

# POLICY AND RESOURCES COMMITTEE MEETING

Date: Wednesday 18 September 2019  
Time: 6.30 pm  
Venue: Town Hall, High Street, Maidstone

## Membership:

Councillors Mrs Blackmore, M Burton, Chappell-Tay, Clark, Cox (Chairman), English, Mrs Gooch, Harvey, McKay, Mortimer, Newton, Perry (Vice-Chairman), Purle, Round 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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## **AGENDA**

Page No.

1. Apologies for Absence
2. Notification of Substitute Members
3. Urgent Items
4. Notification of Visiting Members
5. Disclosures by Members and Officers
6. Disclosures of Lobbying
7. To consider whether any items should be taken in private because of the possible disclosure of exempt information.
8. Minutes of the Meeting Held on 23 July 2019 1 - 11
9. Presentation of Petitions (if any)
10. Questions and answer session for members of the public (if any)
11. Committee Work Programme
12. Digital Strategy Update 12 - 25
13. Council Tax Reduction Scheme 2020-21 26 - 31
14. Communication and Engagement Strategy 2019-24 32 - 59

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**Issued on Tuesday 10 September 2019**  
**Over/:**

**Continued**

*Alison Broom*

**Alison Broom, Chief Executive**

15. 1st Quarter Revenue and Capital Budget Monitoring Report	60 - 101
16. Medway (Flood Relief) Act Consultation	102 - 107
17. Innovation Centre Project	108 - 115
18. Council Led Garden Community	116 - 123

## **PART II**

**To move that the public be excluded for the items set out in Part II of the Agenda because of the likely disclosure of exempt information for the reasons specified having applied the Public Interest Test.**

### **Head of Schedule 12 A and Brief Description**

19. Exempt Appendix - Innovation Centre Project	3 – Financial/Business Affairs	124 - 125
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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](mailto: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 (i.e. Monday 16 September 2019). 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.

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## **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. One 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 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 comprise 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.

# Agenda Item 12

## [POLICY AND RESOURCES]

[18 September 2019]

### Digital Strategy Update 2019

<b>Final Decision-Maker</b>	[POLICY AND RESOURCES]
<b>Lead Head of Service</b>	Georgia Hawkes
<b>Lead Officer and Report Author</b>	Gary Hunter
<b>Classification</b>	Public
<b>Wards affected</b>	All

#### Executive Summary

In April 2018 the Council adopted a new 3 year Digital Strategy. The strategy focusses on delivering improvements for residents, businesses and staff through six key themes; Digital Customer, Place, Design, Workforce, Infrastructure and Data. Good progress has been made and this report provides an update on the progress made within those key themes and provides an updated delivery action plan for 2019-21.

#### Purpose of Report

To note the progress made in delivering the Digital Strategy in 2018/19 and agree the updated delivery action plan for 2019-21.

#### This report makes the following recommendations to this Committee:

1. Note the progress made in the first year of the delivering the Digital Strategy
2. Agree the revised action plan for 2019-21

#### Timetable

<b>Meeting</b>	<b>Date</b>
CLT	2 July 2019
Policy & Resources Committee	18 September 2019

# Digital Strategy Update 2019

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<b>Impact on Corporate Priorities</b>	We do not expect the recommendations will by themselves directly affect achievement of corporate priorities. However, actions contained within the strategies action plan will support the Council's overall achievement of its priorities.	Transformation & Digital Services Manager
<b>Cross Cutting Objectives</b>	The report recommendation supports the achievement of the Council's cross cutting objectives (e.g. the creation of the "Go Green, Go Wild" website will help to ensure that "Biodiversity and Environmental Sustainability is respected").	Transformation & Digital Services Manager
<b>Risk Management</b>	See section 3 below.	Transformation & Digital Services Manager
<b>Financial</b>	The proposals set out in the recommendation are all within already approved budgetary headings and so need no new funding for implementation.	[Section 151 Officer & Finance Team]
<b>Staffing</b>	This report has no direct staffing implications.	Transformation & Digital Services Manager
<b>Legal</b>	No specific legal implications are identified. Under Section 3 of the Local Government Act 1999 local authorities have a duty to "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness". The Council's Digital Strategy demonstrates compliance with the statutory duty. The Policy and Resources Committee is responsible for all policy matters not otherwise allocated to any other committee or to Council as part of the policy framework. As such it is for the Policy and Resources Committee to note the progress made in the delivering the Digital Strategy and to approve the revised action plan for 2019-21.	Team Leader (Corporate Governance), MKLS

<b>Privacy and Data Protection</b>	Any data held or processed in connection with the updated strategy action plan will be done so in line with policies and retention schedules.	Policy and Information Team
<b>Equalities</b>	We recognise the actions within the strategy action plan may have varying impacts on different communities within Maidstone. Separate equalities impact assessments will be completed for the individual projects or actions contained within the strategy action plan.	Equalities and Corporate Policy Officer
<b>Public Health</b>	The recommendations will not have a direct impact on population health or that of individuals.	[Public Health Officer]
<b>Crime and Disorder</b>	The recommendation will not have an impact on Crime and Disorder.	Transformation & Digital Services Manager
<b>Procurement</b>	Some of the actions within the strategy may require procurement. We will complete those exercises in line with financial procedure rules.	Transformation & Digital Services Manager

## 2. INTRODUCTION AND BACKGROUND

1.1 In April 2018 the Council adopted a new Digital Strategy. The 2018-21 strategy focusses on delivering improvements for residents, businesses and staff through six key themes:

1. Digital customer
2. Digital place
3. Digital by design
4. Digital workforce
5. Digital infrastructure
6. Data for digital

1.1.1 A table showing progress made against the original Digital Strategy delivery action plan and other relevant improvements that have been delivered since April 2018 is included at Appendix A.

1.1.2 During the first year of the strategy the volume of digital contact continued to increase, with more than 1 million visits to the Council's website. When comparing online contact, face to face visits, calls handled by the contact centre and post received, the proportion of online contact increased from 34.3% in 2017/18 to 41.32% in 2018/19 and is now the most popular contact channel. Some of the most popular online transactions include:



- 91.6% of parking permit applications online
- 91.2% of abandoned vehicles reports online
- 80.4% of missed bin reports online
- 80% of bulky collection bookings online

1.1.3 In the first year of the strategy we have focussed on creating the right environment to enable the delivery of the strategy objectives, through changes in culture and technology and improving the way we work to design better digital services. Our approach to service delivery is:

- **Focus on meeting user needs** - Every piece of work we do is based upon meeting a need that our residents, businesses, visitors or staff have, which helps us to build the right thing. We do this by speaking directly to our users and observing how they interact with our services, basing all our design decisions on evidence and insights gained through user research and analytics.
- **Continuously improve our services** – We recognise there are always improvements that can be made, and this concept has been built into the way we work, putting working products into the hands of staff or residents early so we can test how well they work, providing us with the insight needed to continuously improve them over time.

1.1.4 The following section provides a more in-depth overview of key issues important to the delivery of the strategy under each of the six themes of the Digital Strategy.

1.2 **Digital Customer** - *Reducing digital exclusion by providing digital skills and access to digital services for all residents of the borough*

1.2.1 As part of this theme, Maidstone Borough Council has started a Digital Inclusion network with other organisations including Kent County Council, the Department for Work and Pensions, Golding Homes, Citizens Advice Bureau and Involve, and have agreed to work together to coordinate digital skills support for residents in Maidstone. The group have gathered details of digital access points and support providers in the areas and are carrying out a survey of residents who seek support from the partner organisations to form a local picture of digital capability. The outcome of this work will inform the direction of Maidstone's digital inclusion strategy, which is due to be completed later this year.

1.2.2 Recognising that some residents will always need support, the Customer Service team has been restructured to create a dedicated team to support residents with digital transactions. This new team will deal exclusively with residents who contact the council about transactions that have been or could be carried out online and will support those residents who were unable to carry out the online transaction themselves.

1.3 **Digital Place** - *The Council will support where necessary the provision of fast and effective digital infrastructure for residents, businesses and*

*visitors, and will exploit digital technology to make the borough a better place.*

- 1.3.1 We have continued to work with Kent County Council (KCC) to, where possible, influence the improvement in broadband coverage within the borough of Maidstone, through KCC's Making Kent Quicker project.
- 1.3.2 Overall Maidstone has roughly 96.5% coverage above Superfast levels (25Mbps) and Ofcom reports that the percentage of properties unable to receive decent broadband (10 Mbps) in the Borough reduced to 2.6% in January 2019, down from 4.14% in January 2018. The percentage of properties unable to receive basic broadband speeds of 2 Mbps reduced from 0.73% to just under 0.4%.
- 1.3.3 Work is planned to reduce further the small percentages of Maidstone residents and businesses who cannot access decent or basic broadband. KCC is in the final stages of extending their Broadband Delivery UK (BDUK) contract to deliver another £5 million worth of broadband with BT and have activity proposed improvements in Boxley, Dean Street, Kettle Corner, Hunton, Otham, Harrietsham, Lenham, Sutton Valence, Langley, Watlington, Mereworth and Nettlestead.
- 1.3.4 Officers are also in discussion with Virgin Media about their expansion plans in the borough at Allington and Cripple Street and are seeking opportunities to improve on and expand the footprint of Call Flow services in the locality, primarily related to their existing network in Yalding and Collier Street.
- 2.3.1 There are two additional schemes to reach areas without superfast broadband currently live with the Government: The Gigabit Voucher Scheme (GVS) and the Rural Gigabit Connectivity Scheme (RGC). KCC is proposing to add further funding to residential properties in the RGC scheme by topping up the available £1,500 by another £1,000 to make the full funding available under that scheme. KCC is also working with communities on developing Voucher funded schemes in Sutton Valence, Hollingbourne, Hucking, Stockbury, Staplehurst and Marden
- 2.4 **Digital by Design** - *Embracing digital technology to enable council services to be delivered online with the capability to meet the future needs of the authority, with digital services designed in such a way that customers choose to use them as a default, whilst still supporting those who are not yet capable of doing so.*
- 2.4.1 In line with our design principles the team have engaged with more than 2000 residents, through surveys, focus groups, telephone and face to face interviews to ensure that the digital services that are designed meet resident's needs. All new services are assessed against the new government service standard to ensure digital transactions are accessible, safe and secure, meet data security standards and above all have been designed to meet user needs.
- 2.4.2 A new 'My Maidstone' customer platform will be launched on 1 November 2019. 'My Maidstone' will provide an enhanced online experience for

residents who contact the council through the website and will eventually tie together all customer contact, provide personalised information and improve the submission and tracking of service requests for residents.

**2.5 Digital Workforce** - *Building a culture that embeds digital ways of working at all levels of our organisation, in order to build our digital capability and create a digital workforce which is agile, mobile and using the most appropriate technologies to support service delivery.*

2.5.1 As part of the development of this theme, all departments are now required to consider potential digital enhancements to their service provision as part of the service planning process and new digital take up performance indicators will, in future help track how successful departments are in providing digital alternatives for residents and businesses.

2.5.2 A 'new ways of working' programme is in progress, which brings together a range of activities to reduce paper usage, storage requirements and improve the use of technology to benefit staff and customers. Changes as a result include:

- Corporate and Wider Leadership Teams using the Council's report management ICT system to progress towards paperless meetings
- The creation of new flexible informal meeting space on the 5<sup>th</sup> floor of Maidstone House.
- A plan to enhance the technology in some of the Council's meeting rooms to support the use of Skype for conference calling and reduce the need for travel to other offices
- The planned rollout of Skype for Business to Members

**2.6 Digital Infrastructure** - *Ensuring we harness new and emerging technologies to support the redesign services in a way which meets the changing expectations of staff, residents and businesses.*

2.6.1 To support this theme, we have put in place a new purchasing guide and governance framework to ensure all changes to technology across the council are fit-for purpose, accessible, cost-effective, secure and in line with the Council's vision for digital transformation.

2.6.2 As part of the exploration of new and cost-effective technology a new service to inform residents of changes to bin collections via text message was introduced in November 2018. The service has been very popular, with more than 5500 residents currently subscribed. The service is now embedded within the waste team and being used daily to keep residents informed of issues with bin collections, ultimately reducing demand on the customer service team. The technology is now being expanded to other services including payment reminders for Council Tax.

2.6.3 The Corporate Support and Transformation and Digital Services teams are currently implementing a project to explore the potential of Robotic Process Automation in handling the receipt and routing of photographic evidence. If successful, this will free up significant staff time from dealing with simple repetitive tasks.

**2.7 Data for Digital** - *Making better use of data and making data more accessible to residents through online council channels, increasing accessibility and transparency.*

**2.7.1** A new Customer Relationship Management system (CRM) has been installed, which along with the new 'My Maidstone' customer account will enable a better view of customer contact and data from all over the council and will ultimately facilitate a move to having a single view of customer and property data in the future, and remove the need for customers to report changes that impact different departments more than once.

**2.7.2** Core Council property-based databases, including Council Tax and Electoral Services have been aligned using the same unique property reference number (UPRN) to allow better data matching between departments, which in turn will streamline internal processes and improve services to residents.

**2.7.3** Funded through the Business Rates retention scheme, the Housing department is currently working with Earnest and Young to deliver a One View tool which brings together unshared data from across the council and partner organisations, to provide a single view of a household, to support a better-informed assessment process. Using a predictive analytics model One View will help identify factors that put people at risk of becoming homeless. This earlier identification will enable us to provide targeted support and intervention to help us prevent homelessness crises as well as helping to manage demand

### **3. AVAILABLE OPTIONS**

**3.1** Option 1: The Council does not need to deliver all the actions listed in the updated action plan; however, this may reduce the planned benefits of the digital strategy; or

**3.2** Option 2: The revision to the digital strategy action plan is agreed.

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### **4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

**4.1** The preferred option is Option 2, as the action plan is necessary to deliver the benefits of the digital strategy

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### **5. RISK**

**5.1** The risks associated with this report, have been considered in line with the Council's Risk Management Framework. We are satisfied that the risks associated are within the Council's risk appetite and will be managed as per the Policy.

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## **6. REPORT APPENDICES**

- *Appendix A: [Update on 2018/19 Digital Strategy action plan]*
  - *Appendix B: [Updated action plan for 2019/21]*
-

## Appendix A – Update on 2018/2019 Digital Strategy Action Plan

Actions due for completion in 2018/19	Status
Redesign of Council website	Complete
Implement a digital customer services platform	Complete
Develop a set of digital KPI's to measure service performance against digital strategy objectives	Complete
Maintain and update our privacy policies and data sharing agreements to facilitate the sharing of information between departments	Complete
Implement electronic payment software that is fully compliant with the banks' Payment Card Initiative	Complete
Explore potential for e-newsletters to replace or compliment Local magazine.	Complete
Introduction of parking enforcement mobile technology as part of the new enforcement contract	Complete
Creation of online Building Control application process	Complete
Procurement of housing register application system to replace Locata	Complete
Transfer existing payment related processes to new Digital Customer Services Platform	Complete
Implement improved complaints handling system	Complete
Explore alternative webcasting options including the potential to use You Tube	Complete
Introduce targeted outbound messages and reminders to reduce the number of missed bin reports	Complete
Purchase and implementation of additional Revenues and Benefits Capita advantage digital modules including suite of online forms and automation processes	In progress
Electronic New Starter Pack	In progress
Roll out of Skype for Business to Councillors	In progress
Create and maintain Digital Inclusion plans addressing the key barriers to take-up	In progress
Implement an improved FOI handling system	Re-scheduled to 2019/20
Introduction of web chat	Re-scheduled to 2019/20

Additional Projects Completed since start of Digital Strategy
Update to the procurement guidelines to ensure the council purchases the right digital systems
Procurement of new cloud hosted parking system to replace the current Imperial system.
Creation of a recruitment micro site
Creation of a news and events micro site
Replacement of Noise reporting process
Creation of a mobile working solution for Commercial Waste
Improvements to the internal change of establishment process
Creation of a new digital payment option for memorials

# **Maidstone Borough Council's Digital Strategy**

## **Updated Action Plan 2019/21**



## Delivering the Strategy

The following is a revised high-level list of actions due to be completed between 2019 and 2021 that link with the delivery of the digital strategy. The list and timeframes will continue to be developed over the course of the strategy.

Actions	2019 / 2020	2020 / 2021
Launch of 'My Maidstone' Digital Customer Service Platform		
Refresh of the Councils website home page to improve customer navigation		
Improve and replace the current 'Report-it' online processes, including fly tipping and abandoned vehicles		
Introduce email subscriptions for Council news & Digital notifications for updates to Council services		
Make improvements to the online bin processes, including ordering new/replacement bins and reporting missed bins		
Creation of new Local Plan micro site at <a href="http://localplan.maidstone.gov.uk">localplan.maidstone.gov.uk</a>		
Completion of Digital Inclusion Strategy		
Creation of 'Go Green Go Wild' website		
Explore the use of Social Sign on for the 'My Maidstone' Digital Customer Service Platform		
Implementation of additional Revenues and Benefits Capita advantage digital modules including suite of online forms and automation processes		
Explore better integration between finance and payroll systems		
Review the appropriateness of Direct debit for annual payments		
Implement an improved FOI handling system		
Roll out of Skype for Business to Councillors		
Introduction of web chat		
Procurement of corporate mobile working solution		
Procurement of new Housing Rents system		
Introduce an electronic new starter pack and improved staff induction process		
Expand the use of Microsoft Power BI as a business intelligence tool		
Provide user research training to more staff to improve the design of user centred digital services		
Explore options for online grant application process		

Actions	2019 / 2020	2020 / 2021
Work with third party suppliers to ensure online systems meet improved website accessibility standards		
Ongoing projects to reduce paper usage		
Programme of work to increase the proportion of planning applications submitted electronically		
Make more information available online to reduce FOI requests		
Trial the use of bots for simple web chat enquiries		
Improve the provision of customer report tracking to keep customers informed of progress with reports		
Explore the potential to expand the use of Robotic Process Automation to other processes		
Programme to increase the take up of ebilling and e-notification for benefits		
Introduction of virtual parking permit system		
Provision of more open data for planning customers		
Explore options for electronic notification of nearby planning applications		
Transfer existing planning processes for service requests to 'My Maidstone' Digital Customer Service Platform		
Link housing register system with My Maidstone digital customer service platform		
Project to enable street cleansing data to be presented publicly on the councils website		
Mapping of the cemetery and completion of electronic burial records to enable public searchable records		
Extend the use of mobile worker to parks and open space		
Explore the use of AI, and voice activated services such as Amazon Alexa or Google Home		
Reduce printing for agendas and papers for committees		
Review potential for implementing GOV Pay		



# Agenda Item 13

## Policy & Resources Committee

18 September 2019

### Council Tax Reduction Scheme 2020-2021

<b>Final Decision-Maker</b>	Full Council
<b>Lead Head of Service/Lead Director</b>	Stephen McGinnes Mid Kent Services Director
<b>Lead Officer and Report Author</b>	Sheila Coburn Head of Mid Kent Revenues and Benefits Partnership
<b>Classification</b>	Public
<b>Wards affected</b>	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 2020-2021 for the reasons set out in paragraph 2.8.

#### This report makes the following recommendations to this Committee:

1. That this committee recommends to Council to carry forward the 2019-2020 Council Tax Reduction scheme to 2020-2021 with no changes to the scheme.
2. That this committee notes that in the absence of any proposed change, no public consultation will be undertaken.

#### Timetable

<b>Meeting</b>	<b>Date</b>
Corporate Leadership Team	20 August 2019
Policy & Resources Committee	18 September 2019
Council	11 December 2019

# Council Tax Reduction Scheme 2020-2021

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<b>Impact on Corporate Priorities</b>	Homes and Communities. 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 Mid Kent Revenues and Benefits Partnership
<b>Risk Management</b>	The risks associated with implementing and operating the scheme are low. Endorsement of a scheme helps reduce the risk.	Sheila Coburn, Head of Mid Kent Revenues and Benefits Partnership
<b>Financial</b>	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 total cost of the scheme is £9.7 million	Finance Team
<b>Staffing</b>	No impact	Sheila Coburn, Head of Mid Kent Revenues and Benefits Partnership

<p><b>Legal</b></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 2020-2021 scheme is unchanged from the current year 2019-2020, and consultation took place in 2017, no further consultation is necessary</p>	<p>Keith Trowell, Team Leader (Corporate Governance), MKLS</p>
<p><b>Privacy and Data Protection</b></p>	<p>The Council already holds information on its residents and it is anticipated the same information will be held under any new scheme.</p> <p>The data will be held and processed in accordance with the data protection principles contained in Schedule 1 to the</p>	<p>Keith Trowell, Team Leader (Corporate Governance), MKLS</p>

	Data Protection Act 1998.	
<b>Equalities</b>	The recommendations do not propose a change in service therefore will not require an equalities impact assessment	Equalities and Corporate Policy Officer
<b>Public Health</b>	We recognise that the recommendations will not negatively impact on population health or that of individuals.	
<b>Crime and Disorder</b>	No impact	Sheila Coburn, Head of Mid Kent Revenues and Benefits Partnership
<b>Procurement</b>	No impact	Sheila Coburn, Head of Mid Kent Revenues and Benefits Partnership

## 2 INTRODUCTION AND BACKGROUND

- 2.1 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).
- 2.2 When the government gave responsibility to local government to introduce a local scheme, funding in the form of a Grant was cut by 10%. Government also protected the entitlement of elderly claimants meaning the reduction for working age population was in the region of 20%.
- 2.3 Councils introduced a local scheme which each year must be approved by

Full Council.

- 2.4 The scheme is 'underpinned' by the Kent-wide agreement, which recognises that all Kent districts (as the billing authorities) will seek to have a common 'platform'.
  - 2.5 Councils in Kent have, or are in the planning stages of implementing a banded scheme
  - 2.6 Any changes to the scheme for any year have to go for public consultation before being approved.
  - 2.7 The current scheme for 2019-20 was approved by Full Council in December 2018 with no changes being made.
  - 2.8 With changes within the welfare system, the current scheme is becoming outdated, promoting consideration across Kent of a simpler banded scheme.
  - 2.9 Whilst further analysis is being undertaken to model the impact of moving to a banded scheme, it is proposed that no changes are made for 2020-21 for the following reasons:
    - Universal Credit went live in November 2018 and the current financial year 2019-2020 is the first full financial year to assess the impact of the changes for households in receipt of welfare benefits
    - Simplified schemes are being introduced across the country and the impact for claimants and costs associated can be better measured using the knowledge gained from other authorities
    - Time needs to be spent modelling any changes to the current scheme. We will be able to use detailed and accurate data from software that has become available, but this could not be completed in time for implementation in 2020-2021
- 

### **3 AVAILABLE OPTIONS**

- 3.1 Option 1 – Move to a new scheme. The problems with implementing a new scheme for 2020-21 are detailed in 2.8.
- 3.2 Option 2 – Revise the current scheme. Whilst work is being undertaken to model the impact of moving to a simpler banded scheme, the current scheme is held to be effective. Should Committee seek to make any changes to the current scheme those changes would need to be modelled and a public consultation completed before making recommendation to Full Council in December 2019.
- 3.3 Option 3 – Maintain the current scheme. In agreeing to the recommendation not to make any changes to the 2020-2021 scheme, recommendation would be made to Full Council to re confirm the scheme,



with no public consultation required.

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## **4 PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

4.1 Option 3 is the preferred option for the reasons set out above.

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## **5 RISK**

5.1 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. The risks associated with implementing and operating the scheme are reduced through effective modelling and consultation to ensure that the impact of any change is understood.

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## **6 CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

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

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## **7 NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

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

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## **8 REPORT APPENDICES**

None

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## **9 BACKGROUND PAPERS**

None

# Agenda Item 14

## Policy and Resources Committee

**18 September 2019**

### Communications and Engagement Strategy

<b>Final Decision-Maker</b>	Policy and Resources Committee
<b>Lead Head of Service</b>	Angela Woodhouse, Head of Policy, Communications and Governance
<b>Lead Officer and Report Author</b>	Angela Woodhouse, Head of Policy, Communications and Governance and Julie Maddocks, Communications Manager
<b>Classification</b>	Public
<b>Wards affected</b>	All

#### Executive Summary

The report sets out the Communications and Engagement Strategy 2019-24 and action plan for 2019-20. The strategy sets out the Council's approach to communication and engagement, our audiences, our key corporate messages and key actions planned for 2019-20.

#### Purpose of Report

Decision

#### This report makes the following recommendations to this Committee:

That the Communications and Engagement Strategy 2019-24 be approved

#### Timetable

<b>Meeting</b>	<b>Date</b>
Policy and Resources Committee	18 September 2019

# Communications and Engagement Strategy 2019-24

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<b>Impact on Corporate Priorities</b>	<p>The four Strategic Plan objectives are:</p> <ul style="list-style-type: none"> <li>• Embracing Growth and Enabling Infrastructure</li> <li>• Safe, Clean and Green</li> <li>• Homes and Communities</li> <li>• A Thriving Place</li> </ul> <p>Accepting the recommendations will materially improve the Council's ability to achieve the vision and priorities set out in the Strategic Plan.</p>	Head of Policy, Communications and Governance
<b>Cross Cutting Objectives</b>	<p>The four cross-cutting objectives are:</p> <ul style="list-style-type: none"> <li>• Heritage is Respected</li> <li>• Health Inequalities are Addressed and Reduced</li> <li>• Deprivation and Social Mobility is Improved</li> <li>• Biodiversity and Environmental Sustainability is respected</li> </ul> <p>The report recommendation supports the achievement of the cross-cutting objectives by setting out actions to communicate, inform and engage with key audiences on our priorities.</p>	Head of Policy, Communications and Governance
<b>Risk Management</b>	Already covered in the risk section.	Head of Policy, Communications and Governance
<b>Financial</b>	The proposals set out in the recommendation are all within already approved budgetary headings and so need no new funding for implementation.	Interim Head of Finance (Deputy Section 151 Officer)
<b>Staffing</b>	We will deliver the recommendations with our current staffing.	Head of Policy, Communications and Governance
<b>Legal</b>	No specific legal implications are identified. Under Section 3 of the Local Government Act	Team Leader (Corporate

	<p>1999 local authorities have a duty to "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness". The Council's Strategic Plan and the Communication and Engagement Strategy demonstrate compliance with the statutory duty. The Policy and Resources Committee is responsible for all policy matters not otherwise allocated to any other committee or to Council as part of the policy framework. As such it is for the Policy and Resources Committee to approve the Communication and Engagement Strategy 2019-24.</p> <p>The council is required to observe the code of recommended practice on local authority publicity; the Strategy supports this.</p>	Governance), MKLS
<b>Privacy and Data Protection</b>	The Communications team process data in accordance with the principles of data protection.	Policy and Information Team
<b>Equalities</b>	The recommendations do not propose a change in service therefore will not require an equalities impact assessment.	Policy & Information Manager
<b>Public Health</b>	The communications team supports activities to promote public health initiatives and campaigns.	Public Health Officer
<b>Crime and Disorder</b>	The communications team will provide communication and engagement support to the community safety team.	Head of Policy, Communications and Governance
<b>Procurement</b>	The communications team will act within the procurement guidelines.	Head of Policy, Communications and Governance

## **2. INTRODUCTION AND BACKGROUND**

2.1 A new Strategic Plan for 2019-24 was introduced earlier this year as a result a new Communications and Engagement Strategy has been produced for 2019-24. The purpose of the strategy is to support and share the vision for the Borough and support the delivery of the four priorities contained within the Strategic Plan.

2.2 The strategy aims to ensure there is a consistent approach to delivering key Council messages, protecting and promoting our reputation and establishing a strong and trusted brand. The strategy sets out that the Communications team will:

- Increase and grow social media communications to assist the fast and effective sharing of news and information
- Provide details of changes to service ensure the public are informed and kept up-to-date
- Monitor engagement and feedback to help improve services
- Continue to explore social media channels and technology to ensure it is used more efficiently and effectively

2.3 The team have responsibility for all internal and external messaging including through digital channels, social media platforms and working with the media. Core work includes creating press releases and media statements to inform the public about initiatives and campaigns. Seeking opportunities to engage with the media to share messages about the Council's services, achievements and events.

2.4 The Strategy sets out the key messages and actions for 2019-20 in the action plan towards the end of the strategy. The action plan does not contain every action and campaign undertaken by the team; for example the internal communication activities or activities to support the mayor and civic events. Included in the strategic document are the more strategic actions planned for each of our priorities:

- Embracing Growth and Enabling Infrastructure
- Homes and Communities
- A Thriving Place
- Safe, Clean and Green

2.5 Campaigns and actions over the last year included:

- Fly-tipping
- Recycling
- Crisis Comms – bad weather and emergency communications
- Park and Ride Changes
- Mote Park Adventure Zone
- Clean Air for Schools
- 365 days of good news
- 3 editions of Borough Insight

- Internal communications including 2 One Council Events, Well-being week and supporting HR initiatives
  - Electoral Registration and Election Communications Local and European
- 2.6 We have this year introduced a new service to measure the impact of the activity we undertake using the Kantar Precise Media service. When the action plan is updated next year, we will include statistics on audience reach and impact over the course of the plan.
- 2.7 The action plan for 2019-20 contains campaigns to support Council services and initiatives including:
- Housing Rough sleeper initiative
  - Homefinders
  - Housing First
  - Kent Innovation Centre
  - Maidstone East Station
  - Mote Park
  - Park and Ride
  - Museum
  - Making Maidstone More Active
  - Environment and Public Realm
  - Safety in the Borough
  - Go green go wild
- 

### **3. AVAILABLE OPTIONS**

- 3.1 The Committee could choose not to agree the Communications and Engagement Strategy for 2019-24, this will mean the present strategy aligned to the old strategic plan remains in place with an out of date action plan.
- 3.2 The Committee can agree changes to the plan as it deems appropriate for example requesting additional actions or areas for focus, resource implications would need to be considered when agreeing changes to the plan.
- 3.3 Approve the new Communications and Engagement Strategy for 2019-24 at Appendix 1, to ensure we have an up to date strategy and appropriate action plan to support our new corporate vision and priorities.
- 

### **4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

- 4.1 Option 3.3 is recommended to ensure the council has an up to date action plan for communication and engagement activity. The action plan has been developed with Heads of Service to support the delivery of the council's four strategic priorities within service budgets.
-

## **5. RISK**

- 5.1 The Communications and Engagement Strategy seeks to minimise and manage risks in relation to the council's reputation. We are satisfied that the risks associated are within the Council's risk appetite and will be managed as per the Policy.
- 

## **6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

- 6.1 The Communications and Engagement Strategy sets out how we will communicate the council's priorities and strategic narrative which were heavily consulted on during 2018-19 as the new Strategic Plan was developed. The strategy includes an action plan setting out key campaigns to engage, communicate and consult with the public and key stakeholders across a range of services.
- 

## **7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

- 7.1 Following approval the Strategy will be made available on the Council's website and the actions will be implemented.
- 

## **8. REPORT APPENDICES**

The following document is to be published with this report and form part of the report:

- Appendix 1: Communications and Engagement Strategy 2019-24
- 

## **9. BACKGROUND PAPERS**

None

# Maidstone Borough Council Communications and Engagement Strategy 2019 – 2024



For more information contact the MBC Communications Team

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@ [communications@maidstone.gov.uk](mailto:communications@maidstone.gov.uk)





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What we do	4
Communication channels	5
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How we measure success	7
Communication action plan	8



# Introduction:

This Communications and Engagement Strategy is driven by our Strategic Plan which sets out the Council's long-term aspirations for the whole borough and how they will be achieved. At the centre of the Strategic Plan is a vision to make Maidstone a vibrant, prosperous, urban and rural community at the heart of Kent where everyone can realise their potential. Communication plays a key role in achieving this. Through effective communications and engagement, we will support and deliver the four priorities contained within the Strategic Plan: Embracing Growth and Enabling Infrastructure, Homes and Communities, A Thriving Place and Safe, Clean and Green.

It is vital that we communicate and engage with a wide range of stakeholders, including: residents, businesses, charities and other public sector services. By providing efficient and effective engagement the Council can improve local understanding, perception and involvement.

Many residents, organisations, businesses and stakeholders interact with the Council regularly. It is important that we communicate effectively, engaging with the whole community, ensuring that messages reach everyone. To do this we use a wide range of communication channels and techniques, tailoring our messages to ensure that they are appropriate to the right audiences.

4  
This strategy aims to provide a consistent approach in delivering key messages from Maidstone Borough Council, protecting and promoting its reputation, establishing a strong identifiable brand and helping create a borough that works for everyone.

# What we do:

The communications team is responsible for all internal and external messaging, digital channels, social media platforms, working with the media and stakeholder communications. We proactively work to develop campaigns, marketing, branding and design for all our services.

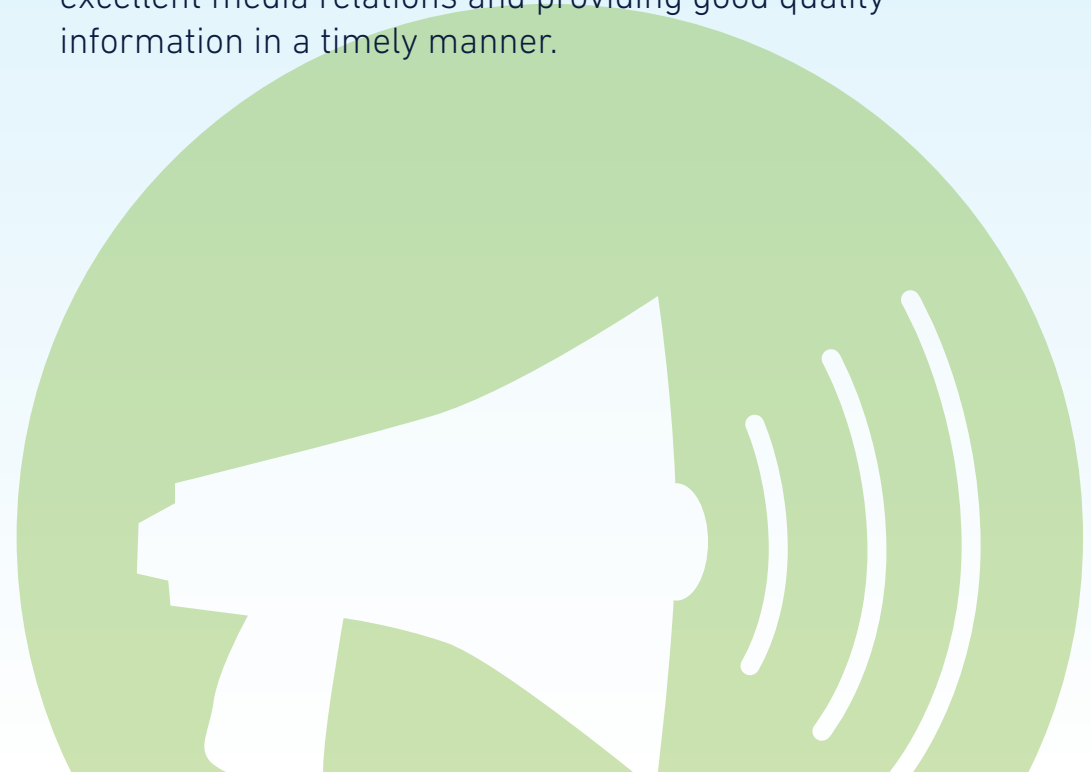
We also celebrate success and seek national recognition for the work we do. As well as reaching out externally we recognise the importance of internal communications. The communications team works on internal campaigns throughout the year. To promote our priorities, key messages and initiatives such as health and wellbeing.

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The team creates press releases and media statements informing the public about initiatives and campaigns. Seeking opportunities to promote the Council's services, good work, achievements and events. We organise and create opportunities, for radio, television and newspaper interviews where appropriate; meet regularly with key members of the print and broadcast media, as well as other partners and stakeholders to build and sustain trusted relationships. We work alongside senior staff and Councillors to advise and support with crisis media messaging and press statements as required. Sending out reassuring messages, providing information and details during critical incidents.

The communications team is also responsible for producing our residential magazine – Borough Insight which is produced three times per year, reflecting, promoting and reporting on key issues and campaigns supported or led by the Council. A community focussed publication, the magazine is printed and delivered to 72,000 homes across the borough of Maidstone and contains features and information that effects residents, businesses and stakeholders.

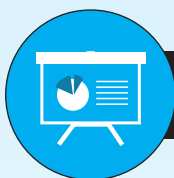
We recognise and understand the importance of reputation and work to protect and enhance the trusted name of Maidstone Borough Council through effective branding, excellent media relations and providing good quality information in a timely manner.





## Digital communications:

The social media channels the communications team manages, include Facebook, Twitter, Instagram and LinkedIn. These are used to inform and update residents and stakeholders of incidents and campaigns which may affect our services and to promote the work of the Council. We upload press releases, photography and statements to a dedicated news web page which is linked to the Council website.



## Marketing:

The communications team works alongside colleagues and partners to develop, deliver and evaluate co-ordinated public relations and marketing campaigns to raise awareness of the Council's priorities to both internal and external audiences.



## Branding, design and print:

The communications team is responsible for ensuring that the Council's corporate identity is used consistently throughout the organisation in all messaging. A strong brand inspires confidence and positivity, which is why consistency is needed and a corporate identity style guide has been developed which is adhered to throughout our publications and literature.



# Our audiences:

Maidstone Borough Council has a wide range of audiences and stakeholders. It is important that we target our messages to the right audience, so that we can communicate with the right people at the right time in the right way.



# How we measure success:

PR campaigns created by the communications team are closely aligned to projects and the work of our service areas. The messages will be clear and concise, supporting the priorities included in the Strategic Plan, outlining and promoting how these will be achieved.

The communications activity achieved by the Council is monitored through Kantar Precise Media, a global intelligence service providing data on all aspects of media measurement, monitoring and activity. Giving us in-depth detail on a daily basis of who is saying what about us, where and when. This allows us to measure our communication achievements, press coverage and social media activity along with providing analytics outlining the value of that coverage, details of engagement and data to reflect that work.

This progress will be regularly reviewed to implement any change of strategy and share updates as required.

4





# Communication Action Plan 2019-2020:

We, often in partnership with other stakeholders and partners, run specific campaigns, highlighting the work and service areas across the Council. Part of the role of the Communications team is to help raise awareness and engagement of these campaigns using a variety of channels to deliver appropriate messages. These will focus on the four priorities of the Council and promote Maidstone as the Business Capital of Kent to inform and engage with investors, residents, businesses and stakeholders.



# Key Messages:

The key communications messages and PR campaigns supports and delivers the vision and four priorities of the Council's Strategic Plan:

## Priority - Embracing Growth and Enabling Infrastructure



We want Maidstone Borough to work for the people who live, visit and work; now and in the future. We want a borough where there is a variety of jobs, housing need is met and infrastructure is in place to meet the growing needs of our residents and economy. We also want to ensure we lead and shape our place as it grows, including leading master planning and investing to bring about high quality housing and jobs in the Borough.



Service area and campaign	Key campaign messages	Audience and outcomes	Delivery Method
<b>Planning – Local Plan Review</b>  47	<ul style="list-style-type: none"> <li>• What does the local plan mean?</li> <li>• How does it affect your community?</li> <li>• How does it reflect the Strategic Plan?</li> <li>• Consultation dates</li> <li>• How can you have your say?</li> </ul>	<p><b>Audience:</b> Residents, developers, businesses, Councillors and Parish Councillors</p> <p><b>Outcomes:</b> Increase awareness of public consultations and opportunities to feedback</p> <p><b>Aims:</b> Increase respondents to consultations for each survey</p> <p>Better understanding of budget spend, issues that matter leading to better decision-making processes</p>	<p>Mixed media channels including: direct mail, press releases, video, social media, consultations, website, face-to-face consultation, Borough Insight and workshops.</p>
<b>Planning – 5 opportunity Sites:</b>  <b>Maidstone West</b> <b>Len House</b> <b>Maidstone Riverside</b> <b>Gala Bingo</b> <b>Mote Road</b>	<ul style="list-style-type: none"> <li>• New development in and around the county town</li> <li>• New building to significantly enhance area</li> <li>• Associated public realm development enhancing area</li> <li>• Opportunities to improve traffic circulation in the town centre – including Broadway, bridges and gyratory system</li> </ul>	<p><b>Outcomes:</b> Increase awareness of plans to improve and enhance the appearance of the county town</p> <p><b>Aims:</b> To provide a better understanding of plans for Maidstone and issues that matter leading to better decision-making processes</p>	<p>Targeted campaigns using a variety of media channels including: leaflets, social media, specific communications aimed at traditional and online media channels.</p> <p>Comms platforms to include: website, press releases, video, testimonials, social media, progress updates, Borough Insight, Intranet and Website</p>

## Priority - Homes and Communities



We want to have a place that people love and where they can afford to live. This means ensuring that there is a good balance of different types of homes, including affordable housing. We will have safe and desirable homes that enable good health and wellbeing for our communities. We will address homelessness and rough sleeping to move people into settled accommodation. We will work with our partners to improve the quality of community services and facilities including for health care and community activities. Residents will be encouraged and supported to volunteer and play a full part in their communities.

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Service area and campaign	Key campaign messages	Audience and outcomes	Delivery Method
<b>Housing – Rough sleeper initiative</b>	<ul style="list-style-type: none"> <li>• Rough Sleeper Coordinator</li> <li>• Outreach Service</li> <li>• Change, Grow, Live</li> <li>• Assessment Residential Centre for those leaving the streets</li> <li>• Emergency Winter Accommodation Provision for rough sleepers</li> <li>• A hostel for those with low support needs</li> <li>• Assisting people to move away from street lifestyle including rent in advance and deposit bonds for private rented accommodation</li> </ul>	<p><b>Audience;</b> Housing providers, public and stakeholders</p> <p><b>Outcomes:</b> To highlight the work of the housing team</p> <p><b>Aims:</b> To outline the initiative and work being taken by the housing team to provide homes for all across the borough</p>	<p>Targeted campaigns using a variety of media channels including: leaflets, social media, specific communications aimed at traditional and online media channels.</p> <p>Comms platforms to include: website, press releases, video, testimonials, social media, progress updates, Borough Insight, Intranet and Website</p>

Service area and campaign	Key campaign messages	Audience and outcomes	Delivery Method
<b>Housing – Homefinders</b>	<p>Working with landlords to provide secure and affordable rented accommodation across the borough</p> <p>To improve the opportunity for local-residents to access the private sector housing market in the Maidstone borough</p>	<p><b>Audience:</b> Residents, businesses and landlords</p> <p><b>Outcomes:</b> To improve communications with landlords and tenants</p> <p><b>Aims:</b> To highlight Homefinder service and its benefits to all</p> <p>To provide affordable homes to vulnerable tenants across the borough</p>	Targeted campaigns using a variety of media channels including: video, social media, events, targeted messages, leaflets, campaigns, Borough Insight, Intranet and Website
<b>Housing – Housing First</b>	Joint partnership with Golding Homes and Porchlight providing housing for all	<p><b>Audience:</b> Housing providers, public and stakeholders</p> <p><b>Outcomes:</b> to highlight the work in partnership with others</p> <p><b>Aims:</b> To outline the initiative and work being taken by the housing team to provide homes for all across the borough</p>	Targeted campaigns using a variety of media channels including: video, social media, events, targeted messages, leaflets, campaigns, Borough Insight, Intranet and Website

Priority 3 - A thriving pla

## Priority - A Thriving Place



Maidstone is a borough that is open for business, attractive for visitors and is an enjoyable and prosperous place to live for our residents. Maidstone is the Business Capital of Kent; we will continue to grow our local economy with high employment, good local jobs and thriving local businesses. We want our town and village centres to thrive and be fit for the future. We will lead investment in the County town and rural service centres through our regeneration projects and working with partners. We are proud of our heritage and will continue to grow our leisure and cultural offer.

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Service area and campaign	Key campaign messages	Audience and outcomes	Delivery Method
<b>Economic Development – Innovation Centre</b>	<ul style="list-style-type: none"> <li>Maidstone is the Business Capital of Kent</li> <li>Providing high quality office space, facilities and support for small &amp; medium sized enterprises in life science, healthcare and med-tech sectors</li> <li>Complementing Kent Medical Campus</li> <li>State of the art conference facilities</li> <li>Great place, to do business and work</li> <li>Attracting new businesses and investors to Maidstone</li> </ul>	<p><b>Audience:</b> Businesses – large and small – particularly in the medical, healthcare, med-tech and science sectors</p> <p><b>Outcomes:</b> To raise awareness of project and the investment undertaken by the Council to invest in area</p> <p><b>Aims:</b> To raise media awareness and create positive coverage from trade, local and national press</p>	Targeted campaigns using a variety of media channels including: leaflets, social media, specific communications aimed at industry trade press and business investors including messages to appropriate business partners and stakeholders. Comms platforms to include: Business in Kent website, press releases, video, testimonials, social media, progress updates, Borough Insight, Intranet and Website

Service area and campaign	Key campaign messages	Audience and outcomes	Delivery Method
<b>Economic Development – Maidstone East Station</b>	<ul style="list-style-type: none"> <li>Investment in town centre</li> <li>Mixed use site including office, resident and commercial</li> <li>Improving the gateway to the town</li> <li>Improving the visitor experience to the county town of Maidstone</li> <li>Supporting employers and employees in the town</li> </ul>	<p><b>Audience:</b> Residents, businesses and media</p> <p><b>Outcomes:</b> Raise awareness of project as it develops</p> <p><b>Aims:</b> Encourage inwards investment and relocation of businesses. Securing Maidstone as the Business Capital of Kent</p>	Targeted campaigns using a variety of media channels including: leaflets, social media, specific communications aimed at industry trade press and business investors including messages to appropriate business partners and stakeholders. Comms platforms to include: Business in Kent website, press releases, video, testimonials, social media, progress updates, Borough Insight, Intranet and Website
<b>Economic Development - Mote Park - Outdoor Adventure Area, Maidstone Leisure Centre Play area Skate Park Visitor Centre</b>	<ul style="list-style-type: none"> <li>4.3 million investment in Mote Park over three years</li> <li>Securing the parks sustainable future</li> <li>Visitor Centre – room hire</li> <li>Adventure Area, Mini-golf, High Ropes, Skate park, play area, and Segways.</li> <li>Improved access routes to park</li> <li>Improved facilities including toilets and car parking.</li> <li>Maidstone – a great place to visit and stay</li> </ul>	<p><b>Audience:</b> Residents, visitors, event organisers, business for corporate hospitality, schools and community groups</p> <p><b>Outcomes:</b> Increased awareness and interest in Mote Park</p> <p>Knowledge of commercial offer when Serco take over the management of the facilities</p> <p><b>Aims:</b> Increase visitor numbers to the park improving revenue for café and leisure centre</p>	Mixed media channels including: press releases, video, project pages on our website, public consultation, signage, Borough Insight, parks newsletters (digital), social media, crisis comms as needed (for example - sewer collapse, leisure centre roof repairs and flooding)

Service area and campaign	Key campaign messages	Audience and outcomes	Delivery Method
<b>Parking Services – Park &amp; Ride</b>	<ul style="list-style-type: none"> <li>• Service every 20 minutes</li> <li>• New pay the bus driver scheme</li> <li>• Free parking for Park &amp; Ride users</li> <li>• Viable option for commuters</li> <li>• Maidstone Museum link – vehicles livery as dinosaurs</li> <li>• Stress free getting in and out of the town centre</li> <li>• Museum incentive – 20% discount with Park &amp; Ride ticket</li> <li>• Sustainable Transport Plan</li> </ul>	<p><b>Audience:</b> Residents, commuters, visitors and businesses</p> <p><b>Outcomes:</b> Increased use of Park &amp; Ride service</p> <p><b>Aims:</b> Increased revenue generated from service - improved sustainability Increased car sharing Improved modal choice</p>	<p>Mixed media channels: Our website, Intranet, social media, Borough Insight, flyers, billboard, bus advertising, commercial poster sites, press releases and media interviews.</p> <p>Opportunities to engage with residents – volunteer litter pick campaigns, media for local radio, local TV and radio interviews</p>
<b>Economic Development – the Museum</b>	<ul style="list-style-type: none"> <li>• What's On at the Museum</li> <li>• Exhibitions</li> <li>• A place for all to visit</li> <li>• Free to visit</li> <li>• Special events</li> <li>• Family friendly</li> <li>• Celebrating the history of Maidstone</li> </ul>	<p><b>Audience:</b> Families, visitors, residents and stakeholders</p> <p><b>Outcomes:</b> To improve visitor numbers to the Museum</p> <p><b>Aims:</b> Raise awareness of the Museum and improve engagement with all</p>	<p>Targeted campaigns using a variety of media channels including: press releases, photography, video, social media, events, targeted messages, leaflets, campaigns, Borough Insight, Intranet and the Visit Maidstone Website.</p> <p>Work closely with local media organising radio and television interviews, and photographic opportunities</p>

Service area and campaign	Key campaign messages	Audience and outcomes	Delivery Method
<b>Economic Development – Making Maidstone More Active</b>	<ul style="list-style-type: none"> <li>• Wide consultation exercise to help plan the design of future leisure facilities and services</li> <li>• Capture the views of as many residents and groups as possible aiming for at least 2000 responses</li> <li>• To engage as many stakeholders for leisure as possible</li> <li>• To engage as many non-active stakeholders as possible</li> <li>• Recruitment of local champions to be the voice of the community</li> <li>• To collect data from representative samples of the borough</li> <li>• Engage all types of people to learn about their activity levels</li> <li>• Make it easier for people to be more active</li> <li>• Make it clear that responses will be used to build a new leisure provision for the future</li> </ul>	<p><b>Audience:</b> Residents, active and non-active leisure stakeholders, local champions, parish councils, councillors, local businesses</p> <p><b>Outcomes:</b> Receive a min of 2000 responses to the consultation Increase awareness of the consultation and how to engage with it</p> <p><b>Aims:</b> Increase awareness that the consultation will help shape future leisure provision Recruit local champions from local community groups Increased activity on social media around the consultation</p>	<p>A phased communication approach, initially raising awareness of the dates of consultation, recruiting local champions, offer of incentives to complete consultation, countdown to end of consultation. Followed by forums and more detailed analysis during the next year.</p> <p>Using various direct and indirect methods; press releases, community radio, social media messaging, staff bulletin, articles and advert in Borough Insight, our website, staff to attend public events with ipads for on the spot completion and direct letters/ emails to groups.</p>

Service area and campaign	Key campaign messages	Audience and outcomes	Delivery Method
<b>Environment and Public Realm – Partnership Working – One Maidstone (BID)</b>	<ul style="list-style-type: none"> <li>• The partnership working with One Maidstone</li> <li>• Bank Street Blitz</li> <li>• Projects and campaigns</li> <li>• Importance of</li> <li>• Maidstone Borough Council working together with its residents, businesses and stakeholders</li> </ul>	<p><b>Audience:</b> Residents, businesses, stakeholders and media</p> <p><b>Outcomes:</b> Educating residents, businesses and stakeholders of the work being carried out</p> <p><b>Aims:</b> Improving the appearance and cleanliness of the borough</p>	<p>Working with One Maidstone to create targeted campaigns and projects to include events highlighting the work of the Waste Crime team using a variety of media channels and tools:</p> <p>Press releases, social media, leaflets, posters, radio and TV interviews, editorial, photography and videography</p>



## Priority – Safe, Clean and Green:



We will keep Maidstone an attractive and clean place for all. Maidstone is a safe place to live and we want our residents to feel safe. We want to protect and where possible enhance our environment and make sure our parks, green spaces, streets and public areas are high quality by ensuring they are looked after, well managed and respected.

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Service area and campaign	Key campaign messages	Audience and outcomes	Delivery Method
<b>Community Protection – Domestic Abuse Matters</b>	<ul style="list-style-type: none"> <li>Highlighting the work of the community protection team to support victims of Domestic Abuse</li> <li>Working with key partners (including Kent Police), to highlight the affect that Domestic Abuse can have</li> <li>Supporting victims of Domestic Abuse</li> <li>Outlining help that is available to victims and all those affected by Domestic Abuse</li> <li>Highlighting what to do and how to seek help</li> </ul>	<p><b>Audiences:</b> Residents, businesses, medical professionals, hairdressers - everyone</p> <p><b>Outcomes:</b> Improved awareness of the effects of domestic abuse</p> <p>Raised awareness of campaign to combat Domestic Abuse</p> <p><b>Aims:</b> An improved sense of safety reflected</p> <p>Raised awareness of joint schemes between the community protection team, Police and any other third-party agencies</p>	<p>Targeted campaigns using a variety of media channels including: video, social media, roadshows, targeted messages in areas of low uptake, Borough Insight, Intranet and our website.</p> <p>Engage directly with stakeholders and the media throughout this project.</p>

Service area and campaign	Key campaign messages	Audience and outcomes	Delivery Method
<b>Community Protection – Safety in the Borough</b>	<ul style="list-style-type: none"> <li>Working with key partners (including Kent Police) to keep everyone safe across the borough</li> </ul>	<p><b>Audiences:</b> Residents, businesses and stakeholders across the borough</p> <p><b>Outcomes:</b> An improved sense of safety reflected in resident survey percentages</p> <p><b>Aims:</b> Raised awareness of joint schemes with the community protection team, Police and any other third-party agencies</p>	<p>Targeted campaigns using a variety of media channels including: video, social media, events, targeted messages, leaflets, campaigns, Borough Insight, Intranet and Website.</p> <p>Stage events to engage with victims and partners involved with Domestic Abuse.</p> <p>Opportunities to engage with media for local radio, local TV and radio interviews.</p>
<b>Economic Development – Cobtree Manor Park</b>	<ul style="list-style-type: none"> <li>Summer holiday activities</li> <li>Fun for all the family</li> <li>Come and visit the park</li> <li>Free to be there</li> <li>Environmental and nature project</li> <li>Health and wellbeing</li> </ul>	<p><b>Audiences:</b> Families Residents and businesses Local media</p> <p><b>Outcomes:</b> To raise awareness of Cobtree Manor Park</p> <p><b>Aims:</b> Increase visitor numbers Improve image of the park and promote the work of the team</p>	<p>Create campaigns and focus on projects by using a variety of media channels including: press releases, photography, video, social media, radio interviews events, targeted messages, leaflets, campaigns, Borough Insight, Intranet and the Cobtree website.</p> <p>Work closely with local media including organising radio and television interviews, and photographic opportunities</p>

Service area and campaign	Key campaign messages	Audience and outcomes	Delivery Method
<b>Environment and Public Realm – Go Green Go Wild</b>	<ul style="list-style-type: none"> <li>Awards projects and grant funding (£250) scheme available to local projects</li> <li>Wild flower meadows and gardens across the borough</li> <li>Working with local gardening schemes and volunteer groups to promote environmental living</li> <li>Supporting volunteer groups and individuals</li> <li>Health and Wellbeing</li> </ul>	<p><b>Audience:</b> Families Residents and businesses Local media Gardening volunteer groups and individuals</p> <p><b>Outcomes:</b> To raise awareness of the Go Green, Go Wild scheme</p> <p><b>Aims:</b> Improve image of the work that the project has achieves Increase engagement with project users</p>	<p>Targeted campaigns and projects to include events highlighting the work of Go Green Go Wild using a variety of media channels and tools:</p> <p>Press releases, social media, leaflets, posters, radio and TV interviews, editorial, photography and videography</p>
<b>Economic Development – Clean Air for Schools</b>	<ul style="list-style-type: none"> <li>Anti-idling campaign – switch off engines outside schools</li> <li>Improve air quality</li> <li>Improve health and wellbeing</li> <li>Improving environmental health</li> <li>Improving air quality across the borough of Maidstone</li> <li>Improving the health of our children</li> </ul>	<p><b>Audience:</b> Families Residents and businesses Local media Schools – pupils and teachers, groups and individuals</p> <p><b>Outcomes:</b> To raise awareness of the Clean Air for Schools campaign</p> <p><b>Aims:</b> Improve image of the work that the project achieves Increase engagement with project users and potential users</p>	<p>Targeted campaigns and projects to include events highlighting the work of the Clean Air for Schools campaign using a variety of media channels and tools:</p> <p>Press releases, social media, leaflets, posters, radio and TV interviews, editorial, photography and videography</p>

Service area and campaign	Key campaign messages	Audience and outcomes	Delivery Method
<b>Environment and Public Realm– Waste and Recycling</b>	<ul style="list-style-type: none"> <li>• High recycling figures – above expected national average across the borough</li> <li>• Benefits of recycling</li> <li>• Importance of recycling</li> <li>• Contamination and how to avoid it</li> <li>• Working together to improve the environment</li> <li>• the waste and recycling team working together with its residents, businesses and stakeholders</li> <li>• Educating all – how to recycle properly</li> </ul>	<p><b>Audience:</b> Residents, businesses, stakeholders and media</p> <p><b>Outcomes:</b> Improve and increase recycling rates Reduce contaminated bin figures Save revenue Cut costs of recycling contamination</p> <p><b>Aims:</b> Improve the image of the borough Raise awareness of the waste team and what they do</p>	<p>Targeted campaigns and projects to include events highlighting the work of the waste and recycling team using a variety of media channels and tools:</p> <p>Press releases, social media, leaflets, posters, radio and TV interviews, editorial, photography and videography</p>
<b>Environment and Public Realm - Waste Crime Team</b>	<ul style="list-style-type: none"> <li>• The work of the waste crime team</li> <li>• Number of vehicle seizures</li> <li>• Fly-tipping prosecutions</li> <li>• Projects and campaigns</li> <li>• Successful prosecutions</li> <li>• Importance of</li> <li>• Maidstone Borough Council working together with its residents, businesses and stakeholders</li> </ul>	<p><b>Audience:</b> Residents, businesses, stakeholders and media</p> <p><b>Outcomes:</b> Educating residents, businesses and stakeholders as to what the waste crime team do</p> <p>Reducing waste crime figures</p> <p><b>Aims:</b> Improving the appearance and cleanliness of the borough</p>	<p>Targeted campaigns and projects to include events highlighting the work of the waste crime team using a variety of media channels and tools:</p> <p>Press releases, social media, leaflets, posters, radio and TV interviews, editorial, photography and videography</p>



# Agenda Item 15

## Policy & Resources Committee 18 September 2019

### 1<sup>st</sup> Quarter Performance & Budget Monitoring

<b>Final Decision-Maker</b>	Policy & Resources Committee
<b>Lead Head of Service</b>	Mark Green, Director of Business Improvement
<b>Lead Officer and Report Authors</b>	Chris Hartgrove, Interim Head of Finance Paul Holland, Senior Finance Manager (Client) Clare Harvey, Data Intelligence Officer
<b>Classification</b>	Public
<b>Wards affected</b>	All

#### Executive Summary

This report sets out the financial position for the Council at the end of Quarter 1 2019/20 against the revenue and capital budgets. The report also asks the Committee to review the progress of Key Performance Indicators that relate to the delivery of the Strategic Plan 2019-2045, and to consider the comments and actions against performance to ensure they are robust.

At the end of the Quarter 1 the profiled revenue budgets are showing an under spend of £0.293m, and the current year-end forecast shows that we will remain with budget.

Capital expenditure totalling £1.430m was incurred between 1st April and 30th June, with forecast slippage into 2020/21 of £14.528m.

Overall, 18 of the 21 Performance Indicators (86%) achieved their target, with 11 indicators showing improvement compared to Quarter 1 last year.

Six of the seven indicators relating to the strategic priority "A Thriving Place" achieved their target, with four showing an improvement from the same quarter last year.

All six targeted indicators for "Safe, Clean and Green" met their targets, with three indicators showing an improvement.

All three targeted indicators for "Homes & Communities" also met their targets. Four of the five indicators where trend information is available have improved compared to Quarter 1 last year.

The three targeted indicators for "Embracing Growth and Enabling Infrastructure" have also exceeded their targets.

#### Purpose of Report

The report enables the Committee to consider the financial position and any performance issues at the end of June 2019.

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**This report makes the following recommendations to the Committee:**

1. That the Revenue position at the end of the Quarter 1 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 Quarter 1 be noted.
3. That the Summary of Performance for Quarter 1 for Key Performance Indicators is noted.

<b>Timetable</b>	
<b><i>Meeting</i></b>	<b><i>Date</i></b>
Policy & Resources Committee	18 September 2019

# 1<sup>st</sup> Quarter Performance & Budget Monitoring

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<b>Impact on Corporate Priorities</b>	<p>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.</p> <p>The key performance indicators and strategic actions are part of the Council's overarching Strategic Plan 2019-45 and play an important role in the achievement of corporate objectives. They also cover a wide range of services and priority areas.</p>	Interim Head of Finance (Deputy Section 151 Officer)
<b>Cross Cutting Objectives</b>	This report enables any links between performance and financial matters to be identified and addressed at an early stage, thereby reducing the risk of compromising the delivery of the Strategic Plan 2019-20, including its cross-cutting objectives.	Interim Head of Finance (Deputy Section 151 Officer)
<b>Risk Management</b>	This is addressed in Section 5 of this report.	Interim Head of Finance (Deputy Section 151 Officer)
<b>Financial</b>	<p>Financial implications are the focus of this report through high level budget monitoring. Budget monitoring ensures that services can react quickly enough 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.</p> <p>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 Strategy and associated annual budget setting process. Performance issues are highlighted as part of the budget monitoring reporting process.</p>	Senior Finance Manager (Client)



<b>Staffing</b>	<p>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.</p> <p>Having a clear set of performance targets enables staff outcomes/objectives to be set and effective action plans to be put in place.</p>	Interim Head of Finance (Deputy Section 151 Officer)
<b>Legal</b>	<p>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.</p> <p>There is no statutory duty to report regularly on the Council's performance. However, under 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 Council performance help to demonstrate best value and compliance with the statutory duty.</p>	Team Leader (Corporate Governance), MKLS
<b>Privacy and Data Protection</b>	The performance data will be held and processed in accordance with the data protection principles contained in the Data Protection Act 2018 and 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.	Team Leader (Corporate Governance), MKLS
<b>Equalities</b>	No impact as a result of the recommendations in this report. An EqIA would be carried out as part of a policy or service change should one be identified.	Equalities and Corporate Policy Officer
<b>Public Health</b>	Performance recommendations will not negatively impact on population health or that of individuals.	Public Health Officer

<b>Crime and Disorder</b>	No specific issues arise.	Interim Head of Finance (Deputy Section 151 Officer)
<b>Procurement</b>	Performance Indicators and Strategic Milestones monitor any procurement needed to achieve the outcomes of the Strategic Plan.	Interim Head of Finance (Deputy Section 151 Officer)

## 2. INTRODUCTION AND BACKGROUND

- 2.1 The five-year Medium-Term Financial Strategy for 2019/20 to 2023/24 was agreed by full Council on 27 February 2019. This report advises and updates the Committee on how each Service Committee has performed with regard to revenue and capital expenditure against the approved budgets within its remit.
- 2.2 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.
- 2.3 This report now also includes a section on the Key Performance Indicators (KPIs) for the Council. This was previously covered in a separate report, but it was felt that it would be more helpful for Members to see this alongside the financial reports as there are sometimes common issues that link the two sets of data.
- 2.4 Attached at **Appendix 1** is a report detailing the position for the revenue and capital budgets at the end of June 2019. Attached at **Appendix 2** is a report setting out the position for the KPIs at the end of June 2019.

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## 3. AVAILABLE OPTIONS

- 3.1 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.

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## 4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 In considering the current position on the revenue budget, the Capital Programme and the KPIs at the end of June 2019, the Committee can choose to note this information or it could choose to take further action.

- 4.2 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 or the KPIs report.
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## **5. RISK**

- 5.1 This report is presented for information only and has no direct risk management implications.
- 5.2 The Council has produced a balanced budget for both revenue and capital income and expenditure for 2019/20. 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 the Committee the best opportunity to take actions to mitigate such risks.
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## **6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

- 6.1 The KPI Update is reported quarterly to the service committees; Communities Housing and Environment Committee, Strategic Planning & Infrastructure Committee and Economic Regeneration & Leisure Committee. Each Committee will receive a report on the relevant priority action areas. The full set of KPIs are presented to the this Committee, reporting on the priority areas of: "A Thriving Place", "Safe, Clean and Green", "Homes and Communities" and "Embracing Growth and Enabling Infrastructure".
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## **7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

- 7.1 The Quarter 1 performance and budget monitoring reports are being considered by the relevant service committees during September, including a full report to this Committee on 18th September 2019.
- 7.2 Details of the discussions which take place at service committees regarding budget management will be reported to this Committee where appropriate.
- 7.3 The Council could choose not to monitor the Strategic Plan and/or make alternative performance management arrangements, such as reporting frequency. 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.
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## **8. REPORT APPENDICES**

- Appendix 1: First Quarter Budget Monitoring 2019/20
  - Appendix 2: First Quarter Key Performance Indicators 2019/20
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## **9. BACKGROUND PAPERS**

None.

# First Quarter Budget Monitoring 2019/20

Policy & Resources Committee

18 September 2019

Lead Officer: Mark Green

Report Authors: Chris Hartgrove/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 2019/20. 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 action taken, to combat adverse developments or seize opportunities.

It is advisable for financial 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 Quarter 1 are as follows:

- At the end of the first quarter the revenue budgets are showing an under spend of £0.294m, and the current year-end forecast shows that we will remain with budget.
- Capital expenditure of £1.430m was incurred between 1 April and 30 June, with forecast slippage into 2020/21 of £14.528m.
- The balance on General Fund reserves is forecast to decrease to £13.449 million by 31 March 2020.
- Collection rates for both Council Tax and Business Rates for Quarter 1 were close to target with Council Tax marginally off target and Business Rates exceeding target.
- At the Quarter 1 stage, forecast income retained from the growth in Business Rates is ahead of original expectations.
- The Council held investments totaling £20.955m at 30 June 2019.

# Revenue Budget

## 1<sup>st</sup> Quarter 2019/20



## Revenue Spending

At the end of the first quarter the revenue budgets are showing an under spend of £0.293m, and the current year-end forecast shows that we will remain with budget.

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

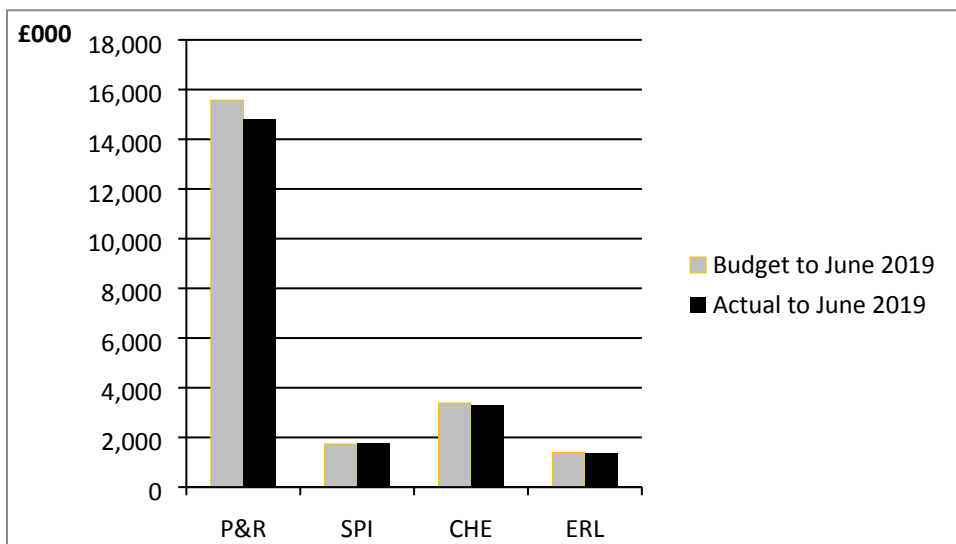
Table 1: by Committee

Table 2: by Priority

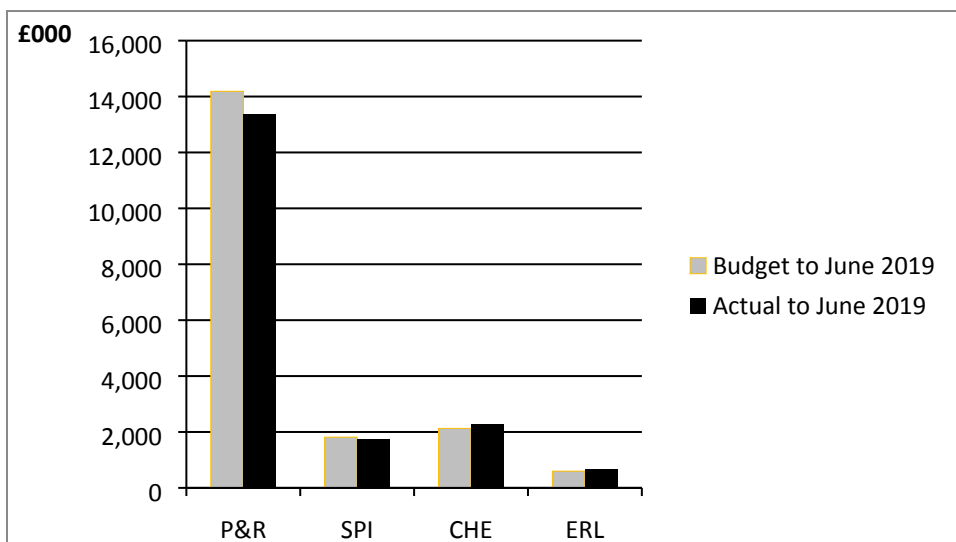
Table 3: by Expenditure Type

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.

The charts below show the income and expenditure position for each of the service committees.



**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 7-10 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 2019/20

### ANALYSIS BY COMMITTEE

Committee	Full Year Budget £000	To 30 June 2019 £000	Actual £000	Variance £000	Year End Forecast £000	Year End Variance <sup>1</sup> £000
Policy & Resources	12,067	1,567	1,464	103	11,648	419
Strategic Planning and Infrastructure	-1,253	-80	28	-108	-793	-459
Communities, Housing & Environment	8,855	1,657	1,423	234	8,740	115
Economic Regeneration & Leisure	1,268	367	301	65	1,322	-54
<b>Net Revenue Expenditure</b>	<b>20,938</b>	<b>3,511</b>	<b>3,216</b>	<b>294</b>	<b>20,917</b>	<b>20</b>

Table 1 - Analysis by Committee

### ANALYSIS BY PRIORITY

Priority	Full Year Budget £000	To 30 June 2019 £000	Actual £000	Variance £000	Year End Forecast £000	Year End Variance <sup>1</sup> £000
Safe, Clean and Green	6,283	1,848	1,901	-52	6,230	52
Homes and Communities	2,200	-233	-417	184	2,191	9
Thriving Place	1,544	442	273	169	1,544	0
Embracing Growth and Enabling Infrastructure	-1,090	-39	12	-51	-629	-461
Central & Democratic	12,000	1,493	1,448	45	11,580	420
<b>Net Revenue Expenditure</b>	<b>20,938</b>	<b>3,511</b>	<b>3,216</b>	<b>294</b>	<b>20,917</b>	<b>20</b>

Table 2 - Analysis by Priority

### ANALYSIS BY SUBJECTIVE SPEND

Subjective	Full Year Budget £000	To 30 June 2019 £000	Actual £000	Variance £000	Year End Forecast £000	Year End Variance <sup>1</sup> £000
Employees	21,450	5,443	5,393	50	21,225	224
Premises	4,747	2,205	2,295	-90	4,777	-30
Transport	863	259	245	14	863	0
Supplies & Services	18,617	2,577	2,459	118	18,260	357
Agency	6,300	1,588	1,577	12	6,300	0
Transfer Payments	49,215	10,168	9,280	888	49,215	0
Asset Rents	1,001	0	0	0	1,001	0
Income	-81,255	-18,730	-18,032	-698	-80,724	-531
<b>Net Revenue Expenditure</b>	<b>20,938</b>	<b>3,511</b>	<b>3,216</b>	<b>294</b>	<b>20,917</b>	<b>20</b>

Table 3 - Analysis by Subjective Spend

<sup>1</sup>A positive figure represents a favourable variance. A negative figure (ie -£X,XXX) represents an adverse variance.

## Significant Variances

	Positive Variance Q1	Adverse Variance Q1	Year End Forecast Variance
<b>Economic Regeneration &amp; Leisure Committee</b>	<b>£000</b>		
<b>Mote Park Adventure Zone-</b> This facility is now open. However the contract awarded allows for an initial rent free period for the first three months and the final contract value was less than originally forecast. This issue will be addressed as part of the upcoming budget cycle. The income expectation consists of fixed regular payments and a profit share element.		-28	-54

**Table 4 Significant Variances – Economic Regeneration & Leisure Committee**

	Positive Variance Q1	Adverse Variance Q1	Year End Forecast Variance
<b>Strategic Planning &amp; Infrastructure Committee</b>	<b>£000</b>		
<b>PLANNING SERVICES</b>			
<b>Development Control Majors &amp; Other</b> – This year has seen a significant drop in income from Planning Applications compared to original budget expectations. This is particularly the case for Major Applications (10 residential units and above).  Planning officers are now working in partnership with the Finance team both in an attempt to identify mitigating budget savings elsewhere within the service and also undertaking analyses on Planning Applications patterns, including future expectations in particular, for both the remainder of 2019/20 and beyond (2020/21 to 2024/25). This will enable the production of more accurate revised estimates for this financial year and a robust updated Medium-Term Financial Plan for the purposes of future financial planning and budget setting.		-58	-351
<b>Mid-Kent Planning Support</b> - The current variance has arisen due to a number of posts that are being held vacant.	33		108
<b>PARKING SERVICES</b>			

<b>Pay &amp; Display Car Parks</b> – The adverse variance is due underachieved income. Pay and Display income levels are on a par with last year for most car parks however the closure of Brunswick Street and the loss of spaces from Union Street (reducing capacity by around a half) has impacted on income levels. The situation is exacerbated slightly by an assumed increase of £50,000 in income from Pay & Display Car Parks in the budget for 2019/20, which has not been achieved (original assumption implicitly based on increased volumes as there were no fee increases this year).		-78	-180
<b>Park &amp; Ride</b> - The adverse variance is due to underachieved income. As the service has now been outsourced the variance is not expected to significantly worsen during the remainder of the year, although there will be some further minor costs incurred in respect of site maintenance		-34	-38

Table 5 Significant Variances – Strategic Planning &amp; Infrastructure Committee

	Positive Variance Q1	Adverse Variance Q1	Year End Forecast Variance
<b>Communities, Housing &amp; Environment Committee</b>	<b>£000</b>		
<b>Parks and Open Spaces</b> - There is an unrealised Medium Term Financial Strategy savings target, which relates a previous restructure exercise. This has been partly offset by staffing vacancies. Spend is ahead of budget but spend tends to be seasonal and return to with budget by the third quarter.		-29	-35
<b>Strategic Housing Role</b> - The underspend in this cost centre is due to unallocated grants, however these should be spent by the end of the year.	30		9
<b>Homelessness Prevention</b> -The underspend in this cost centre is due to unspent grants, although these should be spent by the end of the financial year.	102		0
<b>Community Partnerships &amp; Resilience Section</b> - The adverse variance is because of a number of redundancies and associated costs. However the restructure of the section and subsequent lower costs should result in a positive variance by year end.		-27	48
<b>Grounds Maintenance Commercial</b> - Additional income has been generated in this area from section 106 funded works, and other external works.	35		93

Table 6 Significant Variances – Communities, Housing &amp; Environment Committee

	Positive Variance Q1	Adverse Variance Q1	Year End Forecast Variance
<b>Policy &amp; Resources Committee</b>	<b>£000</b>		
<b>Contingency</b> – This budget is held to deal with unexpected funding issues and it is proposed that the year-end forecast variance would be used to deal with the projected shortfall in planning income referred to earlier in this section.	50		150
<b>Unapportionable Central Overheads</b> – Pension payments to Kent County Council are lower than was anticipated when the budget was set.	23		40
<b>External Interest Payable</b> – This budget is related to the need to borrow to finance the capital programme. However, to date there has been no borrowing therefore there will be an under spend on this budget by year-end.	0		200
<b>Interest &amp; Investment Income</b> – Given the reduced level of borrowing forecast for the year and slippage in the capital programme it is anticipated that there will be additional income generated during the year.	25		50
<b>Sundry Corporate Properties</b> - The budget assumed income from the purchase of further commercial properties, but there have been none to date this year, so the income target is unlikely to be realised.		-60	-60
<b>Non-Service Related Government Grants</b> – The Brexit Preparation Grant received from the government is being held in this account but will be transferred to the necessary budget heads when relevant expenditure has been incurred.	43		0
<b>Mid-Kent Audit Partnership</b> – The positive variance reflects a number of vacancies in the team that have now been filled.	40		39
<b>MBC HR Services Section</b> – This variance reflects vacancies within the team.	29		30
<b>Museum Buildings</b> – As a result of a revaluation there was an increase in the non-domestic rates bill for the Museum. Options for dealing with this are currently being assessed and it is hoped that the variance can be reduced by the end of the year.		-46	-30

Table 7 Significant Variances – Policy &amp; 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 Quarter 1 of 2019/20:

Reason	Value	Perm/Temp*
Fund CPI Costs	£91,940	Permanent
Adjust Parking and Park & Ride Contract Budget - Overfunding Removed	£23,210	Permanent
Budget Transferred from Parks & Open Spaces to Fund Public Conveniences	£10,300	Permanent
Reinstate Grant Carry Forwards 19/20	£365,190	Temporary
Reinstate Business Rates Retention Pilot Projects	£302,870	Temporary
Fund 10 months of the HCL Officer in Museum	£30,220	Temporary
1st Quarter Business Rates Pilot Projects Funding for Economic Development	£16,060	Temporary
Fund 50% Purchase of Air Quality Station in Upper Stone Street	£10,500	Temporary

**Table 8 Reportable Virements, Q1 2019/20**

# Capital Budget

## 1<sup>st</sup> Quarter 2019/20



## Capital Spending

The five-year Capital Programme for 2019/20 onwards was approved by Council on 27th February 2019. Funding for the Programme remains consistent with previous Council decisions in that the majority of capital resources will now come from prudential borrowing as other sources of funding are not sufficient to cover the costs of the programme, although funding does continue to be available from New Homes Bonus. At the time of preparing this report, there has been no need to borrow, but it is still anticipated that borrowing will be needed later in 2019/20.

Progress made towards the delivery of planned projects for 2019/20 is set out in the table below. The budget figure is the approved estimate for 2019/20 and includes resources which have been brought forward from 2018/19 that have been added to the agreed budget for the current year.

To date, expenditure of £1.430m has been incurred against a budget of £51.754m. At this stage, it is anticipated that there will be slippage of £14.528m, although this position will be reviewed at the end of the year when the Committee will be asked to approve/note the carry forward of resources into the next financial year.

Capital Programme Heading	Estimate 2019/20. £000	Actual to June 2019 £000	Budget Remaining £000	Q2 Profile £000	Q3 Profile £000	Q4 Profile £000	Projected Total Expenditure £000	Projected Slippage to 2020/21 £000
<b>Communities, Housing &amp; Environment</b>								
Brunswick Street - Net Cost of Scheme	3,441	413	3,028	920	1,050	1,058	3,441	-0
Union Street - Net Cost of Scheme	2,085	22	2,062	640	760	662	2,084	0
Indicative Schemes	4,124	76	4,048	2,900			2,976	1,148
Housing - Disabled Facilities Grants Funding	1,570	44	1,526	125	175	250	594	976
Temporary Accommodation	3,236		3,236	3,236			3,236	0
Housing Incentives	1,040	6	1,034	50	50	50	156	884
Gypsy Site Improvement Works	42	9	34	34			43	-0
CCTV Upgrade and Relocation	150		150		150		150	
Commercial Waste	180		180	180			180	
Street Scene Investment	147		147		25	25	50	97
Flood Action Plan	1,000		1,000	50	50	100	200	800
Continued Improvements to Play Areas	422	13	410	15	15	15	58	365
Commercial Projects - Crematorium Projects	40	1	39	39			40	0
Commercial Projects - Cemetery Chapel Repairs	100		100		25	75	100	
Other Parks Improvements	100		100		50	50	100	
<b>Total</b>	<b>17,677</b>	<b>583</b>	<b>17,094</b>	<b>8,189</b>	<b>2,350</b>	<b>2,285</b>	<b>13,407</b>	<b>4,270</b>
<b>Economic Regeneration &amp; Leisure</b>								
Commercial Projects - Mote Park Adventure Zone		378	-378				378	
Mote Park Centre & Estate Services Building	2,496	15	2,482	25	75	100	215	2,282
Mote Park Lake - Dam Works	267		267		167	100	267	0
Museum Development Plan	11	4	7	4	3		11	0
<b>Total</b>	<b>2,775</b>	<b>396</b>	<b>2,378</b>	<b>29</b>	<b>245</b>	<b>200</b>	<b>870</b>	<b>2,282</b>
<b>Policy &amp; Resources</b>								
High Street Regeneration	547	215	332	332			547	-0
Asset Management / Corporate Property	1,417	227	1,190	200	200	200	827	590
Feasibility Studies	113	1	112	35	35	42	113	-0
Infrastructure Delivery	1,200		1,200					1,200
Software / PC Replacement	124		124	40	40	44	124	
Digital Projects	20		20	10		10	20	
Acquisition of Commercial Assets	24,850		24,850		20,000		20,000	4,850
Kent Medical Campus - Innovation Scheme	649		649	50	150	449	649	0
Maidstone East/Sessions Square	520	1	518			518	519	0
<b>Total</b>	<b>29,440</b>	<b>445</b>	<b>28,995</b>	<b>667</b>	<b>20,425</b>	<b>1,263</b>	<b>22,800</b>	<b>6,640</b>
<b>Strategic Planning &amp; Infrastructure</b>								
Mall Bus Station Redevelopment	1,540	4	1,536	50	75	75	204	1,336
Bridges Gyrotory Scheme	121	2	119	39	40	40	121	0
<b>Total</b>	<b>1,661</b>	<b>5</b>	<b>1,655</b>	<b>89</b>	<b>115</b>	<b>115</b>	<b>324</b>	<b>1,336</b>
Section 106 Contributions	201							
<b>TOTAL</b>	<b>51,754</b>	<b>1,430</b>	<b>50,123</b>	<b>8,974</b>	<b>23,135</b>	<b>3,863</b>	<b>37,402</b>	<b>14,528</b>

Table 9 Capital Expenditure Q1 2019/20

## Capital Budget Variances Q1 2019/20

### Communities, Housing & Environment Committee

- The Indicative Schemes budget included provision for the purchase of a property initially valued at £1.2m. However this purchase is not now proceeding so assuming no other purchase opportunities are identified this budget will be carried forward to 2020/21.
- The Housing Incentives budgets has been historically under-utilised. The proposal with regard to the Housing Incentives budget is to use the forecast under spend to undertake major refurbishment works at the Council owned gypsy sites in order to modernize the facilities and bring both sites up to a good standard, and initial survey works have started. The use of the Housing Incentive budget will be reviewed as part of the upcoming review of the Housing Strategy, due to be completed for 2020.
- The Disabled Facilities Budget appears to be under spent but it is a feature of this grant that adaptations to peoples' homes does not complete neatly within each financial year. The budget is committed against approved grants, which complete on a rolling basis. In addition, part of this grant is used for various initiatives - such as Helping You Home scheme operated in conjunction with Maidstone and Pembury Hospitals.
- The Flood Action Plan work is being developed with the Environment Agency. At this stage the timing of the works have not been confirmed, so it has been assumed at this stage that the majority of the budget will be carried forward to 2020/21.
- The play area improvements scheme has been completed, but the budget does include funding for ongoing maintenance and replacements which will only be partly utilised this year so there will be a balance to be slipped into 2020/21.

### Economic Regeneration & Leisure Committee

- The overspend on the Mote Park Adventure Zone relates to the additional costs incurred as a result of the sewage leak in the park that significantly delayed the completion of the project. These costs are the subject of a legal claim that is currently ongoing, so the overspend will be funded temporarily until the outcome of the claim is known.
- The budgets for the Mote Park Centre and the Estates Services Building have now been combined as the construction of this facility will be let as one contract. At this stage the timing of the building works has not been determined, and this forecast assumes they will not begin until April 2020.

### Policy & Resources Committee

- There is at present a forecast under spend of £0.590m on the Asset Management/Corporate Property which will be carried forward to 2020/21, although this total may change during the year if any unexpected urgent works are required to be undertaken.

- No projects have been identified to date this year for the Infrastructure Delivery and so these budgets will be carried forward into 2020/21.
- One significant acquisition is scheduled for the 3<sup>rd</sup> quarter, and at this stage there are no further acquisitions planned, so the remainder of the budget will be rolled forward to 2020/21.

#### **Strategic Planning & Infrastructure Committee**

- The Bus Station redevelopment project is progressing, but at this stage it is anticipated that the construction phase will not commence until Spring 2020, so £1.336m of the current budget will need to be carried forward.

# **Reserves & Balances**

## **1<sup>st</sup> Quarter 2019/20**

## Reserves & Balances

The total of earmarked reserves and general fund balances as at 31st March 2019 was £15.1 million. The makeup of this balance, and movements in the first quarter of 2019/20 are set out in the table below.

The projected closing balance allows for the minimum level of general balances of £2m to be maintained (as agreed by Council in February 2019).

	£000		
<b>General Fund</b>			
Unallocated balance	9,228	9,522	9,248
<b>Sub-total</b>	<b>9,228</b>	<b>9,522</b>	<b>9,248</b>
<b>Earmarked Reserves</b>			
New Homes Bonus funding for capital projects	0	970	0
Local Plan	200	200	200
Neighbourhood Plans	64	64	24
Planning Appeals	300	300	170
Civil Parking Enforcement	419	419	159
Housing Prevention & Temporary Accommodation	700	700	512
Business Rates Growth Fund	3,682	3,666	2,674
Other	462	462	462
<b>Sub-total</b>	<b>5,827</b>	<b>6,781</b>	<b>4,201</b>
<b>Total General Fund balances</b>	<b>15,055</b>	<b>16,303</b>	<b>13,449</b>

**Table 10 Reserves & Balances, Q1 2019/20**

# **Council Tax & Business Rates 1<sup>st</sup> Quarter 2019/20**

## Collection Fund

The Council is increasingly reliant on income generated through local taxation (Council Tax and Business Rates), which is accounted for through the Collection Fund.

Due to the risk 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 very carefully.

## Collection Rates

The collection rates achieved for local taxation are reported in the table below, alongside the target for the year, and the actual amount collected at the Quarter 1 stage.

2019/20 Local Taxation Collection Rates (@ Qtr. 1)		
Description	Target	Actual
	%	%
Council Tax	30.0	29.8
Business Rates	31.2	32.1

**Table 11 Local Tax Collection Rates, Q1 2019/20**

Collection rates for both Council Tax and Business Rates for Quarter 1 were close to target with Council Tax marginally off target and Business Rates exceeding target.

Billing and recovery timetables have progressed as planned so far in 2019/20.

## Business Rates Retention (BRR)

Following the Council's successful participation in the 2018/19 (100%) BRR Pilot, along with all other authorities in Kent and Medway, the Council has reverted to participating in the original (50%) Kent BBR Pool for 2019/20.

At the Quarter 1 stage, forecast income retained from the growth in Business Rates is ahead of original expectations.

The overall growth in Business Rates measured against the Council's baseline was £2.517 million (original forecast £2.284 million), with a projected overall Pooling benefit of £1.157 million achieved. This includes an allocation of £0.347 million to Kent County Council, with the balance – of £0.810 million – accruing to Maidstone (original forecast £0.735 million), as summarised in the table below.



MBC Business Rates Pooling Benefit 2019/20 (@ Qtr. 1)		
Description	Amounts	Allocation of Pooling Benefit
	£'s	
Billing Authority Basic Share	347,125	Economic Development
Billing Authority Pool Growth Fund	347,125	Maidstone East (joint project with KCC)
Pool Safety Net Redistribution	115,708	Carry Forward to 2020/21
<b>Total Benefit</b>	<b>809,958*</b>	

\*Excludes Kent County Council allocation of £347,125

**Table 12 Business Rates Pooling, Q1 2019/20**

# **Treasury Management 1<sup>st</sup> Quarter 2019/20**

## 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). The CIPFA Code covers the principles and guidelines relating to borrowing and investment operations. In February 2019 the Council approved a Treasury Management Strategy for 2019/20 that was based on the 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 30 June 2019:

- Quarter 1 growth in the UK was unexpectedly strong at 0.5%, however this was boosted by stock building ahead of the original March 2019 Brexit deadline so Quarter 2 is expected to be either zero or negative.
- CPI Inflation rose slightly to 2.1% in April 2019 before falling back to 2.0% in May 2019 and is likely to remain at that level for the next two years. However, with the uncertainty of a Brexit Deal, this may increase.
- There have been no Bank Rate rises since increasing from 0.5% to 0.75% in August 2018 and it is unlikely there will be any further movements until the uncertainties over Brexit are clear. If there were a No Deal exit, it is likely that Bank Rate would be cut in order to support growth.
- Unemployment rate remained at 3.8 percent, its lowest rate since 1975.

The Council held investments totalling £20.955m. A full list of investments held at this time is shown in the table below. Many investments are fixed term deposits with other Local Authorities which are deemed to be secure investments. There are some exceptions, including some short-term cash in notice accounts and Money Market Funds.

Investment income for this Quarter 1 is £50,000 against a budget of £25,000 with an average rate of 0.83%. Investments in the period were made prior to investment rates falling which has produced a slightly higher than expected yield, however the variance is expected to fall as pace of the Capital Programme increases and there is the possibility of rates falling further through the year.

## Investments

Counterparty	Type of Investment	Principal £000	Start Date	Maturity Date	Rate of Return	MBC Credit Limits	
						Suggested Term	Maximum Deposit £000
Thurrock Borough Council	Fixed Term Deposit	2,000	07/06/2019	09/09/2019	0.75%	5 Years	5,000
Cherwell District Council	Fixed Term Deposit	2,000	15/10/2018	15/07/2019	1.05%	5 Years	5,000
London Borough of Croydon	Fixed Term Deposit	2,000	01/05/2018	01/05/2020	1.05%	5 Years	5,000
Goldman Sachs International Bank	Notice Account Deposit	2,000			0.93%	6 months	3,000
Aberdeen Asset Management	Money Market Fund	6,270			0.75%	2 Years	8,000
Federated Investors LLP	Money Market Fund	6,685			0.76%	2 Years	3,000

20,955
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**Table 13 Short Term Investments, 1<sup>st</sup> Quarter 2019/20**

## Borrowing

There have been no borrowing requirements in the last quarter.

# **Maidstone Property Holdings Ltd**

## **1<sup>st</sup> Quarter 2019/20**



## Maidstone Property Holdings

Maidstone Property Holdings Ltd. was incorporated on 30<sup>th</sup> 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 two properties, one of which consists of 20 flats on a 22 year lease from the Council, the other consisting of 14 apartments on assured short-hold tenancies.

An 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 was changed to 31<sup>st</sup> March, in order to align with the Council's financial reporting period. The 2018/19 accounts have now been audited by the company's external auditors, UHY Hacker Young. A board meeting will be convened shortly in order to formally approve the accounts, and the Company Secretary will ensure that these are filed with Companies House by the deadline of 31<sup>st</sup> December 2019.

During the first quarter of 2019/20, the net rental income totalled £41,000. This compares with £21,815 over the same period in 2018/19 and represents rent charged to tenants, less costs recharged by the managing agent. As at 30<sup>th</sup> June 2019, there were no rent arrears. At this point in time there are no vacancies in either building.

The Council generates income from the company through charges made for the services provided, and the property lease. For the 2018/19 financial year these charges totaled £76,107. After these charges have been taken into account, it is anticipated that the company will end 2019/20 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.

# First Quarter Key Performance Indicators 2019/20

Policy & Resources Committee  
10 September 2019  
Lead Officer: Mark Green  
Report Author: Clare Harvey

## Performance Summary

RAG Rating	Green	Amber	Red	N/A <sup>1</sup>	Total
KPIs	18	3	0	3	24
Direction	Up	No Change	Down	N/A	Total
Last Year	11	1	9	3	24
Last Quarter	15	1	4	4	24

- 86% (18) of targetable quarterly key performance indicators (KPIs) achieved the quarter 1 target. At quarter 1 last year 83% (10) KPIs had achieved target.
- For 49% (11) KPIs performance has improved compared to quarter 1 last year. At quarter 1 in 2018/19 67% of KPIs reported were showing improvement compared to the previous year.
- 75% (15) of KPIs are showing an improvement in performance compared to quarter 4. At quarter 1 last year 67% of KPIs reported were showing an improvement compared to the previous quarter.

### 1. A Thriving Place

Overall, the performance indicators (PIs) relating to 'A Thriving Place' have performed well against target for quarter 1, with six of the seven targeted PIs (86%) achieving target and 50% of the reportable set show improvement in performance compared to quarter 1 in 2018/19.

The number of visits to visit-maidstone.com has marginal missed target. The targets for this indicator are profiled based on the previous three years performance. In January the website was re-engineered the hang over from this is that it takes up to six months for search engine optimisation to be completed, although re-direct are in place, which is thought to have resulted in the lower out-turns for quarter 4 2018/19 and quarter 1 2019/20.

The Museum has exceeded its target for footfall and performance has improved compared to quarter 1 in 2018/19. The Museum's Manager credits this to a successful Easter holiday period in which children's 'make it sessions' were very popular. The number of students using the Museums educational service also achieved target, although performance is showing as declining compared to quarter 1 in 2018/19 it should be noted that in June 2018 the Green Spaces, Natural Faces Project created a spike in people using this service. There was no such comparable project run this year. Attendees to paid exhibitions at the museum has improved compared to last year as has contacts to the Visitor Information Centre.

The withdrawal of the museum cafe has prompted a few comments from visitors asking when it might be re-opened but there have been no formal complaints and no identifiable impact on attendance.

Ticket sales at the Hazlitt have achieved target for quarter 1, historically quarter 2 is the worst performing in terms of ticket sales and quarter 3 is the best performing.

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<sup>1</sup> PIs rated N/A are not included in the summery calculations



Footfall in the town centre has achieved target. This quarters out-turn is a 6.6% decrease when compared to quarter 1 in 2018/19. Benchmarking data suggests there is a national trend of declining footfall in town centres. This indicator shows that performance has improved when compared to the previous quarter (quarter 4, 2018/19) however during this period there were issues with the data collection due to works taking place on Week Street therefore this trend should not be relied on.

## **2. Safe, clean and green**

Overall, the performance indicators (PIs) relating to 'Safe, clean and green' have performed well against target for quarter 1, with the six targeted PIs achieving target and three out of the seven PIs where trend information is available are showing an improvement in performance compared to quarter 1 in 2018/19 and one shows sustained performance.

The percentage of household waste sent for reuse, recycling or composting has achieved its target. In quarter 1 last year the Waste team noted that there had been an increase in the amount of garden waste collected which was attributed to good weather and contributed to a higher than normal quarter 1 out-turn. This year increased rainfall meant that the amount of garden waste collected was not as great, and so performance has dropped slightly in comparison.

Although there has been a slight decrease in the percentage of land and highways with acceptable levels of litter compared to both last year and last quarter performance remains high as does the percentage of land with acceptable levels of detritus. The data for these PIs is gathered as part of an environmental quality assessment which is undertaken in three trenches. Last year work on the assessment started in quarter 2, this year's assessment has been started in quarter 1 as the assessment methodology requires different areas to be assessed at different times so that seasonal variances and other factors (such as leaf fall and grass cutting) can be assessed.

Overall there were 497 reports of fly-tipping in the borough during quarter 1, this is a 94% increase in reports compared to quarter 1 in 2018/19. More than 95% of reports were cleared or assessed within 2 working days and four out of five fly-tips resulted in enforcement action. The new arrangement for a dedicated waste crime response team within street cleansing to remove all fly tipping is improving the response time. The team work closely with the waste crime team to capture evidence and intel and also undertake regular visits to known hotspots to remove fly tipping quickly.

## **3. Homes & Communities**

The target for successful outcomes for relief duty has achieved the quarterly target while the target for successful outcome for homelessness prevention duty cases has marginally missed the quarterly target. Both of these PIs are new for 2019/20 so there is no historic data to assess trends against. Legislative changes now mean that applicants owed a prevention or relief duty must be assessed and a personalised housing plan (PHP) produced.

In total 139 households were prevented or relieved from becoming homeless during quarter 1, achieving the quarterly target and improving on both the quarter 1 and quarter figures for 2018/19. In addition, 137 households were housed through the housing register. This figure is marginally below the target and therefore has been rated amber. Providing accommodation to those on the housing register is reliant on properties becoming available either through regional providers or new builds and unfortunately since quarter 2 last year there has been fewer available properties.

The performance indicator measuring the spend and allocation for disabled facilities grant is provided by Kent County Council, here performance has improved compared to quarter 1 last year. There is no short term trend for this indicator as it accumulates towards to annual target.

The number of households in temporary accommodation on the last night of the month (both paid accommodation and unpaid) have decreased compared to quarter 1 in 2018/19 and since the end quarter 4 in 2018/19.





#### **4. Embracing growth and enabling infrastructure**




Overall, three out of the four indicators that are targeted under this objective have achieved their quarterly target.

Recording of data for the new key performance indicators for planning enforcement started mid-year 2018/19 therefore as yet no trends can be identified. However, both have met the quarterly targets which are based on service standards.






















During quarter 1, 72 affordable homes have been delivered against a target of 45. This is an increase in performance from quarter 4 last year and a slight decrease compared to quarter 1, at present we are on track to deliver a minimum of 180 affordable homes in 2019/20.



## 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

### 1. A thriving place

Performance Indicator	Q1 2019/20				
	Value	Target	Status	Long Trend	Short Trend
Percentage of all available tickets sold at the Hazlitt	60.63%	50%			
Percentage of vacant retail units in town centre	Annual PI				
Number of visits per month to Visit-Maidstone.com	98,888	106,585			
Footfall in the Town Centre	2,777,072	2,722,375			
Number of students benefiting from the museums educational service	2,773	2,268			
Footfall at the museum and Visitors Information Centre	20,649	16,000			
Number of people attending paid for exhibitions	219	N/A			
Contacts to the Visitor Information Centre	956	829			

Performance Indicator	Q1 2019/20				
	Value	Target	Status	Long Trend	Short Trend
Number of users at the leisure centre	213,590	209,367			
Business Rates income from the Town Centre	Annual PI				
Total value of business rateable properties	Annual PI				

## 2. Safe, clean and green

Performance Indicator	Q1 2019/20				
	Value	Target	Status	Long Trend	Short Trend
Percentage of unauthorised encampments on Council owned land removed within 5 working days	100%	90%			
Percentage of household waste sent for reuse, recycling and composting (NI 192)	52.26%	52.00%			
The percentage of land and highways with acceptable levels of litter	98.02%	98.00%			
The percentage of land and highways with acceptable levels of detritus	97.92%	95.00%			
Percentage of fly tips resulting in enforcement action	80.0%	80.0%			
Percentage of fly-tips cleared or assessed within 2 working days	95.01%	94.00%			
Average weight of fly-tipped collected materials (kg)	58.49kg	N/A			
Maintenance per Hectare Spent on Parks and Open Spaces	Annual PI				
Number of green flag parks	Annual PI				
Section 106 spending (against estimate)	Annual PI				

Performance Indicator	Q1 2019/20				
	Value	Target	Status	Long Trend	Short Trend

Percentage of people using parks & amenity green space at least once a week

Biennial PI

### 3. Homes & Communities

Performance Indicator	Q1 2019/20				
	Value	Target	Status	Long Trend	Short Trend

Number of houses of multiple occupation brought to compliance by private rented sector licensing

Bi-annual PI

Percentage of successful relief duty outcomes

47.2%

35.0%



N/A

N/A

Percentage of successful prevention duty outcomes

59.5%

60.0%



N/A

N/A

Number of households prevented or relieved from becoming homeless

139

83



Number of households living in temporary accommodation last night of the month (NI 156 & SDL 009-00)

98



Number of households living in nightly paid temporary accommodation last night of the month

44



Number of households housed through housing register

137

150



Percentage spend and allocation of Disabled Facilities Grant Budget (YTD)

22.8%

20.0%









N/A

Number of completed housing assistances

Annual PI

### 4. Embracing growth and enabling infrastructure

Performance Indicator	Q1 2019/20				
	Value	Target	Status	Long Trend	Short Trend
Percentage of priority 1 enforcement cases dealt with in time	100%	100%		N/A	N/A
Percentage of priority 2 enforcement cases dealt with in time	95.21%	90%		N/A	N/A
Total number of enforcement complaints received within period	188			N/A	N/A
Number of affordable homes delivered (gross)	72	45			
Number of planning appeals in period	Bi-annual PI				
Success rate for planning appeals	Bi-annual PI				
Percentage of new homes provided that are affordable	Annual PI				
Total new homes (Net additional homes provided (NI 154))	Annual PI				



# Agenda Item 16

## **POLICY AND RESOURCES COMMITTEE**

**18 September 2019**

### **MEDWAY (FLOOD RELIEF) ACT CONSULTATION**

<b>Final Decision-Maker</b>	Policy & Resources Committee
<b>Lead Director</b>	Director of Finance & Business Improvement
<b>Lead Officer and Report Author</b>	Corporate Property Manager
<b>Classification</b>	Public
<b>Wards affected</b>	All

#### **Executive Summary**

The Environment Agency are consulting on a proposed change to the stored water level in the Leigh Flood Storage Area which is governed by the Medway (Flood Relief) Act 1976 (MFRA). Increasing the capacity of the storage area will reduce flood risk to a further 230 homes, more than 1,400 in total.

Maidstone Borough Council is named as a specified interest in the MFRA. A Scheme appended to the Act details (amongst other information) the maximum impoundment level within the Leigh Flood Storage area, currently 28.05m AODN. The Environment Agency manage and operate the Leigh Flood Storage Area within the parameters of the Scheme. The Environment Agency are leading a partnership project to increase the capacity of the Leigh Flood Storage Area by raising the maximum impoundment level to 28.60m AODN.

As a specified interest, the Environment Agency are consulting Maidstone Borough Council on the proposed changes to the Scheme prior to the submission of a revised Scheme to Defra and The Minister for approval.

#### **This report makes the following recommendations to this Committee:**

1. That Maidstone Borough Council consider the proposed change to the stored water level within the Leigh Flood Storage Area with a view to supporting it.
2. That Maidstone Borough Council write a letter to Defra supporting the new scheme.

#### **Timetable**

<b>Meeting</b>	<b>Date</b>
Policy & Resources Committee	18 September 2019



# MEDWAY (FLOOD RELIEF) ACT CONSULTATION

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<b>Impact on Corporate Priorities</b>	Resilience against flooding supports all the corporate priorities.	Director of Finance & Business Improvement
<b>Cross Cutting Objectives</b>	As for Corporate Priorities generally.	Director of Finance & Business Improvement
<b>Risk Management</b>	See paragraph 4.1.	Director of Finance & Business Improvement
<b>Financial</b>	These are no direct financial implications for Maidstone Borough Council.	Director of Finance & Business Improvement
<b>Staffing</b>	Staffing support for Flood Risk Management is provided by the Property and Procurement team for capital investment and maintenance and by the Community Protection Team for community resilience.	Director of Finance & Business Improvement
<b>Legal</b>	The relevant statutory provisions and requirements are set out in the body of the report – see paragraphs 2.4 and 2.9-2.13.	Team Leader (Corporate Governance), MKLS
<b>Privacy and Data Protection</b>	No implications.	Director of Finance & Business Improvement
<b>Equalities</b>	No implications.	Director of Finance & Business Improvement
<b>Public Health</b>	The proposal outlined in the report will reduce the risk to health and safety.	Director of Finance & Business Improvement

<b>Crime and Disorder</b>	Flood risk has an impact on community safety generally. The proposal outlined in the report will help to achieve increased community resilience during incidences of flooding.	Director of Finance & Business Improvement
<b>Procurement</b>	Maidstone Borough Council will not be involved in procuring the scheme described in this report.	Director of Finance & Business Improvement

## 2. INTRODUCTION AND BACKGROUND

- 2.1 Maidstone Borough is part of the Medway Flood Partnership, which brings together a range of organisations concerned with flood risk management and reduction in the Medway catchment area upstream of Allington Lock, including not only the Environment Agency and the principal local authorities but also a whole range of other relevant bodies.
- 2.2 A key capital project being delivered in the Medway Flood Partnership area is the Leigh Expansion and Hildenborough Embankment Scheme (LEHES). The scheme is proposing to increase the storage of the Leigh Flood Storage Area by 24%. Whilst Maidstone Borough Council is not a partner in the scheme, they are a key consultee and by providing greater upstream storage capacity, the scheme will benefit the borough and support the actions and financial commitments taking place within the Borough and the wider catchment area.
- 2.3 The Leigh Flood Storage Area (FSA) covers 278 hectares stretching from Leigh upstream towards Penshurst. It is formed of a 1.3 kilometre long, 5 metre high earth embankment across the Medway valley. The River Medway itself passes through 3 steel gates built into the embankment. These gates can be moved to control the amount of water flowing downstream by either letting the river flow normally, or restricting the flow to hold water in the storage area.
- 2.4 The operation of the FSA is governed by the River Medway (Flood Relief) Act 1976. A document under this Act (known as the Scheme) sets out the maximum level to which water can be stored. Under the Scheme, the operators of the storage area (now the Environment Agency), can store water to 28.05m Above Ordnance Datum Newlyn (AODN).
- 2.5 Climate change will increase the risk of flooding in the coming years so the Environment Agency is leading a project called the Leigh Expansion and Hildenborough Embankments Scheme (LEHES) to increase the capacity of the Leigh FSA to reduce the flood risk to more homes and businesses in Tonbridge and Hildenborough. To achieve this the scheme will raise the stored water level to 28.6m AODN, as measured at the control structure. This will require an amendment to the maximum water level set out in the Scheme under the Act.

- 2.6 The project will reduce the risk of flooding to over 1,400 residential properties and business and 657 properties will no longer be at risk of internal flooding during a 1.33% Annual Exceedance Probability (AEP) flood event. The improvements to the FSA will extend the lifespan of the structure to at least 2060.
- 2.7 In terms of beneficiaries, a flood storage structure such as the Leigh FSA predominantly protects the land immediately downstream. The benefits are reduced the further from the storage area one gets. Whilst the increase in the capacity of FSA will not prevent properties flooding in Yalding and surrounding communities, all downstream communities will benefit to some extent.
- 2.8 The current operation of the Leigh FSA reduces peak flood depth in the centre of Yalding in a 1% AEP flood event by approximately 170mm. The increased capacity at the FSA would increase this benefit by approximately 50mm. The reason for this relatively small benefit is the influence of the other watercourses in the location and the distance from the FSA to the communities that are impacted by the flooding.

### **The River Medway (Flood Relief) Act 1976**

- 2.9 The River Medway (Flood Relief) Act 1976 sets out parameters through which the Leigh FSA can be operated, altered and upgraded. The primary legislation stipulates the process the Environment Agency must follow in order to make an application to change the impounding level of flood water in the Leigh FSA. The Scheme attached to the Act sets out specific operating parameters and conditions that must be adhered to including the maximum impounding level.
- 2.10 This project seeks to increase the storage of the Leigh FSA by impounding flood water to a higher level. Currently the maximum impounding level stipulated in the Scheme is 28.05m AODN but through the project the Environment Agency is proposing to increase this level to 28.6m AODN. Section 17(3)(c) of the River Medway (Flood Relief) Act 1976 provides that a Scheme made under s.17(3) may be confirmed, varied, replaced or revoked by a subsequent Scheme so made and approved. The full process for changing this Scheme is set out below:
- i. Defra policy officials inform the Floods Minister to expect to receive an amendment to the River Medway Flood Alleviation Scheme from the Environment Agency. This will be in the form of a written briefing and will include some background notes.
  - ii. Before making a Scheme, the Environment Agency must consult with all interested parties (identified in s.17(3)(d) of the Act as 'specified interests') explaining what they are proposing and seeking the views of the interested parties.
  - iii. Before submitting the Scheme to the Minister for approval, the Environment Agency must supply a copy of the Scheme to each of the interested parties and shall notify them of the date on which they propose to submit the Scheme to the Minister for approval to make the change to the Scheme.

- iv. The Environment Agency will then write to the Minister with the proposal and explain the process by way of submission including waiting one month to receive any objections.
- v. The Minister refrains from making a decision for one month. If in that time there are no objections, Defra policy officials will draft a submission for the Minister outlining the points to consider. The Minister can then take a decision on whether to approve the Scheme.
- vi. If there are objections which cannot be resolved between the objector and the Environment Agency, the Minister would have to hold a local inquiry or a hearing.
- vii. The person leading the inquiry would listen to the evidence and then make a recommendation after reviewing the objections. Defra policy officials would then provide a submission to the Minister outlining the recommendations from the enquiry and outlining the options available to them.
- viii. The Minister then makes a decision following the submission.

2.11 The Environment Agency have informed Defra of their intent to submit a revised Scheme and are consulting with specified interests in 2019 with a view to submitting the revised scheme later this year.

2.12 Maidstone Borough Council is named as a specified interest in the River Medway (Flood Relief) Act. As such, the Environment Agency are consulting the Council on the proposed changes to the Scheme prior to the submission of a revised Scheme to Defra and The Minister for approval.

2.13 The Environment Agency has requested that Maidstone Borough Council consider the proposed change to the stored water level within the Leigh Flood Storage Area with a view to supporting it.

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### **3. AVAILABLE OPTIONS**

3.1 Option 1 - Support the proposed change to the stored water level within the Leigh Flood Storage Area.

3.2 Option 2 - Give no opinion on the proposed change.

3.3 Option 3 - Oppose the proposed change.

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### **4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

4.1 Option 1 – Whilst the proposed change has a modest direct impact on communities in Maidstone, the action being taken by the Environment Agency to reduce flood risk in the Medway catchment area should be supported.

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## **5. RISK**

- 5.1 There is a significant flooding risk in the Medway catchment area. The Environment Agency proposals described in this report seek to address this.

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## **6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

- 6.1 Officers have contacted councillors from the wards with the highest proportion of properties facing significant flooding risk (Marden and Yalding, Coxheath and Hunton) to describe the Environment Agency's plans and to invite comments.

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## **7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

- 7.1 If members approve the recommendations in this report, we will write to Defra in support of the Environment Agency's proposal.

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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: River Medway (Flood Relief) Act 1976 Scheme

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## **9. BACKGROUND PAPERS**

None.

# Agenda Item 17

## POLICY AND RESOURCES COMMITTEE

**18 September 2019**

### Innovation Centre Project

<b>Final Decision-Maker</b>	Policy and Resources Committee
<b>Lead Head of Service</b>	John Foster – Head of Regeneration and Economic Development
<b>Lead Officer and Report Author</b>	Mandy Samrai – Interim Innovation Centre Manager
<b>Classification</b>	<p>Public Exempt Appendix 1 <b><u>Exempt Category</u></b></p> <p>The information contained within the report has been considered exempt under the following paragraph of part I of schedule 12A to the Local Government Act 1972: -</p> <p>3 = Information relating to the financial or business affairs of any particular person (including the authority holding that information)</p> <p>The reason that the information contained in the exempt appendix is private is because the Council has not yet moved to signed contract stage with both the land transaction nor the construction contract.</p> <p><u>Public Interest Test</u></p> <p>It is in the public interest that the exempt appendix be taken in private because it contains commercially sensitive information that would jeopardise the Council's investment position if it were to be publically available.</p>
<b>Wards affected</b>	<i>All</i>

#### Executive Summary

This report updates on the proposals for Maidstone Borough Council's investment in the construction of an Innovation Centre at Kent Medical Campus (KMC) and seeks delegated authority to enter into the European Economic Development Fund (ERDF) funding agreement and gain approval for a revised Capital budget.

## **Purpose of Report**

To provide a progress update on the Innovation Centre Project.

To gain approval for a revised Capital budget and to sign the ERDF Funding Agreement.

### **This report makes the following recommendations to this Committee:**

1. That a revised total scheme cost as set out in Exempt Appendix 1 for the development of the Innovation Centre is approved;
2. That delegated authority is granted to the Director of Finance and Business Improvement to sign the Funding Agreement with the Ministry of Housing, Communities and Local Government (MHCLG); and
3. That delegated authority is granted to the Director of Finance and Business Improvement to approve additional borrowing for Capital expenditure for the project budget.

### **Timetable**

<b><i>Meeting</i></b>	<b><i>Date</i></b>
Corporate Leadership Team	3 September 2019
Policy and Resources Committee	18 September 2019

# Innovation Centre project

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<b>Impact on Corporate Priorities</b>	<p><i>The relevant Strategic Plan objectives are:</i></p> <ul style="list-style-type: none"> <li><i>Embracing Growth and Enabling Infrastructure</i></li> <li><i>A Thriving Place</i></li> </ul> <p><i>Accepting the recommendations will materially improve the Council's ability to achieve the above objectives. We set out the reasons other choices will be less effective in Section Three</i></p>	Head of Regeneration and Economic Development
<b>Cross Cutting Objectives</b>	<p><i>The four cross-cutting objectives are:</i></p> <ul style="list-style-type: none"> <li><i>Heritage is Respected</i></li> <li><i>Health Inequalities are Addressed and Reduced</i></li> <li><i>Deprivation and Social Mobility is Improved</i></li> <li><i>Biodiversity and Environmental Sustainability is respected</i></li> </ul> <p><i>The Innovation Centre supports the achievement of the 'Biodiversity and Environmental Sustainability is respected' cross cutting objective with the inclusion of a green wall and solar panels.</i></p>	Head of Regeneration and Economic Development
<b>Risk Management</b>	<ul style="list-style-type: none"> <li><i>Already covered in the risk section.</i></li> </ul>	Head of Regeneration and Economic Development
<b>Financial</b>	<p><i>Accepting the recommendations will require revised funding from prudential borrowing. The additional expenditure is expected to 'lever in' additional external funding of up to 43p in the pound. Details of the total resources required are set out in the exempt appendix.</i></p> <p><i>The project is still expected to deliver a return in excess of 5% with the Internal Rate of Return (IRR) now estimated at 5.2%</i></p>	Interim Head of Finance (Deputy Section 151 Officer)



	<p><i>(down marginally from indicative 5.8% reported in October 2018).</i></p> <p><i>A further revenue stream will be realised from the additional Business Rates generated from the Innovation Centre and retained locally due to the Enterprise Zone status of the site.</i></p>	
<b>Staffing</b>	<ul style="list-style-type: none"> <li><i>We will need access to extra expertise to deliver the recommendations and this is covered within the project.</i></li> </ul>	Head of Regeneration and Economic Development
<b>Legal</b>	<ul style="list-style-type: none"> <li><i>The Local Government Act 1972, section 111(1) empowers a local authority to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.</i></li> <li><i>S120(1)(2) of the 1972 Act enables the Council to acquire land to be used for the (b) the benefit, improvement or development of their area; or for the purpose of discharging the Council's functions.</i></li> <li><i>The procurement of services for the Innovation Centre should be in accordance with the Council's Contract Procedure Rules and the public Contract Regulations 2015.</i></li> <li><i>Acting on the recommendations is within the Council's powers as set out in the above statutory provisions</i></li> </ul>	Legal Team
<b>Privacy and Data Protection</b>	<ul style="list-style-type: none"> <li><i>Accepting the recommendations will increase the volume and time of retention of data held by the Council. All ERDF funded bids require documentation retention of 25 years. We will hold that data in line with our retention schedules.</i></li> </ul>	Policy and Information Team
<b>Equalities</b>	<ul style="list-style-type: none"> <li><i>An equalities impact assessment has been carried out on the project.</i></li> </ul>	Policy & Information Manager
<b>Public Health</b>	<ul style="list-style-type: none"> <li><i>We recognise that the recommendations will not negatively impact on population</i></li> </ul>	Public Health Officer

	<i>health or that of individuals.</i>	
<b>Crime and Disorder</b>	<ul style="list-style-type: none"> <li>• <i>Not applicable</i></li> </ul>	Head of Service or Manager
<b>Procurement</b>	<ul style="list-style-type: none"> <li>• On accepting the recommendations, the Council will then follow a procurement exercise for the Tenant Acquisition service. We will complete those exercises in line with financial procedure rules.</li> </ul>	Head of Service & Section 151 Officer

## 2. INTRODUCTION AND BACKGROUND

2.1 The Innovation Centre Project was considered by the Policy and Resources Committee on 24 October 2018. This report sets out the actions taken to date following these resolutions and seeks the Committee's approval for a revised Capital budget and to sign the ERDF Funding Agreement.

2.2 The Innovation Centre is the Council's first ERDF funded project, providing office space for the life science, healthcare and medical technology sector related businesses. The project will also deliver a package of Business Support across the region for 185 similar businesses over a three-year period up to September 2023.

### Land deal and lease agreements

2.3 Following negotiation, the land deal relating to the Innovation Centre which is called Plot 3 and the adjacent Car Park for 42 spaces has been agreed with the landowner Harvestore System (Holdings) Ltd. To secure both pieces of land ready for the delivery of the project, the Council is entering into agreements to lease with the landowner.

### Planning application

2.4 The Council achieved Planning consent for the Innovation Centre in April 2019. The Planning Committee included the additional requirement for a green wall.

### Construction works

2.5 Following an OJEU procurement process, led by the Council's Employers Agent Calfordseaden, four tenders for the construction of the Innovation Centre were received in August 2019. The tenders were scored based on quality of submission, 60% and price, 40%. Calfordseaden have produced a full tender report and made a recommendation. A preferred bidder has now been selected and award of the construction works contract will be undertaken by the Section 151 officer, who will implement the recommendation and let the contract if recommendation two is agreed.

### Operator

- 2.6 The Operator function covers three areas:
- Business Support service
  - Sourcing of tenants for the office space (Tenant Acquisition)
  - Management of the new building
- 2.7 The Business Support service OJEU procurement process has been completed and three tenders were received in August 2019. The tenders were scored against quality of submission and price on an 85% Quality and 15% price basis. A preferred bidder has now been selected and the Business Support service contract will be awarded.
- 2.8 The OJEU procurement process for the contract to source tenants (Tenant Acquisition) for the offices within the Innovation Centre will commence from October 2019.
- 2.9 Work will commence shortly on implementing the necessary process and system changes required for the Council to manage the new Innovation Centre. The Council will seek to utilise existing processes for Facilities Management to ensure continuity of service across the Council.

### **Funding Agreement and budget**

- 2.10 The Council has been awarded an ERDF grant by MHCLG. To secure the funds the Council is required to sign the MHCLG Funding Agreement. The agreement has been reviewed and assessed by the Mid Kent Services Legal Team to identify any risks to the Council in signing the Funding Agreement and is now ready to be signed by the Director of Finance and Business Improvement following Committee approval.

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## **3. AVAILABLE OPTIONS**

- 3.1 **OPTION ONE - Do nothing**  
Maidstone Borough Council could decide not to continue to make investment in the delivery of the Innovation Centre project. However, without intervention, development on the site is likely to proceed at a significantly slower pace, reliant on private sector investment. This would impact negatively on the Council's delivery of new employment opportunities in the borough aligned with the Local Plan and reduce the quantum of business rates retained by the Council over the Enterprise Zone period. The Council would also lose the opportunity to secure the ERDF funding that has been allocated to this project by MHCLG and incur abortive costs.
- 3.2 **OPTION TWO - Invest in delivery of the Innovation Centre project as set out within this report.**

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## **4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

- 4.1 This report recommends that the Policy and Resources Committee approve Option Two. This option enables the delivery of the previous recommendations supported by this Committee in October 2018. It enables the council to move to the next stage of delivery for the project and secure the ERDF funding provided by MHCLG.
- 4.2 Option Two will enable further private sector development on the site, raise the profile of Kent Medical Campus, attract growing businesses and create private investor confidence.
- 4.3 If this option is agreed, the construction contract will be awarded to the preferred bidder and officers will enter into any other necessary operational contracts for Business Support and Tenant acquisition.

## 5 RISK

- 5.1 The table below outlines key high-level risks and mitigation arising from this project:

Risk	Mitigation
Managing Authority takes longer than anticipated to review claims and make quarterly payments.	Maidstone Borough Council has enough reserves to create a positive cash flow for the project.
MBC submits claim which is deemed to be ineligible spend and therefore ERDF grant cannot support this cost.	Correct internal processes to check eligibility prior to spend and submission of claim.
The Council does not comply with State Aid rules.	Specialist State Aid advice from Bevan Brittan to ensure compliance and monitoring at Project Board.
Risks associated from signing MHCLG Funding Agreement and penalties	Review of Funding Agreement by MKS Legal Services to identify key areas of risk, Project Management and Compliance Framework in place. The compliance framework and publicity are well established, and returns are completed in accordance to MHCLG requirements. Primary risks relate to ensuring the compliance framework and publicity is well established and returns are completed in accordance to MHCLG requirements.

- 5.2 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. We are satisfied that the risks associated are within the Council's risk appetite and will be managed as per the Policy.

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## **6 CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

- 6.1 This report supports the previous recommendations of this Committee set out in October 2018.

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## **7 NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

- 7.1 Should this Committee approve the recommendations, the Council will sign the funding agreement, sign the construction contract and deliver the project.
- 7.2 The current timetable for the project is shown in the key milestones table below:

<b>Key milestone</b>	<b>Date</b>
Policy & Resources Committee approval	September 2019
Sign Funding Agreement	September 2019
Commence Build Programme	October 2019
Commence Business Support	October 2019
Sign Lease for Innovation Centre land (Plot3)	January 2020
Commence Tenant Acquisition	March 2020
Complete Build Programme	June 2021
Complete FM approach	June 2021
Sign Lease for adjacent Car Park	January 2023
Complete Business Support	June 2023
Complete ERDF funding process	September 2023

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## **8 REPORT APPENDICES**

1. Appendix 1 – Exempt paper Updated Capital project costs

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## **9 BACKGROUND PAPERS**

# Agenda Item 18

## POLICY AND RESOURCES COMMITTEE

18 SEPTEMBER 2019

### COUNCIL-LED GARDEN COMMUNITY

<b>Final Decision-Maker</b>	Policy & Resources Committee
<b>Lead Head of Service</b>	William Cornall – Director of Regeneration & Place
<b>Lead Officer and Report Author</b>	William Cornall – Director of Regeneration & Place
<b>Classification</b>	<p>Public but with private Appendix – Not for Publication</p> <p><b><u>Exempt Category</u></b></p> <p>The information contained within the report has been considered exempt under the following paragraph of part I of schedule 12A to the Local Government Act 1972:-</p> <p>3 = Information relating to the financial or business affairs of any particular person (including the authority holding that information)</p> <p><b><u>Public Interest Test</u></b></p> <p>That the public interest in maintaining the exemption to ensure the council's financial position is not undermined and compromised outweighs the public interest in disclosing the information.</p>
<b>Wards affected</b>	All.

#### Executive Summary

Informed by the Council's new Strategic Plan, and in particular the priority of "Embracing Growth and Enabling Infrastructure", officers have been exploring the possibility of bringing forward a Council-led Garden Community. Possible locations were evaluated, and this Committee selected a preferred location on 22<sup>nd</sup> May 2019, that was subsequently submitted into the Council's own "call for sites" exercise that forms part of the Local Plan Review. In terms of decision making, it is important to understand the in the context of the Local Plan, that the Council wears two hats, that of the Local Planning Authority (LPA), but also in this case, that of (potential) property owner/developer. Any decisions made by the Committee in respect of this report will

be made on the basis of being the (potential) property owner/developer rather than LPA. This was the case for the 22<sup>nd</sup> May decision too.

The Council to this point has entered into preliminary discussions with the larger landowners in the search area and this report provides a summary business case for the whole proposition which demonstrates a positive position and on this basis seeks a mandate from this Committee to advance commercial negotiations, to allocate sufficient financial resource to support this activity in order to develop the proposition more fully pending a further report to this Committee, most likely in quarter 4 of the current financial year.

### **Purpose of Report**

Decision

### **This report makes the following recommendations to this Committee:**

1. To note the business case for a council-led Garden Community in the target location as detailed in exempt Appendix 1.
2. To continue to pursue a Council-led Garden Community in the target location with a view to acting as master-developer.
3. To agree, subject to recommendation 2 being agreed, that the Council should issue a media statement concerning a Council-led Garden Community which, amongst other things, identifies the location; or alternatively, if recommendation 2 is not agreed, that the council will withdraw its Garden Community submission from the call for sites.
4. To agree, subject to recommendation 2 being agreed, that the Council should explore potential partners for its role as master-developer as set out in paragraph 2.9

### **Timetable**

<b><i>Meeting</i></b>	<b><i>Date</i></b>
Policy & Resources Committee	18 <sup>th</sup> September 2019

# COUNCIL-LED GARDEN COMMUNITY

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<b>Impact on Corporate Priorities</b>	<p>The four Strategic Plan objectives are:</p> <ul style="list-style-type: none"> <li>• Embracing Growth and Enabling Infrastructure</li> <li>• Safe, Clean and Green</li> <li>• Homes and Communities</li> <li>• A Thriving Place</li> </ul> <p>Accepting the recommendations will materially improve the Council's ability to achieve all of the corporate priorities.</p>	Director of Regeneration & Place.
<b>Cross Cutting Objectives</b>	<p>The report recommendations support the achievement of all the cross cutting objectives.</p> <p>Through delivering much needed homes to include 40% affordable housing of which 70% would be for social rent. The emerging masterplan is landscape led with 50% of the total proposed as green space. Led by the ambitions set out in the Strategic Plan the Council can ensure that the design principles of development where it is the master planner reflect the commitment to reduce health inequalities amongst other things.</p>	Director of Regeneration & Place.
<b>Risk Management</b>	See section 5.	Director of Regeneration & Place
<b>Financial</b>	<p>The cost to date of developing the proposals set out in the recommendations is within already approved budgetary headings.</p> <p>The cost of delivery (if the Garden Community project is pursued as proposed) will be the subject of a separate capital funding bid within the 2020/21 Budget preparation and (2020/21 to 2024/25) Medium-Term Financial Strategy process, which is now commencing.</p>	Interim Head of Finance (Deputy Section 151 Officer)



<b>Staffing</b>	<ul style="list-style-type: none"> <li>We will need access to extra expertise to deliver the recommendations, as set out in section 3.</li> </ul>	Director of Regeneration & Place.
<b>Legal</b>	Acting on the recommendations is within the Council's powers as set out at the Local Government Act 1972, the Local Government Act 2003 and the Localism Act 2011.	Russell Fitzpatrick (MKLS (Planning) Team Leader
<b>Privacy and Data Protection</b>	<ul style="list-style-type: none"> <li>No Impact</li> </ul>	Policy and Information Team
<b>Equalities</b>	<ul style="list-style-type: none"> <li>Equalities is a key consideration of engagement with the community, ensuring that all groups (inclusive of those with protected characteristics) are involved in the process.</li> </ul>	Equalities and Corporate Policy Officer
<b>Public Health</b>	<ul style="list-style-type: none"> <li><i>We recognise that the recommendations will not negatively impact on population health or that of individuals.</i></li> </ul>	Director of Regeneration & Place
<b>Crime and Disorder</b>	The recommendation will not have a negative impact on Crime and Disorder.	Director of Regeneration & Place
<b>Procurement</b>	<ul style="list-style-type: none"> <li>There are currently no procurement decisions associated with this recommendation, however if a consultant or contractor is engaged to work for the Council on this project then Procurement will be conducted and the correct process will be followed in accordance with the Financial Procedure Rules.</li> </ul>	Procurement & Contracts Manager

## 2. INTRODUCTION AND BACKGROUND

2.1 The Maidstone Local Plan Review is underway and is due to be concluded by April 2022. An element of the review process will be to extend the plan period by a minimum of six years to at least 2037, and to allow for increased housing numbers with effect from 2022 brought about by the introduction of the revised housing need methodology. Members' have expressed a desire to explore the possibility of a Council-led Garden Community (or Communities) playing a part in accommodating future

housing growth, and in particular for the Council to play a lead role in terms of master-planning and delivery of new homes. In terms of the latter, this desire to play a greater role in creating, shaping and possibly investing in new places has been captured in the Council's new Strategic Plan too.

- 2.2 Therefore officers, with the assistance of specialist consultancy support, explored possible locations for a Council-led Garden Community. This committee endorsed the preferred location and made a decision to develop a proposal for that location more fully and to submit it into the "call for sites" exercise, which was duly undertaken. The Council's submission will eventually be evaluated, along with all other submissions, by the Strategic Planning and Infrastructure Committee (i.e. by the Council wearing its LPA hat).
- 2.3 Given the mandate from this Committee, officers have advanced the preliminary discussions with the principal landowners that own approximately 80% of the land that would be required for a Garden Community of circa 5,000 homes. All of these landowners have signed non-disclosure agreements with the Council's lead consultant.
- 2.4 The Council has now appointed a specialist firm of legal advisors to help us shape the proposition and the associated governance arrangements, their brief covers the following:
  - Entering into an initial lock-out agreement with the landowners.
  - Entering into a memorandum of understanding / collaboration with the landowners (prior to entering into the option agreements).
  - Evaluating and making a recommendation as to the appropriate delivery vehicle (perhaps with reference to ideas contained within the Letwin review), to include scenarios where partners can be included.
  - Scenarios for the long-term management of the Garden Community.
  - Scenarios for the long-term stewardship of the Garden Community.
  - Entering into the land option agreements themselves.
- 2.5 Officers and the Council's planning advisor have met with landowners individually and as a group. The Council's legal advisor was also present at meetings with the group of landowners, and they explained to the landowners how a deal could be structured and what agreements would need to be in place in order to secure a new Garden Community with appropriate infrastructure. The landowners have appointed their own overarching legal advisor too, and so there is now, subject to the Committee's decision, a good foundation upon which to build commercial discussions. Furthermore the landowners have also engaged a commercial land agent to advise them too.
- 2.6 In addition, the Council has also appointed a specialist firm of property advisors to produce a high-level business case for the proposition, based on evidence-based income and expenditure assumptions. The model produced also makes realistic phasing assumptions taking account of the need for considerable upfront infrastructure investment. The financial summary and underlying assumptions are shown at the exempt **Appendix 1**. The firm of advisors appointed have an extensive client base of developers and national housebuilders, and so the Council can be content that the conclusion

reached that the overall proposition is financially deliverable, with land-value capture funding the required on and offsite infrastructure is sound.

- 2.7 Whilst the business case is encouraging, the project is significant in terms of overall value and risk. If approval is given to progress the proposition, the Council will need to explore working with partners for example as investors or delivery partners, and to give careful consideration as to who might they be. Our legal advisors are providing guidance on this front based on best practice from elsewhere, but firm decisions on this are not required at this stage.
- 2.8 With this in mind, the aspiration would be for the Council to lead the process of creating and delivering the Garden Community, acting as master-developer and undertaking the following tasks:
- Securing the land options.
  - Promoting the proposal through the Local Plan Review through to allocation.
  - Engaging with the community and interest groups
  - Engaging with infrastructure providers
  - Creating an exemplar masterplan and securing outline planning consent
  - Creating a design code.
  - Creating an infrastructure plan possibly supported by third party investment.
  - Creating a long term stewardship governance structure.
  - Installing long-term high-quality estate management arrangements.
  - Leading the delivery process including attracting high quality developers / housebuilders to take forward the detailed design and delivery of land parcels on a phased basis. I.e. as the Council takes up its land options on a phase by phase basis, it would “back-to-back” sell on land parcels to delivery partners to build out in accordance with the Council’s vision, so the Council would be the orchestrator.
- 2.9 Returning to Appendix 1, the overall costs and sales revenues in respect of a Garden Community would be considerable, but partners would be sought to fund and so take the development risk. However, were the Council to be successful with the proposition through the Local Plan Review process, and so undertake the tasks set out in 2.8 above, this would likely mean incurring costs in the region of £5m in respect for staff, consultancy and options fees combined. This expenditure could be recovered by the Council capturing a small percentage uplift when land passes through the Council from landowner to developer / housebuilder. That said, should the proposal fail, ultimately such an investment could become abortive, so the Council must be prudent. With this in mind, it could be beneficial to secure a partner/s even at this early stage to share this circa £5m risk. It is recommended that, subject to this Committee agreeing to progress a Council led Garden Community further, this partnering approach be explored and subsequent recommendations brought back to this committee, most likely in quarter 4.
- 2.10 Until then the Council will need to continue to financially invest in the proposal in terms of consultancy support. To date approximately £75k of capital expenditure has been incurred on consultancy advice and a further

£75k will need to be expended to make a total of £150k by the end of the financial year. In all likelihood, the proposal will in the next six months either start to gain traction through the Local Plan process or fall away (either because terms cannot be agreed with the Landowners or the proposal is not supported by the Council wearing its LPA hat), so quarter 4 is a sensible juncture at which to take stock.

- 2.11 Therefore, the primary decision for this Committee at this point, having already submitted the proposal into the “call for sites” exercise is whether it wishes officers to press ahead with the proposal, demonstrating commitment and intent in the public domain, and continue to pursue it through the Local Plan process, or alternatively end its interest. In terms of continuing for a further six months, the financial exposure is not unreasonable.
- 2.12 In continuing, the Council will for a finite period of time be placing the local community into a period of uncertainty. The landowners will also be placed in a complex dynamic, and the Council itself will quite rightly be scrutinised in terms of whether it is right that it should play a more direct role in delivery of growth and infrastructure through extending its remit beyond purely that of the LPA, to that of master-developer.
- 2.13 If the Committee is minded to press ahead with the proposal it recommended that a media statement is made which identifies the location of the proposed Council-led Garden Community; alternatively, if the Committee chooses to end its interest in the proposal, officers will simply withdraw it from the “call for sites” process.
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### **3. AVAILABLE OPTIONS**

- 3.1 Option 1 -The Committee could decide to continue to pursue a Council-led Garden Community in the target location through the Local Plan process, and so give the officers the mandate to advance the commercial negotiations with the principal landowners and bring back the proposed detailed terms for approval by this Committee in 3-6 months. A detailed business case delivery strategy would be included that would set out the indicative timescales, partners, governance and processes required to attempt to take the proposition through to a successful “allocation”, whilst being cognisant of further at risk expenditure, the uncertainty for the community affected, and the interest that there will be in the proposition generally and the Council’s role within it more specifically. This option would give the Council the best opportunity of realising some of its key priorities contained within its new strategic plan.
- 3.2 Option 2 - Alternatively the Committee could choose to end its interest in the proposal.
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## **4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

- 4.1 The preferred option is 1; The high level business case demonstrates that the proposition for a Council-led Garden Community as currently envisaged is viable and would offer a deliverable project to achieve a significant contribution to the borough's need for homes, employment and associated infrastructure.
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## **5. RISK**

- 5.1 The risks at this stage have been covered in the main body of the report, and can be summarised as:
- At risk consultancy expenditure to March 2020.
  - A period of uncertainty for the community affected.
  - Possible negative perceptions of a broader role for the Council in the context of acting as master planner.
  - Maintaining cohesion amongst the landowner group.

## **6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

- 6.1 Nothing further to report at this stage.
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## **7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

- 7.1 To advance the commercial negotiations with the principal landowners and issue the proposed media statement (if necessary).
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## **8. REPORT APPENDICES**

Exempt Appendix 1: Overall proposal business case.

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## **9. BACKGROUND PAPERS**

Committee Members may wish to familiarise themselves with the Maidstone Garden Community Prospectus that was issued as part of the "call for sites" exercise within the Local Plan Review. The link for this is;  
[http://www.maidstone.gov.uk/\\_data/assets/pdf\\_file/0009/260829/New-Garden-Communities-Prospectus-February-2019.pdf](http://www.maidstone.gov.uk/_data/assets/pdf_file/0009/260829/New-Garden-Communities-Prospectus-February-2019.pdf)

Committee Members are able to make an appointment via [lorraineunderdown@maidstone.gov.uk](mailto:lorraineunderdown@maidstone.gov.uk) if they wish to come to the offices to read in private the Vision document for the proposal but it cannot be taken off site and electronic versions cannot be provided either.

# Agenda Item 19

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

# Agenda Item 20

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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