Reserves & Balances

The total of earmarked reserves and general fund balances as at 31st March 2018 was £11.9 million. The makeup of this balance, and movements in the first quarter of 2018/19 are set out in the table below.

The projected closing balance allows for the minimum level of general balances of £2m, as agreed by Council in March 2018, to be maintained.

	1 April 2018	30 June 2018	31 March 2018 (forecast)
	£000		
General Fund			
Commercialisation – contingency	500	500	500
Invest to Save projects	500	500	500
2017/18 underspend earmarked to specific areas	80	80	0
2017/18 amounts carried forward and spent in 2018/19	1,406	1,406	0
Forecast revenue under spend	0	0	11
Unallocated balance	7,015	7,015	7,015
Sub-total	9,501	9,501	8,026
Earmarked Reserves			
New Homes Bonus funding for capital projects	1,404	856	0
Local Plan	400	380	369
Neighbourhood Plans	70	70	70
Accumulated Surplus on Trading Accounts	51	51	51
Business Rates Growth Fund	694	651	780
Sub-total	2,619	2,008	1,270
Total General Fund balances	12,120	11,509	9,296

Table 10 Reserves & Balances, Q1 2018/19

Council Tax & Business Rates 1st Quarter 2018/19



Council Tax & Business Rates

The Council is increasingly reliant on income generated through Council Tax and Business Rates (NNDR), which is accounted for through the Collection Fund. As a billing authority, Maidstone Borough Council collects Council Tax and Business Rates on behalf of other public sector entities and passes this on in accordance with precepts and demands set at the beginning of the year.

The difference between income collected from ratepayers and the precepts and demands on the Collection Fund generates a surplus or deficit which is distributed or recovered in the subsequent financial year. This can have short term cash flow implications for the Council as well as potential longer term impact on the Council's budget.

Due to the risks in this area, including the risk of non-collection and the pooling arrangements in place for business rates growth, the Council monitors the Collection Fund carefully. However, this is a highly volatile area and fluctuations which arise from rateable value appeals can make this difficult to forecast.

Collection Rates

The collection rates achieved compared to the target are reported in the chart below. The rates are given as a percentage of the debt targeted for collection in the first quarter of 2018/19.

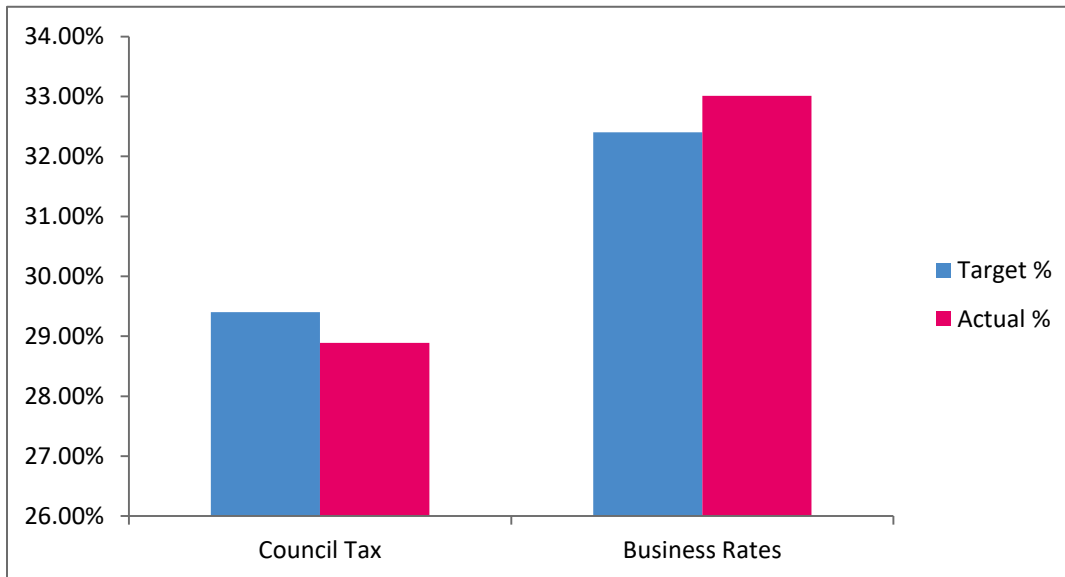


Chart 3 Collection Rates for Council Tax and Business Rates, Q1 2018/19

The target was exceeded for Business Rates, but narrowly missed for Council Tax. Although as a percentage of the overall total, this variance appears small, the sums involved are significant, and officers are therefore monitoring this closely.

The total amounts collected during the first quarter of 2018/19 are set out below:

	Amount Collected April - June 2018
Council Tax	£31,295,000
Business Rates	£20,287,000

Table 11 Council Tax & Business Rates Collected, Q1 2018/19

The Head of the Revenues and Benefits Partnership follows a recovery timetable and action will continue to be taken after the year end. Officers will continue to pursue payment of any developing arrears along with the arrears from prior years.

Due to the statutory arrangements in place for accounting for this income, the impact of shortfalls against the forecast income levels are absorbed over the next two financial years. This forms part of the budget setting process and will be detailed in the Collection Fund Adjustment report which will come to this Committee in January 2019.

Irrecoverable Business Rates

The Committee is asked to approve the write off of £154,173.56 unpaid business rates debt identified in Table 12 below. Please note that information relating to individuals is restricted under data protection laws and has therefore been redacted from this table.

As noted above, the Council takes a robust approach to recovery of business rates. This involves progressive action which would typically include:

- Reminder for non-payment
- Final notice for non-payment
- Summons for non-payment
- Application to the Magistrates Court for a liability order
- Instruction of an enforcement agent to recover
- Bankruptcy or liquidation, where appropriate
- Proceeding to seek committal to prison (individuals)

Throughout the process the Council actively encourages contact from any business experiencing difficulty in order to negotiate arrangement for payment.

The Council could continue to hold these debts as outstanding, but this option is not recommended as there is no prospect of recovery and this would distort the financial position of the Council.

For the businesses listed in Table 12, the Council has exhausted all of the recovery processes in trying to collect the unpaid amounts. It is therefore suggested that these amounts are written off and the Council's accounts are amended to reflect the fact that the payments identified are not expected to be recovered. The Council maintains a provision for bad debts, and there is sufficient resource available within this balance to cover the value of the proposed write offs.

Irrecoverable Business Rates (continued)

Business Name	Fin. Year	O/S debt	Costs	Total to be written off	Reason for write off	Action taken
JJ Viva Limited	2017/18 2018/19	£41,052.80 £4,137.11	£200.00 £0.00	£45,389.91	Dissolved	Various methods of recovery. Summons issues, liability order granted, sent to Mid Kent Enforcement Service but returned as not likely chance of recover. Company dissolved 24.07.2018.
Bangal Management Services Ltd	2016/17 2017/18	£23,045.90 £22,263.66	£200.00 £200.00	£45,709.56	Dissolved	Various methods of recovery. Summons issued, liability order granted, sent to Mid Kent Enforcement Service but returned as no likely chance of recovery. Company dissolved 24.07.2018
Tandoor Mahal Kent Limited	2013/14 2014/15 2015/16 2016/17	£4339.19 £5829.50 £3134.37 £1038.28	£200.00 £200.00 £200.00 £200.00	£15,141.34	Dissolved	Various methods of recovery. Summons issued, liability order granted, Company dissolved 24.05.2016
Newark Trading Limited t/a Anna	2015/16	£13,719.14	£200.00	£13,919.14	Dissolved	Recovery action taken - summons, liability order granted - passed to Bailiff. Company Dissolved.
Wiladi Limited	2015/16	£17,664.96	£200.00	£17,864.96	Liquidation	Company in liquidation 15.04.2016, no prospect of a dividend to unsecured creditors.
The Buffet House Ltd	2016/17 2017/18	£12500.00 £3248.65	£200.00 £200.00	£16,148.65	Dissolved	Various methods of recovery. Summons issued, liability order granted, sent to Mid Kent Enforcement Service but returned as no likely chance of recovery. Company dissolved 20.02.2018.
Total				£154,173.56		

Table 12 Business Rates proposed for write off, Q1 2018/19

Kent Business Rates Pool (50% retention)

Since 2013/14, 50% of business rates collected has been retained by local authorities, with the remainder being paid over to central government and redistributed in the form of grant funding. Under this scheme, business rates collected by Maidstone is shared as follows:

- 40% retained by Maidstone Borough Council
- 9% paid to Kent County Council
- 1% paid to Kent Fire & Rescue
- 50% paid to the government

In reality, this does not mean that 40% of the business rates collected has actually been retained by Maidstone, as a system of tariffs and top ups ensures that this is redistributed across local authorities in accordance with need.

However, local authorities have been able to retain a proportion of the growth against their business rates baseline, which is subject to a levy. Councils are able to minimise the levy payable on growth by entering into pooling arrangements with other authorities, which this Council has been doing since 2014/15.

Business rates pools involve the sharing of risk as well as reward. The Kent Business Rates pool, which for the past 3 years has comprised Kent County Council, Kent Fire and Rescue and 12 district Councils shares the benefits derived through pooling as follows:

- 30% of the pooling benefit is retained by the District Council
- 30% of the pooling benefit is paid to Kent County Council
- 30% of the pooling benefit is used to form a Growth Fund, which is spent by this the District Council, in consultation with Kent County Council on initiatives to promote economic development.
- 10% is held as contingency to fund safety net payments to other pool members as required.

As agreed previously the 30% share of the pool benefit retained by the Maidstone will be used to fund the delivery of the Economic Development Strategy, alongside the 30% growth fund share which is spent in consultation with KCC.

For 2018/19, the forecast amount to be shared through the business rates pool was £1m. The position at the end of quarter one shows a slight shortfall against the forecast, with a current projection of £0.9m.

A contributing factor to this has been empty property relief awarded, which has been higher than the initial projections. This is being monitored closely by officers from the Finance and Revenues sections. We are currently maintaining a provision of £5.8m for rateable value appeals. This is a volatile area of income which can be difficult to predict, with particular uncertainty surrounding appeals which arise against the 2017 list due to changes in the process for how appeals are dealt with by the Valuation Office Agency. A prudent provision is maintained in order to minimise the impact of appeals on the Council's income.

The Economic Development team allocates Maidstone's share of the funding to projects one year in arrears, so any shortfall remaining at the end of the year will not jeopardise existing plans, but the current projections will be used to inform the teams planning from 2019/20 onwards.

100% Retention Pilot

For 2018/19, Kent and Medway authorities successfully bid to participate in a pilot for 100% retention of business rates. As with the 50% retention scheme, this does not mean that all business rates collected by Kent authorities will be retained within Kent due to the system of top ups and tariffs. However under the pilot, all growth against the business rates baseline is retained locally, and no levy is charged on this. For Kent and Medway, the pilot is anticipated to result in an additional £34m being retained across Kent and Medway, in addition to the growth which the Council was expecting to retain outside of the pilot.

For this year, the pilot is running alongside the Kent Business Rates Pool for 50% retention.

Based on the initial forecasts, the Council was expected to derive the following financial benefits from the 100% retention pilot:

- Financial Stability Fund – £640,000
- The opportunity to bid against Housing & Commercial Growth Fund (North Kent Cluster) – £3,291,000

Forecasts made at the end of the first quarter show that Maidstone is on track to receive the following amounts:

As mentioned previously, this is a volatile area which can be difficult to forecast. We will therefore continue to base our expenditure plans around the initial forecast until the final amounts are known.

- Financial Sustainability Fund – £940,000
- The opportunity to bid against Housing & Commercial Growth Fund (North Kent Cluster) – £4,884,000

Separate reports will set out further detail on the allocation and spending plans for the business rates growth expected to be retained through the 100% retention pilot, and plans for applying to pilot a 75% retention scheme in 2019/20.



Treasury Management 1st Quarter 2018/19



Treasury Management

The Council has adopted and incorporated into its Financial Regulations, the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code). This CIPFA Code covers the principles and guidelines relating to borrowing and investment operations. In March 2018, the Council approved a Treasury Management Strategy for 2018/19 that was based on this code. The strategy requires that Policy & Resources Committee should formally be informed of Treasury Management activities quarterly as part of budget monitoring.

During the Quarter ended 30th June 2018:

- UK Consumer Price Inflation (CPI) index fell over the quarter and the data released for May showed CPI at 2.4%, a 12-month low.
- The most recent labour market data for April 2018 showed the unemployment rate at 4.2%, a low last seen in 1975. However, real wages (i.e. adjusted for inflation) grew only by 0.4%, a marginal increase unlikely to have had much effect for households.
- Q1 GDP data released in April and revised in May showed economic activity slowing to 0.2%.

Investments

The council held investments totaling £23.89m. A full list of investments held at this time is shown in the table below. £9.89m of investments are in money market funds and notice accounts which can be called upon immediately or for a short notice period for daily cash flow purposes. The remainder of investments have less than 6 months to mature due to the increase spending in the capital programme, which in turn, helps reduce counterparty risk.

Investment income for this period is £37,000.

Average interest rate for this period is 0.62%. The benchmark for investments is 3 month LIBOR plus 10 basis points. 3 Month LIBOR at the end on June was 0.67%, which means the benchmarked figure is 0.77%. The Council is therefore below target which is due to funds being more liquid to ensure they are readily available to meet the Council's liabilities.

Counterparty	Type of Investment	Principal £	Start Date	Maturity Date	Rate of Return	Arlingclose Credit Limits	
						Suggested Term	Max. Deposit
Goldman Sachs Int'l Bank	Notice Account	3,000,000	30/06/2018	03/10/2018	0.88%	100 Days	£3,000,000
Lloyds Bank PLC	Notice Account	2,000,000	30/06/2018	03/10/2018	0.70%	6 months	£3,000,000
Standard Life Liquidity Funds	Money Market Fund	80,000	30/06/2018	01/07/2018	0.53%	2 Years	£8,000,000
Federated Investors (UK)	Money Market Fund	4,810,000	30/06/2018	01/07/2018	0.53%	2 Years	£8,000,000
Suffolk County Council	Deposit - LA	2,000,000	02/10/2017	01/10/2018	0.50%	5 Years	£5,000,000
Lancashire County Council	Deposit - LA	1,000,000	17/04/2018	17/10/2018	0.80%	5 Years	£5,000,000
Thurrock Borough Council	Deposit - LA	2,000,000	10/11/2017	09/11/2018	0.75%	5 Years	£5,000,000
Lancashire County Council	Deposit - LA	3,000,000	16/05/2018	16/11/2018	0.75%	5 Years	£5,000,000
Lancashire County Council	Deposit - LA	1,000,000	17/04/2018	16/04/2019	1.00%	5 Years	£5,000,000
London Borough of Croydon	Deposit - LA	2,000,000	01/05/2018	01/05/2020	1.05%	5 Years	£5,000,000
Cooperatieve Rabobank UA	Certificate of Deposit	2,000,000	16/10/2017	15/10/2018	0.64%	13 months	£3,000,000
Cooperatieve Rabobank UA	Certificate of Deposit	1,000,000	20/10/2017	19/10/2018	0.62%	13 months	£3,000,000
Total		23,890,000					

Table 13 Short Term Investments , 1st Quarter 2018/19

Borrowing

The Council borrowed funds for short term liquidity purposes during the quarter. Details of the borrowing are as follows:

Lender	Amount £	Term	Rate	Interest Payable
Rhondda Cynon Taff Superannuation Fund	£2,500,000	22/05/18 to 29/05/2018	0.35%	£167.81
Rhondda Cynon Taff General Fund	£2,600,000	25/05/2018 to 29/05/2018	0.35%	£99.73
Rhondda Cynon Taff General Fund	£3,940,000	22/06/2018 to 26/06/2018	0.35%	£151.12
Rhondda Cynon Taff General Fund	£3,500,000	26/06/2018 to 27/06/2018	0.35%	£33.56
Total Interest Payable				£452.22

Table 14 Short Term Borrowing, 1st Quarter 2018/19

Maidstone Property Holdings Ltd

1st Quarter 2018/19



Maidstone Property Holdings

Maidstone Property Holdings Ltd. was incorporated on 30th September 2016 and is used by the Council as a vehicle for letting residential properties on assured short hold tenancies. The company, which is a wholly owned subsidiary of the Council, currently holds one property which consists of 20 flats on a 22 year lease from the Council.

A recent internal audit review identified that there should be a mechanism in place to enable the company to formally report to the Council. Given that the current level of activity within the company is relatively low, it was decided that this would be done via the quarterly budget monitoring process. This section of the report intends to provide the committee with an overview of the activity and performance of the company for the year to date.

The company's financial year end has been changed to 31st March, in order to align with the Council's financial reporting period. The 2017/18 accounts are currently subject to audit by the company's external auditors, UHY Hacker Young and need to be filed with Companies House by 31st December 2018.

During the first quarter of 2018/19, the net rental income totalled £21,815. This compares with £20,773 in the same quarter of 2017/18 and represents rent charged to tenants, less costs recharged by the managing agent. As at 30th June 2018, all flats were occupied and there were no rent arrears.

The Council generates income from the company through charges made for the services provided, and the property lease. For the 2017/18 financial year these charges totalled £76,107. After these charges have been taken into account, it is anticipated that the company will end 2018/19 in a break even position.

As the activity of the company increases over time, we will keep the governance and reporting arrangements under review to ensure that they remain appropriate and commensurate with the scope of activity and associated risks.



Agenda Item 18

POLICY AND RESOURCES COMMITTEE

**19 September
2018**

Business Rates Retention Pilot 2019/20

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	Public
Wards affected	All

Executive Summary

Following two years of piloting the extension of business rates retention, the government has now invited applications for further pilots in 2019/20. Maidstone Borough Council is part of the Kent & Medway Pilot in the current financial year. The new pilot will involve 75% Business Rates Retention, rather than 100% as with the current Pilot.

Along with its fellow Pilot members, the Council will need to re-apply if it wishes to be considered for pilot status in 2019/20. This report recommends that authority is delegated to the Director of Finance and Business Improvement, in consultation with the Chairman of the Policy and Resources Committee, to sign off a joint proposal for pilot status.

This report makes the following recommendations to this Committee:

That delegated authority is granted to the Director of Finance and Business Improvement, in consultation with the Chairman of the Policy and Resources Committee, to sign off a joint Kent proposal for a 75% Business Rates Pilot, together with the associated governance arrangements, on behalf of Maidstone Borough Council.

Timetable

Meeting	Date
Policy and Resources Committee	19 September 2018

Business Rates Retention Pilot 2019/20

1. INTRODUCTION AND BACKGROUND

- 1.1 The Government plans to extend business rates retention following the end of the current four year local authority funding settlement in 2020. Originally it planned to move from the current 50% level of business rates retention by local authorities to 100%, but this would have required primary legislation, which cannot now be accommodated within the parliamentary timetable. However, it still plans to introduce 75% business rates retention.
 - 1.2 Last year, the Department for Communities and Local Government invited local authorities to participate in a pilot of 100% Business Rates Retention in 2018/19. Kent County Council, Medway Council, and all twelve districts within the Kent county area were successful in an application to become a pilot area. This meant that the Government has allowed 100% of business rates growth to be retained within the local area. The consequent financial gain across the whole area was originally estimated to be £24.7 million, to be split between a Financial Sustainability Fund and a Housing and Commercial Growth Fund.
 - 1.3 Maidstone's share of the Financial Sustainability Fund(FSF) was estimated as being £640,000. This Committee has approved projects to be funded using this money and is receiving regular reports on progress with these projects.
 - 1.4 The Government has now invited applications for further pilots in 2019/20. The new pilots will offer 75% business rates retention, rather than 100% as with the current pilot. There is no guarantee that Kent & Medway will continue to be a pilot in 2019/20, so it is important that a persuasive and well-written bid is submitted again.
 - 1.5 Assuming no changes to the original assumptions about business rates growth, and no changes to the governance of a business rates retention pilot, the proceeds from participation in a further pilot would be £320,000, given the reduction from 100% retention to 75%. In practice, business rates income, both in Maidstone and across Kent as a whole, is currently higher than the level projected when the original pilot application was submitted, but this does not necessarily guarantee that this will be the case in 2019/20.
 - 1.5 Initial discussions have taken place between Kent Leaders and Chief Executives about submitting a bid to become a pilot again in 2019/20 and a submission is currently in preparation.
-

2. AVAILABLE OPTIONS

- 2.1 Do nothing.
 - 2.2 Take part in a joint application to pilot 75% business rates retention.
 - 2.3 Submit a single authority application.
-

3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 3.1 The preferred option is to take part in a joint application. Kent & Medway authorities were successful with a joint application last year. Any new pilot application will need to build on all the strengths of the previous one to have any chance of success.
-

4. RISK

- 4.1 The main risk associated with participation in a Business Rates Retention pilot is that business rates income, rather than growing, actually falls. Business rates income in Kent and Medway for the current year is projected to be around 5% above the baseline. The risk that this could reverse within a year would appear to be low.
-

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 Members are familiar with the concept of the Business Rates Retention Pilot and have supported Maidstone's participation in 2017/18.
-

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 The deadline for submitting a proposal for a pilot is Tuesday 25th September 2018. If Policy and Resources Committee agrees the recommendations set out in this report, the Director of Finance and Business Improvement will liaise with other Kent Finance Officers to finalise and submit a proposal.
-

7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The Medium Term Financial Strategy sets out the financial challenges facing the Council. Under the circumstances it is appropriate to embrace opportunities such as that described in this report.	Section 151 Officer & Finance Team
Risk Management	Covered in section 4 above.	Section 151 Officer & Finance Team
Financial	The potential financial benefits from participating in a 100% Business Rates Retention pilot are set out in the report.	Section 151 Officer & Finance Team
Staffing	None.	Section 151 Officer & Finance Team
Legal	Existing enabling legislation allows pilot business rates retention schemes to be introduced.	Section 151 Officer & Finance Team
Privacy and Data Protection	None.	Section 151 Officer & Finance Team
Equalities	None.	Section 151 Officer & Finance Team
Community Safety	None.	Section 151 Officer & Finance Team
Crime and Disorder	None.	Section 151 Officer & Finance Team
Procurement	None.	Section 151 Officer & Finance

8. REPORT APPENDICES

None.

9. BACKGROUND PAPERS

None.