

MAIDSTONE BOROUGH COUNCIL

Strategic Leadership and Corporate Services Overview and Scrutiny Committee

MINUTES OF THE MEETING HELD ON TUESDAY 7 JANUARY 2014

Present: Councillor Mrs Gooch (Chairman), and
Councillors Black, Butler, Mrs Grigg, Hotson,
D Mortimer, Nelson-Gracie, Mrs Parvin and Pickett

83. THE COMMITTEE TO CONSIDER WHETHER ALL ITEMS ON THE AGENDA SHOULD BE WEBCAST

RESOLVED: That all items on the agenda be web-cast.

84. APOLOGIES

There were no apologies for absence.

85. NOTIFICATION OF SUBSTITUTE MEMBERS

There were no Substitute Members.

86. NOTIFICATION OF VISITING MEMBERS/WITNESSES

It was noted that the Leader of the Council, Councillor Garland and the Cabinet Member for Corporate Services, Councillor Moss were present as witnesses for items 8, 9 and 10 on the Agenda.

87. DISCLOSURES BY MEMBERS AND OFFICERS

There were no disclosures.

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

RESOLVED: That all items on the agenda be taken in public as proposed.

89. MINUTES OF THE MEETING HELD ON 3 DECEMBER 2013.

RESOLVED: That the minutes of the meeting held on 3 December be agreed as a correct record and duly signed.

90. AMENDMENT TO ORDER OF BUSINESS.

It was proposed that Item 11, Strategic Plan Refresh 2014-15 and Item 12, Refresh of the Corporate improvement Plan 2014-17 be taken first

and Items 8, 9 and 10: Budget Strategy 2014-15 Onwards-Capital, Budget Strategy 2014-15 onwards-Revenue and Budget Strategy 2014-15 – Fees and Charges be taken together following these items.

RESOLVED: that Item 11, Strategic Plan Refresh 2014-15 and Item 12, Refresh of the Corporate improvement Plan 2014-17 be taken first and Items 8, 9 and 10: Budget Strategy 2014-15 Onwards-Capital, Budget Strategy 2014-15 onwards-Revenue and Budget Strategy 2014-15 – Fees and Charges be taken together following these items.

91. STRATEGIC PLAN REFRESH 2014-15

Angela Woodhouse, Head of Policy and Communications was invited to introduce the Strategic Plan Refresh 2014-15.

The Committee was informed of the following:

- The document was a refresh not a redraft;
- The number of indicators that would be reported at a strategic level had been reduced from 70 to 46; and
- A new Strategic Plan would be produced for the period 2015-2020.

Mrs Woodhouse asked the Committee if it would like to be involved in a focus group to look at reducing the number performance indicators in the Strategic Plan. All members of the Committee volunteered to take part in a session to look at this.

A member of the Committee queried the dates for outcomes relating to the corporate priority 'For Maidstone to be a decent place to live.' Concerns were raised about the key projects and plans to deliver the outcome 'By 2015 residents in Maidstone are not disadvantaged because of where they live or who they are, vulnerable people are assisted and the level of deprivation is reduced' on page 118 of the agenda extending beyond the current strategy date of 2015.

Mrs Woodhouse told the Committee that the priority in itself was an ambitious one and achieving some of the outcomes included in the strategy could stretch beyond 2015 and beyond. It was recommended that Mrs Woodhouse identify with the appropriate Maidstone Borough Council departments which specific actions would be achieved by 2015 so that some clarity could be given in the report to Cabinet.

A member commented on the section 'Customer care and engagement' (page 130 of the agenda) and the Council's relationship with parishes which had been put under strain in recent years. It was felt that ways in which to strengthen relationships with Parish Councils should be addressed and included in this section.

Page 101 of the document referenced the Autumn Statement 2012, the Committee requested that be updated following the recent Autumn Statement 2013.

RESOLVED: that

- a) A focus group, consisting of all members of the Strategic Leadership and Corporate Services Overview and Scrutiny committee, be arranged to look at reducing the number of Performance Indicators included in the Strategic Plan;
- b) The Head of Policy and Communications identifies with the appropriate Maidstone Borough Council departments which specific actions can be achieved by 2015 in relation to the priority outcome 'By 2015 residents in Maidstone are not disadvantaged because of where they live or who they are, vulnerable people are assisted and the level of deprivation is reduced' so that clarity on what is achievable can be provided in the report to Cabinet;
- c) Ways in which to strengthen relationships with Parish Councils should be addressed and included in the 'Customer care and engagement' section of the Strategic Plan; and
- d) References to the Autumn Statement 2012 are updated within the Strategic Plan to 2013.

92. REFRESH OF THE CORPORATE IMPROVEMENT PLAN 2014-17

Georgia Hawkes, Business Transformation Manager updated the Committee on the Refresh of the Corporate Improvement Plan 2014-2017. She explained that it was a refresh rather than a rewrite of the document. The work detailed in the improvement plan was aligned with the priorities and outcomes set out in the Strategic Plan and the Council's Medium Term Financial Strategy.

Ms Hawkes informed the Committee that the main change to the document was centred on 'workstreams' and these changes reflected recommendations made as part of the Corporate Peer Review.

The Committee considered the recent floods and felt that a review or evaluation of the Council's response as part of its Emergency Plan should be referenced within the document. The Committee requested that it be included as a consultee when a review came to fruition.

A member commented on the wording of a sentence on page 141 of the document which read 'Effective use of technology (Head of ICT) – utilising technology better to engage with customers deliver better and more efficient service and save money.' It was suggested that this be amended to '...utilising technology to better engage with customers...' for ease of read.

RESOLVED: that

- a) A review or evaluation of the Council's response as part of its Emergency Plan should be referenced in the Corporate Improvement Plan and the Strategic Leadership and Corporate Services Overview and Scrutiny be included as a consultee when a review comes to fruition; and

- b) The wording of the sentence on page 141 of the document which reads 'Effective use of technology (Head of ICT) – utilising technology better to engage with customers deliver better and more efficient service and save money' be amended to '...utilising technology to better engage with customers...' for ease of read.

93. BUDGET STRATEGY 2014-15 ONWARDS - CAPITAL, BUDGET STRATEGY 2014-15 ONWARDS - REVENUE AND BUDGET STRATEGY 2014-15 - FEES AND CHARGES.

Councillor Garland, Leader of the Council, Councillor Moss, Cabinet Member for Corporate Services and Paul Riley, Head of Finance and Resources were invited to inform the Committee on the Budget Strategy which included reports on the following three areas: Capital, Revenue and Fees and Charges.

In relation to the Capital Budget specifically the Leader informed the Committee of the following:

- Maidstone had received the largest New Homes Bonus in Kent – £3.7 million;
- Maidstone was the only district Council who did not use its New Homes Bonus to support revenue, i.e. day to day spending;
- Maidstone major capital projects included the Maidstone Business Hub, the implementation of the Play Areas Strategy, the conversion of business units to housing and investment in infrastructure.

Mr Riley confirmed that the three reports before the Committee had been amended in line with the Government's financial settlement in December 2013. As a result of this further savings of £61,000 were required for the Budget Strategy for 2014/15, 35,000 had been identified.

In response to Members questions it was suggested that the remaining £35,000 needed for the 2014-15 Budget Strategy could come from a rise in Council Tax. A rise of 1.9% would equate to £4.32 per year for a band D property and a rise of 1.99%, £4.50 per year.

The Committee was also informed that provisional information provided by Government for 2015/16 estimated that the Council would receive £350,000 less than assumed in its current Medium Term Financial Strategy. This suggested that Government was moving more swiftly to meet its objective for Local Authorities to be self-sufficient, receiving no central funding (i.e. Revenue Support Grant) by 2021. It was explained that at present assumptions were being rolled forward in the Council's Medium Term Financial Strategy (MTFS). The information necessitated a rewrite of the MTFS.

Members raised concerns about where future savings would come from and whether or not frontline services would be affected next. A member also highlighted confusion at the revenue underspend that had occurred in the past two years at a time when savings were being found.

The Leader informed the Committee that it was not about cutting frontline services, it was about continuing with MKIP shared services and delivering services in a different way. It was also made clear that a future revenue underspend was unlikely.

A member questioned whether an increase in S106 payments could provide an extra source of funding for the Council. The Leader explained that S106 payments were assessed on a case by case basis, they were specific to the local area to mitigate the impact of development and improve the quality of life. CIL (Community Infrastructure Levy) payments would be calculated per square metre of the development.

The Committee considered the following entries within the reports presented:

- The annual capital sum of £0.9m for Supported Registered Housing Providers and Private Sector Housing Landlords (PSH) within the current Capital Programme (Appendix A, page 22 of the agenda);
- The one off sum of £23,400 for 2012/13 for Environmental Land Drainage and whether or not this related to the recent floods;
- The fees and charges report (pages 52-88 of the agenda) and whether or not legal services could be offered to Parish Councils as Kent County Council provided this service and made £1.3 annual profit;
- £700,000 for Corporate Services – high priority Legislative/Health & Safety Projects; and
- £30,000 allocated to market income, Appendix A Budget Strategy 2014-15 onwards revenue - strategic revenue projections, (page 45 of the agenda).

The Committee was provided with the following responses:

- £300,000 of the £0.9m was allocated for PSH Grants, for example to bring empty properties back into a habitable state. A condition of the grant payment was that the property could not be sold for 5 years;
- The sum for Environmental Land Drainage did not relate to flood mitigation. The sum of money required to mitigate future flood risks was an estimated £25m. Maidstone Borough Council would be meeting with Kent County Council, the Environment Agency and other organisations to address this;
- The £700,000 for Corporate Services – high priority Legislative/Health & Safety Projects had only been entered once under 2013/14 as it related to King Street Car Park and the recent works undertaken to bring it back into use as a surface level car park; and
- The £30,000 allocated to market income was not a subsidy because the market was making a continued loss but it had been allocated as it had been set an unachievable income target that it had failed to deliver for a number of years.

The Committee questioned the quarterly monitoring process of the Budget with Cabinet and whether this worked satisfactorily. Mr Riley explained that it had been introduced in 2007 and the process had been established over a number of years. It was a substantial piece of work, bringing together a number of strands and included underspends of £30,000 or more being closely monitored.

The Committee observed that as part of its Capital Programme Review 2012/13 it had recommended that there be a stand alone Capital Strategy, a draft of which had been include at Appendix B, page 26 of the agenda. A member reflected that whilst this could provide the basis for a stand alone strategy it was appreciated that a holistic approach was needed and the MTFS as a whole achieved this.

The Committee questioned the cost of the recent floods to the Council. It was informed that the Government's emergency fund would cover 85% of the cost as long as this equated to 1% of the Council's revenue spend which was approximately £39,400. Therefore the Council would cover 15% of the costs.

RESOLVED: That the Budget Strategy 2014-15_Onwards reports and recommendation on Capital, Revenue and Fees and Charges be noted.

94. FUTURE WORK PROGRAMME

The Committee considered its future work programme. It was informed that the additional meeting scheduled for 9 January to consider the report on the MKIP Operational Model had been postponed and the Committee would consider this at its meeting on 4 February 2013 along with a report on the MKIP Environmental Health Shared Service.

RESOLVED: That the future work programme be noted.

95. DURATION OF MEETING.

6.30pm to 8.20pm