

MAIDSTONE BOROUGH COUNCIL

POLICY AND RESOURCES COMMITTEE

**MINUTES OF THE MEETING HELD ON WEDNESDAY 12
FEBRUARY 2020**

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

Also Present: Councillor J Sams

136. APOLOGIES FOR ABSENCE

Apologies had been received from Councillor Gooch.

137. NOTIFICATION OF SUBSTITUTE MEMBERS

There were no substitute members.

138. URGENT ITEMS

There were no urgent items.

139. NOTIFICATION OF VISITING MEMBERS

It was noted that Councillor J Sams was present as a visiting member for item 11 – Questions from Members to the Chairman.

140. DISCLOSURES BY MEMBERS AND OFFICERS

There were no disclosures from Members or Officers but it was noted that item 18 – Performance Panel Membership and Appointment related to the appraisal process for the Chief Executive and Directors.

141. DISCLOSURES OF LOBBYING

There were no disclosures of lobbying.

142. 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.

143. MINUTES OF THE MEETING HELD ON 22 JANUARY 2020

RESOLVED: That the Minutes of the meeting held on 22 January 2020 be agreed as an accurate record of the meeting and signed.

144. PRESENTATION OF PETITIONS (IF ANY)

There were no petitions.

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

There were three questions from members of the public.

Questions to the Chairman of the Policy & Resources Committee from Ms Kate Hammond

'Your Deputy Communications Manager has now confirmed that this Council has no intention to use Compulsory Purchase Orders in respect of the principal landowners that it is already in preliminary commercial discussions in relation to the Council-led Garden Community in Lenham. From our understanding, at least a quarter of these principal landowners have told this Council already that they have no intentions whatsoever in selling their land to you. On that basis, the Save our Heath Lands Action Group would like to know why you are still pursuing this proposal?'

The Chairman responded to the question.

Ms Kate Hammond asked the following supplementary question:

'The threat of compulsory purchase orders continues to promote fear and trepidation in the Lenham Heath community. Can you please confirm formally, here tonight, that this Council will not pursue at any time CPO powers for principal or any other sites or landowners in Lenham Heath to develop your Garden Community proposals. A simple yes or no answer please.'

The Chairman responded to the supplementary question.

Question to the Chairman of the Policy and Resources Committee from Ms Sally King

'Residents, councillors and our MP Helen Whately keep asking this Council why they chose Lenham Heath for their council-led garden community location. The Save Our Heath Lands Action Group still cannot get to the bottom of this question. In the interests of democracy and transparency we ask you again: Why Lenham Heath?'

The Chairman responded to the question.

Ms Sally King asked the following supplementary question:

'Keeping in the spirit of transparency, can you please show your work to date on the testing of reasonable alternatives to this site?'

The Chairman responded to the supplementary question.

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

'The draft Capital Finance Strategy for 2020/21 and beyond still shows a budget of £3.3m for the Council-led Garden Community at Lenham. Following the strong opposition you felt at the Save Our Heath Lands residents' meeting on 24th January and upon learning that 96% of respondents to Helen Whately MP's recent survey oppose this proposal, do you believe this Council has the mandate from its taxpayers to continue to spend such considerable sums of money on this project?'

The Chairman responded to the question.

Mr Richard Proctor asked the following supplementary question:

'In your Medium Term Financial Strategy report it comments that there is significant risk attached to the budget. Assuming that applies to garden communities what is your own assessment of the risk?'

The Chairman responded to the supplementary question.

The full responses were recorded on the webcast and were made available on the Maidstone Borough Council website.

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

https://www.youtube.com/watch?v=l_ftr7c9gLw

146. **QUESTIONS FROM MEMBERS TO THE CHAIRMAN (IF ANY)**

Councillor J Sams asked the following question of the Chairman:

'Can you please tell us the financial cost of inviting Lord Taylor to speak on garden communities, to members at the briefing meeting last week?'

The Chairman and the Leader of the Labour Group responded to the question.

Councillor J Sams asked the following supplementary question:

'As we've listened to Lord Taylor about the positives of the garden community. How about a balanced approach ensuring councillors receive a presentation from individuals offering an alternative to garden communities. I just wonder if this has been considered bearing in mind the significant financial and social risks to the council?'

The Chairman responded to the supplementary question.

The full response was recorded on the webcast and was made available on the Maidstone Borough Council website.

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

https://www.youtube.com/watch?v=I_ftr7c9gLw

147. COMMITTEE WORK PROGRAMME

RESOLVED: That the Committee Work Programme is noted.

148. REFERENCE FROM THE AUDIT, GOVERNANCE AND STANDARDS COMMITTEE - COUNTERFRAUD AND CORRUPTION POLICY

The Democratic and Electoral Services Manager presented the reference from the Audit Governance and Standards Committee recommending that Policy and Resources Committee approve the Counter Fraud and Corruption Policy with one minor amendment. The Committee noted that a number of the alterations and suggestions for the document had come from external members of the Audit Governance and Standards Committee and requested that their thanks be noted.

RESOLVED: That the Counter Fraud and Corruption Policy be approved with the word 'may' being replaced with 'will, unless there are exceptional circumstances' in paragraph 17 of the policy.

149. YOUR FUTURE, OUR PRIORITY, CONSULTATION RESPONSE

The Head of Policy, Governance and Communication presented the report setting out the Council's proposed response to the Kent County Council (KCC) consultation on their five year plan. There was strong alignment between the outcomes in KCC's plan and the Council's strategic plan with emphasis on working collaboratively with districts which was welcomed. However, the response also challenged the County's ambition under outcome 4 on climate change, requesting a target of 2030 to align with the Council's. The response also highlighted to KCC that under outcomes 6 and 7 there was a district role for health and the wider determinants of health (such as quality of housing).

The Committee commended the response and asked for the following suggestions to be incorporated:

- Emphasise support for joint working with regional partners on highways issues;
- Emphasise support for the approach on lorries and HGVs;
- Request additional audits of gullies on lesser roads;
- Request that KCC ensure a consistent specification is provided for contractors repairing potholes to ensure consistency;
- Clarification be sought that infrastructure covers suitable waste and recycling infrastructure and sites;
- Emphasise that decent housing includes the sites for gypsy and travellers that KCC are responsible for;

- Amend the response wording to emphasise the importance of infrastructure and to swap Maidstone to appear before County when listed as it is the Council's response; and
- Change the word 'promotion' to 'provision' on page 11 of the response under Outcome 3.

RESOLVED: That the consultation response on "Your Future, Our Priority", amended to reflect the comments of the Committee, be approved for submission to Kent County Council.

150. P&R Q3 BUDGET & PERFORMANCE MONITORING 19-20

The Director of Finance and Business Improvement presented the report on Quarter 3 Budget and Performance Monitoring for 2019-2020 to the Committee. The overall budget position currently projected a small surplus, with shortfalls in planning income offset by surpluses in Policy and Resources and Communities Housing and Environment. The Committee were assured that the shortfall in planning income was being addressed for the 2020/21 budget. In addition to budget and performance monitoring information the report also set out a number of business rates debts that the committee were asked to write off.

The Data Intelligence Officer set out the Key Performance Indicator (KPI) outturns for Q3. Performance was positive with all three strategic scorecard KPIs achieving target and where previous performance data is available they have either maintained or improved. Across all KPIs three had been rated as red and all related to the strategic objective of thriving place. These were the number of visits to Visit Maidstone, footfall on the High Street and visits to the visitor information centre. All had reduced performance against target which was also reflected nationally.

A proposal was put forward for the predicted underspend to be rolled forward as a Member Grant pot of funding for up to £750 of grant as there was currently no provision for a Member Grant in 2020/21. It was felt that such a grant would enable Members to provide effective funding to make a difference to small groups. If the underspend did not materialise then the grant would be adjusted accordingly. The Committee expressed some concern about how prescriptive the current Member Grant scheme was. It was requested that the scheme be brought back to the first meeting of Policy and Resources after the snap committee meeting in the next municipal year.

RESOLVED: That

1. The revenue position at the end of Quarter 3 and the actions being taken or proposed to improve the position, where significant variances have been identified, be noted;
2. The Capital position at the end of Quarter 3 be noted;
3. The summary of Performance for Quarter 3 for Key Performance Indicators be noted;

4. The uncollectable Non-Domestic Rates (NDR) listed on Appendix 3 of the report be approved for write-off; and
5. The current projected underspend for 2019/20 at paragraph A1.3 of £39k be noted and it be agreed that any unused Members' Community Grants for 2019/20 and the first call on any other unused resources from 2019/20 be used to create a further one off provision for Members' Grants of up to £750 for each councillor for use in 2020/21.

151. MEDIUM TERM FINANCIAL STRATEGY AND BUDGET PROPOSALS 2020/21

The Director of Finance and Business Improvement presented the report on the Medium Term Financial Strategy (MTFS) and Budget Proposals for 2020/21. The report was the final stage of the committee's consideration of the budget prior to it going forward to Council for consideration on 26 February 2020. It was noted that the Council controlled 90% of its income and that with the local government funding settlement being rolled forward by the Government in the short term the recommendation was for a standstill budget in real terms, including a 2% council tax increase.

The substantive proposal from the other service committees was from the Strategic Planning and Infrastructure Committee that proposed that the additional £200k annual local plan review funding be made permanent rather than end when this local plan review ended. This was because reviewing the local plan would be repeated in the future. This proposal would have no impact for next year's budget but would impact in future years as set out in the MTFS.

The projected surplus had risen to £87k and the recommendation was that this was rolled forward to offset future deficits. The future position was less clear than next year's budget. 10% of council income was not in the Council's control as it related to business rates. The baseline for business rates would be reset and a fair funding review was being carried out by the Government. This meant that the proportion of business rates retained by the Council was uncertain.

A number of minor corrections were made to figures in the report that did not impact on the overall totals in the report.

The Committee raised a number of questions relating to the additional £200k for the local plan review being made permanent in future budgets. Reassurance was provided that the £200k was in addition to the existing staffing budget but concerns remained about the future funding situation of local plan reviews.

RESOLVED: That

1. The outcome of consideration of budget proposals by the Service Committees be noted;
 2. The updated Strategic Revenue Projection set out in Appendix A be agreed;
 3. The Budget Savings Proposals set out in Appendix B be agreed;
 4. The Revised Estimates for 2019/20 and the Budget Estimates for 2020/21 set out in Appendix C for recommendation to Council be agreed;
 5. The Capital Programme set out at Appendix D for recommendation to Council be agreed;
 6. The Treasury Management Strategy, Investment Strategy and Capital Strategy set out in Appendix E for recommendation to Council be agreed;
 7. A £5.13 increase in Band D Council Tax for 2020/21 for recommendation to Council be agreed;
 8. That the tax base for Linton Parish Council calculated in accordance with the Local Authority (Calculation of Council Tax Base) (England) Regulations 2012 for the year 2020/21 be amended from 93.5 to 254.5 (see paragraph 2.18) be agreed;
 9. The updated Medium Term Financial Strategy set out in Appendix G be agreed; and
 10. The appropriate matters for decision to set a balanced budget for 2020/21 and the necessary level of Council Tax in accordance with the Local Government Finance Act 1992 and the Localism Act 2011 including the decisions made above be recommended to Council.
152. DEBT RECOVERY PROCEDURES AND SUPPORT FOR LOW INCOME HOUSEHOLDS

The Chief Executive presented the report on the Council's debt recovery procedures and proposals for actions that the Council could take to support low income households in financial difficulty. The first element of the report was to request that the committee agree the publishing of the debt recovery procedure in order to improve accessibility to the information. In practice there was not much discretion as debt recovery was mostly set out in legislation but there was some. The aim was to provide a clear document that was easy to find and follow.

Secondly as the report was about debt recovery, the report provided information about debt owed to the Council. Business rates debt had remained relatively steady even though collection amounts had gone up. The Council had adopted government discount schemes to assist small businesses. In contrast the amount of Council Tax outstanding had been steadily increasing from 2014 to 2019. Notably the number of debtors had increased significantly since 2013 when the Council Tax Benefit system had changed to the Council Tax Support system. National research showed this was not just a local issue, but amongst other factors it was the Council's policy choices that had contributed to this change.

The report recommended adopting the Citizens Advice Bureau (CAB)/Local Authority protocol for debt recovery. The Council had a duty to collect monies owed and Council Tax debt was the most common debt the CAB saw and people presented late when things were complicated and entrenched. The aim of the protocol was to prevent debt in the first place and to ensure good practice in collection. The Council had been benchmarked against the protocol and performed well and on adoption the Council would work closely with the CAB. It was noted that the Council had its own debt collection service, would need to improve the information provided to Council taxpayers, and would need to focus on engaging with debtors to prevent debt escalating. The CAB were supportive of the Council adopting the protocol.

The report also addressed the element of prevention. The Council's Strategic Plan set out the objective of a Borough that works for everyone, with the aims of tackling deprivation and tackling health inequality and the work proposed would help to deliver those. There was extensive data available with regard to low income households in the Borough. Cost of living was also an important factor for example the affordability of rental properties in the Borough. This was demonstrated through only 1% of shared accommodation and 7% of other rental accommodation being within the maximum housing benefit amount in Maidstone. It was also demonstrated by the high pressure for housing as the number of households on the housing register had steadily risen. The Local Government Association had reported on work to address these issues and identified the benefits to Councils of such action. The report proposed a pilot scheme, funded through grant allocation, to identify and support low income families where the Council could intervene to prevent problems with the effectiveness evaluated later in the year.

The Committee highlighted the need to ensure that the Council recognised the difference between people who could not pay and those that would not pay. The Council was duty bound to recover Council Tax but had choices as to how that was done and could factor vulnerability into that process.

Concerns were raised about the risk of the Council becoming a debt advice service or being seen as a debt advice service as well as being required to collect the debt they were advising on. To address this risk it was important that the Council recognised what it was good at and what its partners were good at to prevent a blurring of responsibility.

The Committee sought assurance on the mechanics of the fourth recommendation to undertake the pilot work on early intervention. It was understood that 'prevention was better than the cure' and that the proposal was to invest in data analytics but questions were asked over who would be contacting the vulnerable customers and what actions would be taken. It was noted that the approach would be to use the communities and housing team who had the skills for sensitive contact. Further reports were requested on the mechanics of how the outputs of the data analysis would be used and later for the progress of the scheme.

RESOLVED: That

1. The Debt Recovery Procedure document set out in Appendix 1 to the report be agreed for publication noting that it would be updated appropriately by officers when needed;
2. The findings of the Institute for Fiscal Studies report concerning the impact of changes from Council Tax Benefit to Council Tax Support be considered in Maidstone Borough Council's review of the current Council Tax Support scheme with proposals for changes to the scheme to be presented to the Policy and Resources Committee in June 2020;
3. The Council should demonstrate its commitment to delivering the good practice in council tax debt recovery by adopting and signing the Citizens Advice Bureau/Local Authority protocol at Appendix 2 to the report;
4. A pilot piece of work be conducted as part of the council's commitment to an inclusive economy/financial inclusion described in section 2.32 of the report;
5. A report on the analytical outputs and proposed actions be brought back to the Committee; and
6. An evaluation report be presented to the Committee after six months of operation.

153. PERFORMANCE PANEL MEMBERSHIP AND APPOINTMENT

The Democratic and Electoral Services Manager presented the report which set out the options for the appointment of the Performance Panel. The Performance Panel would conduct the appraisals for the Chief Executive and Directors and was a function inherited from the old Employment Committee.

The Performance Panel had previously been made up of the five Group Leaders but if the Committee wanted it to be politically balanced then this would not be possible.

RESOLVED: That

1. The Performance Panel be politically balanced with a seat allocation of two Conservative Group, two Liberal Democrat Group, and one Independent Group; and
2. The wishes of the Group Leaders be accepted with regard to Membership of the Panel.

154. DURATION OF MEETING

6.30 p.m. to 8.44 p.m.