

MAIDSTONE BOROUGH COUNCIL

POLICY AND RESOURCES COMMITTEE

MINUTES OF THE MEETING HELD ON TUESDAY 23 JULY 2019

Present: Councillors Mrs Blackmore, D Burton, M Burton, Clark, Cox (Chairman), English, Mrs Gooch, Harvey, McKay, Mortimer, Perry, Powell, Purle, Round and Springett

Also Present: Councillors Harwood and Munford

32. **APOLOGIES FOR ABSENCE**

Apologies were received from Councillors Chappell-Tay and Newton.

33. **NOTIFICATION OF SUBSTITUTE MEMBERS**

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

- Councillor D Burton for Councillor Chappell-Tay; and
- Councillor Powell for Councillor Newton.

34. **URGENT ITEMS**

The Chairman informed the Committee that he had accepted the report on Maidstone Property Holdings - Governance as an urgent item and it was on the amended agenda.

35. **NOTIFICATION OF VISITING MEMBERS**

It was noted that Councillors Harwood and Munford were present as visiting members for item 17 – Biodiversity and Climate Change Review.

36. **DISCLOSURES BY MEMBERS AND OFFICERS**

There were no disclosures by Members or Officers.

37. **DISCLOSURES OF LOBBYING**

Cllr Round stated that he had been lobbied in relation to item 16 – property Asset Review Update; and

All Members of the committee, with the exception of Cllr D Burton, stated that they had been lobbied on item 17 – Biodiversity and Climate Change Review.

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

RESOLVED: That item 21 – Additional Land Acquisition be taken in private due to the possible disclosure of exempt information.

39. MINUTES OF THE MEETING HELD ON 26 JUNE 2019

RESOLVED: That the minutes be agreed as an accurate record of the meeting and signed.

40. PRESENTATION OF PETITIONS (IF ANY)

There were no petitions.

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

There were two questions from members of the public:

Question 1 – Maureen Cleator

It has been over three months since Maidstone Borough Council declared a "Climate Emergency"

What measures are being put in place (such as affordable integrated public transport system and better cycling paths) to combat this extremely pressing matter and when are they going to be implemented?

Question 2 - Joanna Burns

Throughout the country there are a number of councils in London and Watford for examples that have installed "City Trees or Living Walls" in order to combat pollution. Once of these can absorb as much pollution as 275 real trees. Each City tree costs £17500 and could be funded by developer S106 payments to counterbalance the increase in traffic caused by the many new homes being built. Would the Committee consider including the City Tree in your plan Climate Emergency strategy.

The Chairman responded to the questions and as the items related to item 17 – Biodiversity and Climate Change it was agreed to bring item 17 forward on the agenda. The members of the public asked supplementary questions following the debate on item 17.

In accordance with procedure rule 13.10 for detail of the answers to questions please refer to the webcast of the meeting.

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

42. COMMITTEE WORK PROGRAMME

The Director of Finance and Business Improvement informed the Committee of additional items:

September 2019 - Digital Infrastructure Strategy, General Fund Residential Properties, Consultation on the Leigh barrier;

October 2019 - Housing Delivery Partnership.

RESOLVED: That the Committee Work Programme is noted.

43. BIODIVERSITY AND CLIMATE CHANGE REVIEW

The Head of Policy, Communications and Governance presented the report on establishing the Biodiversity and Climate Change Review in accordance with the Council Motion in April 2019. As requested in June 2019 the report now included information on work by other local authorities which was extensive. It also referenced the Overview and Scrutiny review from 2003 which contained key recommendations on climate change. The review would look at what worked elsewhere and see if that learning could be incorporated locally. £40k funding had previously been agreed by Policy and Resources Committee to provide officer support for the proposed working group.

The Committee was clear that this matter that had support from the whole Council and expressed a strong desire to see things move at pace. The debate centred around the appropriate governance arrangements to achieve this.

Cllr Mortimer proposed and Cllr Mackay seconded the following motion:

- i. To establish a Maidstone Borough Council Climate and Ecological Emergency Working Group with immediate effect.
- ii. That the Maidstone Borough Council Climate and Ecological Emergency Working Group will undertake research and development activities to formulate a suite of recommendations to be presented to Policy and Resources Committee by April 2020 addressing the changes required across corporate policy and practice to deliver upon the principles of the Climate and Ecological Emergency Declaration.
- iii. The working group will comprises twelve members with:
 - Five drawn from the Council's Elected Membership (i.e. one nominated from each of the five political groups, with a caveat that should the number of political groups represented on the Council change this calculation will need to be revisited);
 - Five drawn from named representatives of interested and/or expert stakeholders e.g. namely: an activist group

- representative; a business representative; a utilities representative; a landowning/farming representative; a nature conservation organisation representative;
 - Two independent members:
Local ecologist and resilience professional Louise Butfoy; and Honorary Alderman Fran Wilson;
 - The working group co-chairs will comprise Cllr. Paul Harper (as mover of Council motion) and Cllr. Tony Harwood (as instigator and chair of 2003 MBC Climate Change Review)
- iv. The working group will receive appropriate officer support from Maidstone Borough Council for two years i.e. one year to enable policy and practice formulation, including interviews with expert witnesses and site visits, and one year to undertake implementation monitoring and review.
- v. Associated on-costs such as expert witness expenses and stakeholder workshops or conferences will be drawn from identified £40k budget.
- vi. The working group will demonstrate community leadership by building a broad coalition for positive change in climate and ecological policy and practice in Maidstone Borough and seek partnerships and common purpose with areas beyond its borders.
- vii. The working group will ensure appropriate performance monitoring and review across project implementation and milestones.
- viii. The key working group aims will be achieving adaptation and resilience to global heating impacts, landscaping scale ecological recovery and practical action to reduce the individual carbon footprint of Maidstone Borough Council and their commissioned services, residents, businesses and public and voluntary sectors partners.
- ix. The conduct of the working group will be informed by successes and failures of the MBC 2003 Climate Change Review.
- x. The mission of the working group is to empower and inspire to make Maidstone Borough a community, national and international leader across sustainable business, land management and individual actions.
- xi. Working group meetings, including witness interviews, will be webcast and promoted, where appropriate, through MBC press releases.

When put to the vote the motion was lost with 7 votes for and 8 votes against.

Councillor Blackmore proposed and Cllr Gooch seconded the recommendation on the papers that would establish a working group in accordance with section 4 of the report set out below:

- 4.1 *It is proposed that a working group is formed to undertake the review. The Committee will need to determine whether the group is politically balanced and/or represents all political groups on the council. The proposal is for a working group consisting of 9 Councillors subject to the rules of political balance, with group leaders being requested to nominate members on to the group.*
- 4.2 *As the subject matter is complex and cross-cutting it is recommended that the review group report back with conclusions by the last meeting of the municipal year 22 April 2020. Policy and Resources Committee could agree a different deadline and may also want to include on its agenda updates from the review group as the review progresses. A different number of councillors on the review group could also be considered by the Committee as well.*
- 4.3 *The review group, with officer support would set a scope for the review, to include the proposals put forward by Council on 10 April 2019, objectives and milestones. The review, on reaching conclusion, should propose actions to be agreed by Policy and Resources Committee. The constitution sets out that committees may go on site visits, conduct public surveys, hold public meetings, commission research and do all other things that they reasonably consider necessary to inform their deliberations. The review has been allocated a budget of £40,000 which would provide officer support and potentially a small budget for site visits and witness expenses. Any additional expenditure would require approval from the Policy and Resources Committee.*
- 4.4 *The benefits of a Councillor review will be the ability to call expert witnesses to give evidence, a clear dedicated resource to support it, and that fact that it will ensure member led policy development on this complex and cross-cutting topic.*

RESOLVED: That a Climate Change Inquiry led by a working group as set out in section 4 of the Biodiversity and Climate Change Review Report be agreed, with the aim to produce a report and action plan for approval by the meeting of Policy and Resources on 22 April 2020.

Voting: 14 - For, 0 - Against, 1 - Abstention

44. MAIDSTONE PROPERTY HOLDINGS - GOVERNANCE

The Principal Solicitor presented the report which followed a review by internal audit and external legal advice on the operation of the company (Maidstone Property Holdings). The report set out the formal documents required in order to operate the company at arm's length from the Council.

It was clarified that the company dealt with properties that were rented out at market rates, not social housing. It was also confirmed that the recommendations in the report addressed the issues raised by Internal Audit and it would be shared with them.

A number of minor technical issues were raised with the documents and it was accepted that these would be addressed before the documents were approved by Council.

RESOLVED: That:

1. It be agreed that this Committee is the appropriate body to exercise the shareholder function in relation to Maidstone Property Holdings Limited;
2. Council be recommended to delegate to the Company Board, Policy and Resources Committee, and the Director of Finance and Business Improvement the various reserved matters set out in the schedule to the Operational Agreement attached at Appendix 1 to the joint report of the Principal Solicitor, Governance, and Director of Finance and Business Improvement; and
3. Council be recommended the following:
 - a. To approve the updated business plan of Maidstone Property Holdings Limited attached at Appendix 2 to the joint report of the Principal Solicitor, Governance, and Director of Finance and Business Improvement;
 - b. To approve the amended Operational Agreement (including reserved matters) attached at Appendix 1 to the joint report of the Principal Solicitor, Governance, and Director of Finance and Business Improvement;
 - c. To approve the amended Articles of Association at Appendix 3 to the joint report of the Principal Solicitor, Governance, and Director of Finance and Business Improvement;
 - d. To approve the Service Agreement at Appendix 4 to the joint report of the Principal Solicitor, Governance, and Director of Finance and Business Improvement;
 - e. To approve the addition to the Terms of Reference of Policy and Resources Committee at Appendix 5 to the joint report of the Principal Solicitor, Governance, and Director of Finance and Business Improvement and to authorise the Head of Legal Partnership to make any necessary changes to the Constitution; and
 - f. To authorise the Director of Finance and Business Improvement to take all decisions he considers necessary (following consultation with the Head of Legal Partnership) to implement the changes outlined in the joint report of the Principal Solicitor, Governance, and Director of Finance and Business Improvement and the documents at a) to d) to include making all shareholder decisions.

Voting: Unanimous

45. PROPERTY ASSET REVIEW UPDATE

The Corporate Property Manager updated the committee on the progress of the Property Asset review. The progress was outlined under three headings – ‘More estates work needed to maximise value’, ‘Management Intervention required’, and ‘Dispose/Develop’. Work on the review recommendations was continuing to maximise revenue, and the development of the asset management plan would ensure a strategy for to support the work on individual assets and ensure good outcomes continued to be achieved.

In response to questions the Corporate Property Manager outlined the standard maintenance budget used annually over the Council’s properties. A recent change was to ensure there were schedules of condition for every property the Council owns in order to prevent situations like those at Heather House.

RESOLVED: That the progress made on the effective use of the Council’s property assets since the Property Asset Review report was submitted in January 2019 be noted.

46. CORPORATE PLANNING TIMETABLE

The Head of Policy, Communications and Governance presented the Corporate Planning report setting out the Corporate Planning Timetable. It was proposed that the Strategic Plan was not refreshed or rewritten as it had only just been approved following an extensive consultation process.

RESOLVED: That

1. The Strategic Plan 2019-2045 is not refreshed or re-written; and
2. The corporate planning timetable be adopted.

Voting: Unanimous

NOTE: Following this item the meeting was adjourned from 8.26 p.m. to 8.32 p.m. Cllr English left the room during consideration of this item and returned following the adjournment.

47. MEDIUM TERM FINANCIAL STRATEGY 2020/21-2024/25 - INITIAL SCOPING AND ASSUMPTIONS

The Director of Finance and Business Improvement presented the report on the Medium term Financial Strategy 2020/21 – 2024/25 – Initial Scoping and Assumptions. There was significant uncertainty in setting the strategy as it was the end of the funding settlement period and though the existing arrangement would be rolled forward the Council tax

referendum limit was unknown, the amount of business rates retention was unknown and the amount of new homes bonus was unknown. Other factors such as Brexit also introduced uncertainty. However, the Council was more self funding than it had been previously which put it in a surer financial position.

A number of scenarios would be modelled and these would be based on assumptions. The key source of funding for the Council was Council tax and one of the assumptions was based on a referendum limit level of Council tax increase.

The Committee considered that the scenarios should be expanded such that other Council tax levels could be modelled. In particular a Council tax freeze and a no real terms change in Council tax (i.e. consistent with inflation).

RESOLVED: That

1. The issues and risks and associated with updating the Medium Term Financial Strategy be noted;
2. The assumptions described in the report of the Director of Finance and Business improvement for planning purposes, as well as the alternative scenarios for the possibility of a council tax freeze, and council tax no real terms change; and
3. The approach outlined to development of an updated Medium Term Financial Strategy for 2020/2021 – 2024/25 and a budget for 2020/2021 be agreed.

Voting: Unanimous

48. CAPITAL STRATEGY

The Director of Finance and Business Improvement outlined that whilst the Council had always had a Capital Programme and reported on it this was the first year for the new CIPFA requirement to pull it altogether in this format.

The Council's investment in assets had a twofold aim – to generate a return for the Council and to support the local economy by investing in the Borough. One consideration for Members was whether the Strategy was suitably ambitious. P67 of the report set out the financing costs of the Capital Strategy in terms of revenue. The position provided a healthy level of interest cover and arguably there was scope to go to a higher level.

A briefing session on the Capital Strategy and Risk Strategy was requested prior to further consideration of the items in order to ensure Members were informed.

It was noted that the constitution allowed money to be moved within the Capital Programme but that decision would need to be taken by Policy and Resources Committee.

RESOLVED: That

1. The Capital Strategy set out at Appendix A of the report of the Director of Finance and Business Improvement be recommended to Council; and
2. The Capital Programme at Table 1 of the Capital Strategy be recommended to Council.

Voting: Unanimous

49. **BUSINESS RATES RETENTION (PILOT) – UPDATE**

The Director of Finance and Business Improvement presented the regular quarterly report on the Business Rates Retention projects including the recently approved projects.

RESOLVED: That

1. The progress with the 2018/19 BRR pilot projects be noted; and
2. The application of the funding sources identified by the Director of Finance and business Improvement for financing the 2019/20 (additional) BRR pilot projects be noted.

50. **PLANNING TRAINING FOR POLICY AND RESOURCES COMMITTEE MEMBERS**

The Democratic and Electoral Services Manager presented the report outlining the aim of aligning the training for Policy and Resource Committee with that of the Planning Committee such that the Policy and Resources Committee could sit as the Planning Referrals Body in accordance with the Constitution.

The Committee discussed whether, given the infrequency of the need to meet as the Planning Referrals Body, it was necessary to have this level of training and whether the training could be qualitative rather than quantitative. The suggestion was put forward that training could be undertaken at the time the Planning Referral was required. The Committee also requested a specific briefing on the matter at hand prior to a planning referrals meeting.

However, it was noted that Members would only have to complete the minimum requirements of the training and where applicable past training would be taken into account such that it did not need to be done every year. It was also noted that the content, type and method of training would be determined by the Planning Committee training programme.

RESOLVED: That the planning training programme for members of Policy and Resources Committee replicates the training programme agreed annually by the Planning Committee.

Voting: 10 – For , 5 – Against

51. OUTSIDE BODY REPORT 2019/20

The Democratic and Electoral Services Manager presented the report outlining the status of Outside Bodies within the Committee's remit and one nomination that had been received for the only vacancy on One Maidstone.

In response to questions it was established that non-Council Members who were suitable for outside body vacancies could still be appointed to outside bodies but this was dependent on the particular vacancy allowing it. Making the periods of office coterminous would be looked at by Democratic Services but was also dependent on the outside bodies. Feedback from Members who were on outside bodies was extremely helpful as the Democratic Services team were undertaking a more structured approach to monitoring and would take the feedback on board.

The Committee requested that another position on One Maidstone be requested from the outside body due to the significance of the organisation.

RESOLVED: That

1. The current Council representatives be noted;
2. Councillor English be appointed to the position on One Maidstone; and
3. That One Maidstone be contacted and asked if a second Maidstone Borough Councillor representative could participate on the One Maidstone advisory board.

Voting: Unanimous

Note: Cllr Mrs Blackmore left the meeting during consideration of this item (9.16 p.m.)

52. EXCLUSION OF THE PUBLIC FROM THE MEETING

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

Head of Schedule 12 A and Brief Description

- 21 Additional Land Acquisition
- Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)

53. ADDITIONAL LAND ACQUISITION

The Director of Regeneration and Place presented the report which requested that the Director Finance and Business Improvement be given delegated authority to proceed with the purchase of a piece of land. This was primarily on the basis that the Council's development plans for the area in question required the acquisition of the piece of land, and this was an opportune moment to purchase it.

The Committee asked questions relating to the risk profile for the purchase, and to the make-up of the development that the Council was considering for the site.

RESOLVED: That the recommendations of the Director of Regeneration and Place be agreed as per the report, summarised as follows:

That delegated authority be granted to:

1. The Director of Finance and business Improvement to:
 - a. Finalise negotiations and take such steps and actions to acquire necessary consents,
 - b. Spend the agreed amounts specified in the report for the activities specified;
2. The Director of Finance and Business Improvement to approve the exchange of contracts to acquire the long leasehold interest referred to in recommendation 1 and to take such action and enter into such agreements and deeds as shall be required to complete the acquisition of the long leasehold interest transaction and to give effect to the recommendations specified in paragraph 1 above;
3. The Head of Regeneration and Economic Development to carry out the necessary planning activities to deliver recommendation 1 and deliver the project.

Voting: 13 – For, 0 – Against, 2 - Abstentions

54. DURATION OF MEETING

6.30 p.m. to 10.06 p.m.