

**MAIDSTONE BOROUGH COUNCIL**

**Policy and Resources Committee**

**MINUTES OF THE MEETING HELD ON WEDNESDAY 17  
FEBRUARY 2016**

**Present:** Councillor Mrs Wilson (Chairman), and Councillors Mrs Blackmore, Brice, Cox, Garland, Mrs Joy, McKay, McLoughlin, D Mortimer, Munford, Naghi, Ross, Round, Sargeant and Mrs Stockell.

152. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Chittenden.

153. NOTIFICATION OF SUBSTITUTE MEMBERS

It was noted that Councillor D Mortimer was substituting for Councillor Chittenden.

154. URGENT ITEMS

Although there were no urgent items, the Chairman propose to change the order of the agenda in the event that the meeting was adjourned so certain report that were going on to Council could be dealt with.

**RESOLVED:** That the agenda be taken in the following order:

- 12 – Strategic Plan 2015-2020(2016-17 Refresh)
- 14 – Maidstone Housing Strategy 2016-2020
- 18 – Medium Term Financial Strategy 2016-17 Onwards
- 15 – Comprehensive Risk Register
- 11 – Strategic Plan Performance Update Quarter 3
- 13 – Irrecoverable Business rates
- 16 – Third Quarter Budget Monitoring 2015-16
- 17 – New Homes Bonus

155. NOTIFICATION OF VISITING MEMBERS

There were no visiting Members.

156. DISCLOSURES BY MEMBERS AND OFFICERS

There were no disclosures by Members or Officers.

157. DISCLOSURES OF LOBBYING

It was noted that Councillors Joy, Naghi, D Mortimer, Cox and Mrs Wilson had been lobbied on the cessation of the Freighter Service.

158. EXEMPT ITEMS

That the Part II Minutes from 27 January 2016 be taken in public with the rest of the Minutes for that meeting provided no Member has further comment to make regarding the contents.

159. MINUTES (PART I ) OF THE MEETING HELD ON 27 JANUARY 2016

An update on the Tovil/Allington Tow Path was provided. Kent County Council were not prepared to take on the full cost of the section in the district of Tonbridge and Malling Borough Council but had agreed to provide some improvements to the footpath to allow the canal tow path works to be completed. If Tonbridge and Malling Borough Council were in a position in the future to provide funds to invest in their section of the path then it could be concluded.

The Committee asked for their thanks to Paul Spooner, Interim Director of Planning and Development, be noted, who was leaving at the end of February 2016.

**RESOLVED:** That the Minutes (Part I) of the meeting on 27 January 2016 be approved as a correct record and signed by the Chairman.

160. PRESENTATION OF PETITIONS (IF ANY)

There were no petitions.

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

There were no questions from members of the public.

162. REPORT OF THE HEAD OF POLICY AND COMMUNICATIONS - STRATEGIC PLAN 2015-2020 (2016-17 REFRESH)

The Committee considered the Council's Strategic Plan which set out the Council's priorities for the next four years. The Strategic Plan was supported by and aligned to the Medium Term Financial Strategy. The report included an update to the Strategic Plan 2015-2020 in the form of an action plan for 2016-17 and minor updates to the Strategic Plan.

In response to questions the Committee heard that:

- Devolution was mentioned in the Leader's Foreword because it was nationally a high profile subject with Kent and local authorities considering the different options available. Nothing had been agreed to date, however the matter was a strategic issue.
- The meaning of devolution for Kent and Maidstone Borough Council was still being considered. Discussions with Members would be arranged as soon as there was sufficient information to consider.

- It was not believed that the inclusion of Heritage under the heading 'Respecting the Character and Heritage of our Borough' would generate any additional costs. There was no provision in the Medium Term Financial Strategy and the Heritage, Culture and Leisure Committee would not have any additional budget to spend as a result of the inclusion.
- Commercialisation was part of the robust Medium Term Financial Strategy.
- Engagement with infrastructure providers regarding the Local Plan was reflected in the extensive communication processes in the Service Plan.

The Committee agreed that with the increasing importance of devolution it was necessary to include a separate section in the Strategic Plan highlighting its importance. The wording would be agreed between the Chief Executive, Chairman and Vice Chairman of the Policy and Resources Committee.

Typographical grammatical errors to the report were noted and would be corrected.

**RESOLVED:**

1. That a separate section highlighting the importance of devolution be included in the Strategic Plan 2015-2020 (2016-17 refresh) with the wording for the section agreed between the Chief Executive, Chairman and Vice Chairman of the Policy and Resources Committee

Voting: For – 13      Against – 0      Abstentions - 1

2. That the Strategic Plan 2015-2020, 2016-17 refresh and action plan, once all typographical and grammatical errors corrected, be approved for submission to Council for adoption.

Voting: For – 14      Against – 0      Abstentions – 0

163. REPORT OF THE HEAD OF HOUSING AND COMMUNITY SERVICES - MAIDSTONE HOUSING STRATEGY 2016-2020

The Committee considered the new Maidstone Housing Strategy 2016-2020 for presentation to full Council for adoption, and considered whether a review of the Action Plan within the Maidstone Housing Strategy 2016-2020 should be undertaken during 2018, to ensure that it remained fit for purpose and could respond to future direction of travel both nationally and locally.

The Committee heard that the Maidstone Housing Strategy was a key policy document which the Policy and Resources Committee were responsible for scrutinising before it went before Council for approval as part of Local Government legislation.

The Committee were informed that the housing landscape had changed with homeownership down, an expansion of the rented housing sector and an increasing population. Demand for Affordable Housing had increased. The Council had been working with developers to explore new initiatives from the Homes and Communities Agency.

The main aims of the Strategy were to work in conjunction with the Planning Department to deliver sufficient quantities of Affordable Homes to a high standard. The Strategy looked to increase opportunities to reduce the cost of temporary accommodation, maintain the private rented sector to a high standard, double the disabled adaptation grant and prevent homelessness as far as possible.

The Committee acknowledged the work of the Housing Team in producing the strategy.

In response to questions the Committee heard:

- That the Communities, Housing and Environment Committee had not seen the strategy document, however they had seen the detail of the consultation carried out which fed into the strategy.
- The high demand for temporary accommodation was mainly caused by the private rented sector and people moving out from London where rent charges were higher.
- 40% of people in temporary accommodation were working families because it was difficult for them to find the resources to fund owning their own home. An increase in Starter Homes may have an impact on reducing the demand.
- The Government's Affordable Housing Programme had come to an end. The Government's focus was on helping first time buyers. Members were informed it would help if they could lobby their local Member of Parliament for support for funding for the rented sector.
- The Council would not be able to achieve the levels of Affordable Housing it had in the past. Local authorities and housing associations been working through the details of what the new housing environment would look like where the Shared Ownership grant was still available.
- The Committee heard there had been no more Gypsy and Traveller sites delivered.

- It was confirmed that a viability study including financial calculations would be presented to the committee before a decision was made regarding the creation of a Local Housing Company.
- Members would be kept informed of the Self/Custom Build register to establish how aware people were of it.
- A Supplementary Planning Document for housing standards was to be developed to ensure quality and space standards were met by developers.

**RESOLVED:**

1. That the extensive research, analysis and consultation which has been undertaken with relevant stakeholders to inform the Maidstone Housing Strategy 2016-2020 be noted.
2. That the Maidstone Housing Strategy 2016-2020 be approved to full Council for adoption.
3. That the decision of the Communities, Housing and Environment Committee to approve a review in 2018 of the Action Plan within the Maidstone Housing Strategy 2016-2020 to ensure it remains fit for purpose and can respond to future directions of travel both nationally and locally be endorsed.

Voting: For – 14 Against – 0 Abstentions – 1 as  
Councillor Garland arrived at 7:07pm - during the discussion of the item.

164. REPORT OF THE HEAD OF FINANCE AND RESOURCES - MEDIUM TERM FINANCIAL STRATEGY 2016/17 ONWARDS

The Committee considered the report for the Medium Term Financial Strategy 2016/17 onwards with a view to recommending a balanced budget to full Council on the 2 March 2016 including a proposed level of council tax.

The Committee were provided with the following briefing notes which gave further details but did not change anything in the report published with the agenda:

- Consequence of a £5.00 council tax increase;
- Status on Efficiency Statement;
- Reversal of Bulky Refuse Fee Increase.

The Committee were given with an overview of the report and briefing notes. Most of the work before them had been reported to committee before with some exceptions.

The major changes were proposals that would alleviate the immediate budget pressures over the period of the strategy considered by the Committee in January 2016, but not the long term pressures.

One permanent change was the council tax increase referendum arrangements, where the council was now able to approve an increase at Band D of £5.00 or less than 2%, whichever was greater. The impact of this on the Medium Term Financial Strategy was included in the briefing note.

A further temporary change was the transitional funding that the report recommended be set aside to mitigate against risk. The briefing note on Efficiency, paragraph 8, was more specific than the recommendation in the report regarding the one-off grant of £330,000 to aid transition. This would enable the Council to invest in the activities necessary to progress the efficiency plan and achieve the necessary savings through investment in the actions required to achieve the savings.

The final settlement also impacted on parish councils. Funding arrangements in relation to support for parish councils for local council tax support targeted the expected date of final loss at the same time as the Council ceased to receive the grant in 2017. Parish councils were aware their funding would cease.

The business rates were also slightly amended due to more recent data, with the final figures for growth being lower than expected. This had no negative impact as growth had not been taken into account in the base budget.

The report was developed on the basis of a £5.00 increase in council tax at Band D for 2016-17 only and options were detailed in the report. The briefing note showed comparisons between a £5.00 increase and 1.99% increase for four years and the impact on the budget. The calculation had been done using £4.95 as all other Band increases are derivatives of the increase at Band D, and £4.95 was easier to divide by 9.

The Committee went on to discuss the increase in council tax and whether to agree a percentage increase or an increase of £4.95 at Band D.

The Committee also discussed the ceasing of the freighter service and an increase in the charge for bulky waste collection. There was some opposition to the ceasing of the freighter service, however, it was acknowledged that there would need to be a good reason not to accept the decision of another Committee.

The Committee agreed it was not unreasonable to hold the 50p increase in the charge for bulky waste collection as its effect on the budget could be mitigated.

**RESOLVED:** That:

1. The increase in bulky waste collection charges be removed until better mitigation is evidenced.

Voting: For – 14      Against – 0      Abstentions – 1

2. The previously set grants to parish councils under the local council tax support scheme as set out in paragraph 2.21 not be amended.

Voting: For – 14      Against – 0      Abstentions – 1

3. Payment of the local council tax support grant to parish councils cease from 1 April 2017.

Voting: For 10      Against – 4      Abstentions – 1

4. The results of the consultation exercises detailed in section 5 of the report be noted.

5. The views of the Employment Committee and Democracy Committee set out in section 5 of the report be noted.

6. The transitional grant, to be received in 2016-17 and 2017-18 as set out in paragraph 2.15 of the report, be set aside as a reserve against delivery risk.

Voting: For – 15      Against – 0      Abstentions – 0

7. The Revised Estimate 2015-16 as set out in Appendix C be recommended to Council for adoption.

Voting: For – 15      Against – 0      Abstentions – 0

8. The Estimate 2016-17 as set out in Appendix C be agreed.

Voting: For – 15      Against – 0      Abstentions – 0

9. A minimum balance of £2,000,000, as set out in paragraph 2.64a of the report, be recommended to Council for adoption.

Voting: For – 14      Against – 0      Abstentions – 1

10. That working balances set at £300,000 above minimum balances, which would currently be £2,300,000, be recommended for approval by Council.

Voting: For – 14      Against – 0      Abstentions – 1

11. The capital programme set out in Appendix D be recommended to Council for approval.

Voting: For – 15      Against – 0      Abstentions – 0

12. The level of council tax increases for 2016-17 of £4.95 at Band D be recommended to Council for approval.

Named vote, Councillor:

Mrs Blackmore	For
Mrs Brice	For
Cox	Against
Garland	For
Mrs Joy	Against
McKay	Against
McLoughlin	For
D Mortimer	Against
Munford	For
Naghi	Against
Ross	For
Round	For
Sargeant	Against
Stockell	For
Mrs Wilson	Against

Voting: For – 8      Against – 7      Abstentions – 0

13. The medium term financial strategy statement for revenue and capital as set out in Appendices F and G of the report be agreed.

Voting: For 15      Against – 0      Abstentions – 0

165. REPORT OF THE HEAD OF AUDIT PARTNERSHIP - COMPREHENSIVE RISK REGISTER UPDATE

The Committee considered the outline of a refreshed way to achieve a comprehensive risk management approach at Maidstone Borough Council.

The Committee heard that the three Critical Risks identified were recruiting and retaining skilled staff; pressures on the Building Control Service in relation to recruiting and retaining skilled staff and the lack of suitable options for temporary accommodation.

The Committee were informed that there was a tracking process in place to monitor changes in the risks and a report will be brought back to the Committee every six months.

**RESOLVED:**

1. That the key risks facing the Council and the measures in place for their management be noted.
2. That the six monthly updates on the risk position of the Council be reported to the Committee.

3. That a report on a formal statement of the Council's risk appetite be submitted to the Committee for approval by September 2016.

Voting: For – 15      Against – 0      Abstentions – 0

166. REPORT OF THE HEAD OF POLICY AND COMMUNICATIONS - STRATEGIC PLAN PERFORMANCE UPDATE Q3

The Committee reviewed the progress of key strategies, plans and performance indicators that support the delivery of the Council's Strategic Plan 2015-20.

The Committee were informed that the up to date current performance for the income generated from commercial leisure and culture activities was £210,000.

The Committee heard that there was no obligation in the contract for the management of the Hazlitt Theatre to complete a certain number of customer surveys. Currently customers were left to choose if they completed it. However, work was currently underway to be more proactive in gathering customer feedback through emails and encouraging customers to complete the survey before they leave the theatre.

**RESOLVED:**

That the position of the quarterly key performance indicators (KPIs), the actions to improve performance where appropriate and updates on key strategies that support the Strategic Plan 2015-20 be noted.

167. REPORT OF THE HEAD OF REVENUES AND BENEFITS - IRRECOVERABLE BUSINESS RATES

The Committee considered the writing off 13 irrecoverable business rate debts to the value of £460,022.

**RESOLVED:**

That the irrecoverable business rates listed on Appendix A of the report to the Committee on 17 February 2016 be approved for write off.

Voting: For – 14      Against – 1      Abstentions – 0

168. REPORT OF THE HEAD OF FINANCE AND RESOURCES - THIRD QUARTER BUDGET MONITORING 2015-16

The Committee were provided with an overview of the report updating the capital and revenue expenditure as at the end of December 2015, Quarter 3 of 2015/16, against the approved budgets including the collection fund and treasury management.

The Committee were informed that schemes for financing borrowing would come back to this Committee for agreement.

**RESOLVED:**

1. That the Authority's Revenue position at the end of December 2015, i.e. end of Quarter 3 for 2015/16 be noted.
2. That the slippage position and re-profiling of the Capital Programme for 2015/16 be agreed.
3. That the details on the updated progress on the Collection Fund, General Fund Balances and Treasury Management activity be noted.

Voting: For – 15      Against – 0      Abstentions – 0

169. REPORT OF THE HEAD OF FINANCE AND RESOURCES - NEW HOMES BONUS

The Committee considered the report setting out the background to the New Homes Bonus and explaining the current method of calculation and the proposed Council responses to the 14 questions in the "New Homes Bonus: Sharpening the Incentive"

**RESOLVED:**

That the proposed responses to the consultation, as set out in Appendix B of the report dated 17 February 2016 be agreed for submission with the response to question 3 amended to read as follows:

"The Council's view is that it should be retained. The current measure, through a recognised and reconciled return to central government, creates consistency and reduces the risk of error or fraud in the calculation. The results are identifiable, meaningful and comprehensible."

Voting: For – 15      Against – 0      Abstentions – 0

170. ORAL REPORT OF THE HEAD OF FINANCE AND RESOURCES - PROVISIONAL FINANCIAL SETTLEMENT UPDATE (IF NECESSARY)

It was agreed that this item was covered in previous items.

171. MINUTES (PART II) OF THE MEETING HELD ON 27 JANUARY 2016

**RESOLVED:**

That the Part II Minutes of the meeting held on 27 January 2016 be approved as a correct record and be signed by the Chairman.

172. DURATION OF MEETING

6:30pm to 9:50pm