

AGENDA

POLICY AND RESOURCES COMMITTEE MEETING



Date: Wednesday 16 December 2015

Time: 6.30 pm

Venue: Town Hall, High Street,
Maidstone

Membership:

Councillors Mrs Blackmore, Brice, Chittenden,
Cox, Garland, Mrs Joy, McKay,
McLoughlin, Munford, Naghi, Ross,
Round, Sargeant, Mrs Stockell and
Mrs Wilson (Chairman)

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1. Apologies for Absence
2. Notification of Substitute Members
3. Urgent Items
4. Notification of Visiting Members
5. Disclosures by Members and Officers

Continued Over/:

Issued on Tuesday 8 December 2015

The reports included in Part I of this agenda can be made available in **alternative formats**. For further information about this service, or to arrange for special facilities to be provided at the meeting, **please contact Caroline Matthews on 01622 602743**. To find out more about the work of the Committee, please visit www.maidstone.gov.uk

**Alison Broom, Chief Executive, Maidstone Borough Council,
Maidstone House, King Street, Maidstone Kent ME15 6JQ**

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 25 November 2015	1 - 5
9.	Presentation of Petitions (if any)	
10.	Questions and answer session for members of the public (if any)	
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13.	Report of the Head of Finance and Resources - Projected Collection Fund Adjustment Account 2015/16	34 - 41
14.	Oral Report of the Head of Finance and Resources - Provisional Financial Settlement (if necessary)	
15.	Report of the Head of Planning and Development - Town Centre Strategic Development Plan 2015-2020	42 - 62

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

16.	Report of the Director of Planning and Development - Business Plan for land and property following its acquisition	Paragraph 3 – Info re financial/business affairs	63 - 137
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MAIDSTONE BOROUGH COUNCIL

POLICY AND RESOURCES COMMITTEE

MINUTES OF THE MEETING HELD ON WEDNESDAY 25 NOVEMBER 2015

Present: Councillor Mrs Wilson (Chairman), and Councillors Mrs Blackmore, Brice, Chittenden, Cox, Garland, Mrs Gooch, Mrs Joy, McKay, Naghi, Mrs Ring, Ross, Sargeant and Mrs Stockell

Also Present: Councillor Mrs Springett

99. APOLOGIES FOR ABSENCE

Apologies were received from Councillors McLoughlin, Munford and Round.

100. NOTIFICATION OF SUBSTITUTE MEMBERS

It was noted that Councillor Mrs Ring was substituting for Councillor McLoughlin and Councillor Mrs Gooch was substituting for Councillor Munford.

101. URGENT ITEMS

Members noted that there were two urgent items, the first being on the Amended Agenda which was Agenda Item 14 – Report of the Head of Finance and Resources – Budget Monitoring 2nd Quarter 2015/16. The second one being on the 2nd Amended Agenda which was Agenda Item 15 – Urgent Decision Referral from Communities, Housing and Environment Committee 17 November 2015: Public Spaces Protection Order for Town Centre.

102. NOTIFICATION OF VISITING MEMBERS

It was noted that Councillor Mrs Springett was present for Agenda Item 15 – Urgent Decision Referral from Communities, Housing and Environment Committee 17 November 2015: Public Spaces Protection Order for Town Centre.

103. DISCLOSURES BY MEMBERS AND OFFICERS

There were no disclosures from Members and Officers.

104. DISCLOSURES OF LOBBYING

There were no disclosures of lobbying.

105. EXEMPT ITEMS

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

106. MINUTES OF THE MEETING HELD ON 21 OCTOBER 2015

RESOLVED: That the Minutes of the meeting held on 21 October 2015 be approved as a correct record and signed.

107. MINUTES OF THE MEETING HELD ON 5 NOVEMBER 2015

RESOLVED: That the Minutes of the meeting held on 5 November 2015 be approved as a correct record and signed.

108. PRESENTATION OF PETITIONS (IF ANY)

There were no petitions.

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

It was noted that no questions had been received from members of the public.

110. URGENT DECISION REFERRAL FROM COMMUNITIES, HOUSING AND ENVIRONMENT COMMITTEE 17 NOVEMBER 2015: PUBLIC SPACES PROTECTION ORDER FOR TOWN CENTRE

Members noted that the Decision Referral had been brought to this Committee as the Public Spaces Protection Order approved by the Housing, Communities and Environment Committee only covered the town centre and some Members felt that there were some anti-social behaviour issues in the rural areas as well and would like the Public Spaces Protection Order to reflect this or alternatively for a report to go back to the Housing, Communities and Environment Committee which provided details of an assessment of anti-social behaviour, crime and disorder in rural areas.

The Head of Housing and Community Services advised Members that a strategic assessment on crime and disorder reduction would be presented to the Housing, Communities and Environment Committee in March next year which would include an assessment of anti-social behaviour, crime and disorder across the Borough, including rural areas.

RESOLVED:

- 1) That the desired outcome of the Decision Referral be endorsed which was as follows:-

“That the Communities, Housing and Environment Committee receive a report setting out a strategic assessment of anti-social

behaviour, crime and disorder for the rural areas of the borough and recommended action for reduction of these issues"; and

- 2) That the Committee also endorses the original decision made by the Communities, Housing and Environment Committee.

Voting: For: 14 Against: 0 Abstentions: 0

111. REFERENCE FROM HERITAGE, CULTURE AND LEISURE COMMITTEE - DESTINATION MANAGEMENT PLAN

The Committee considered the Reference from Heritage, Culture and Leisure Committee which requested that Members confirm their Committee's representatives to be co-opted onto any of the Task and Finish Groups.

RESOLVED:

That the following Members be confirmed as the Policy and Resources Committee's approved representatives:-

- a) Working Group 1 – River Access

Councillor Stephen Paine
Councillor David Naghi (Substitute)

Voting: For: 13 Against: 0 Abstentions: 1

- b) Working Group 2 – County Town

Councillor Denise Joy
Councillor Stephen Paine (Substitute)

Voting: For: 14 Against: 0 Abstentions: 0

- c) Working Group 3 – Events

Councillor Martin Round
Councillor David Naghi (Substitute)

Voting: For: 14 Against: 0 Abstentions: 0

- d) Working Group 4 – The Countryside

Councillor John Perry
Councillor Louise Brice (Substitute)

Voting: For: 14 Against: 0 Abstentions: 0

112. REPORT OF THE HEAD OF POLICY AND COMMUNICATIONS - STRATEGIC PLAN PERFORMANCE UPDATE - QUARTER 2 2015

The Committee considered the report of the Head of Policy and Communications which gave progress of key strategies, plans and performance indicators which support the delivery of the Council's Strategic Plan 2015-20.

Members, whilst they noted the performance of the homelessness team, sought assurances that the resource level in this section was adequate. The Director of Planning and Development advised that since the last quarter, the staff had been adequately trained and the figures had improved.

RESOLVED:

- 1) That the position of the quarterly key performance indicators (KPIs), and updates on key strategies that support the Strategic Plan 2015-20 as set out in Appendix A to the report of the Head of Policy and Communications be noted; and
- 2) That the areas where progress is not on track to achieve annual targets be noted.

Voting: For: 14 Against: 0 Abstentions: 0

Councillor Mrs Stockell left the meeting at 7.20 p.m. at the conclusion of this item.

113. REPORT OF THE HEAD OF FINANCE AND RESOURCES - BUDGET MONITORING 2ND QUARTER 2015/16

The Committee considered the report of the Head of Finance and Resources which provided an updated progress of the capital and revenue expenditure as at the end of September 2015, Quarter 2 of 2015/16.

In response to questions from Members, it was noted that:-

- Resources had been put into the capital fund (2015/16) for flood defences but as there had been no call on the expenditure, it had been slipped into the 2016/17 capital programme.
- The relevant staff had been made aware that the Pet Crematorium commercial project would be looked at as part of the future development of the Crematorium.
- The issue of demand on temporary accommodation would be reported to Communities, Housing and Environment Committee in January 2016.
- Members will receive a briefing note on the General Fund and earmarked Reserves position.

RESOLVED:

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

Voting: For: 13 Against: 0 Abstentions: 0

114. DURATION OF MEETING

6.30 p.m. to 7.45 p.m.

Agenda Item 11

POLICY & RESOURCES COMMITTEE

16 DECEMBER 2015

Is the final decision on the recommendations in this report to be made at this meeting?

No

MEDIUM TERM FINANCIAL STRATEGY 2016/17 ONWARDS - REVENUE

Final Decision-Maker	Council
Lead Head of Service	Head Of Finance & Resources
Lead Officer and Report Author	Head Of Finance & Resources
Classification	Public Report
Wards affected	All

This report makes the following recommendations to this Committee:

It is recommended that the Committee:

1. Agrees to continue to plan on the basis of the revised SRP set out at Appendix A including the revised resource and expenditure budgets as detailed in the report;
2. Agrees the allocation of funding to assist the loss of council tax income by Parish Councils as set out in Appendix B;
3. Agrees the savings and efficiencies of this Committee as set out in Appendix C; and
4. Accepts the proposed savings and efficiencies from all service committees as set out in Appendix D.

This report relates to the following corporate priorities:

The medium term financial strategy and the budget are a re-statement in financial terms of the priorities set out in the strategic plan. It reflects the Council's decisions on the allocation of resources to all objectives of the strategic plan.

Timetable

Meeting	Date
Policy & Resources Committee	16 December 2015
Service Committees	Various dates: January 2016
Policy & Resources Committee	17 February 2016
Council	2 March 2016

MEDIUM TERM FINANCIAL STRATEGY 2016/17 ONWARDS - REVENUE

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report is produced annually and will update Policy & Resources Committee on the budget strategy and normally follows the publication of the provisional finance settlement figures. The Autumn Statement was given by the Chancellor of the Exchequer on 25 November 2015 and the provisional finance settlement, although imminent, had not been received at the time of writing this report.
 - 1.2 Despite the missing details of the provisional finance settlement it is essential that Policy & Resources Committee considers the latest information at this time in order to remain on target for a balanced budget to be presented to Council in March 2016. A decision on the recommendations in this report also enables the Committee to confirm acceptance of the proposals of the other service committees in relation to the budget strategy in January 2016 allowing time for final consideration.
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2. INTRODUCTION AND BACKGROUND

- 2.1 On 29th July 2015 the Committee considered the initial budget strategy for 2016/17 onwards. At that time a strategic revenue projection (July SRP) was agreed, including a provisional level of Council Tax as a planning and consultation tool. The July SRP included increases for inflation based on information provided by key officers and future indices from sources such as the office of budget responsibility.
- 2.2 The July SRP gave an estimate of resources of £33.6m and predicted expenditure, including new budget pressures, of £35.2m. This meant a need to find savings in 2016/17 of £1.6m and £3.7m over the five year period of the medium term financial strategy. At that time a number of risks were considered by the Committee:
 - a) The future consequence of the newly elected government's plans for removing the deficit during the period of the current parliament;
 - b) A review of the retained business rates system during the second half of the period covered by the MTFs and any impact from possible changes to the membership of the Kent business rates pool;
 - c) Potential council tax levels and the tax base;
 - d) The level of other income being achieved from current services;
 - e) The deliverability of the proposed commercial activity linked to the Council's commercialisation strategy;
 - f) The cost of the changes to single tier pensions due to commence on 1st April 2016. HM Revenue and Customs has not yet announced the necessary detail to make an accurate measurement of the consequences;

- g) A series of local pressures the most significant of which continues to be temporary accommodation costs for homeless persons. Other pressures include the Museum and staffing costs.
- 2.3 Since the Committee considered this issue there have been a number of changes to the factors set out in the July SRP. And these are set out in detail later in this report.

Review of Current Performance

- 2.4 The current year's financial performance is reported to the Corporate Leadership Team and to this Committee on a quarterly basis. The first two quarterly reports show a developing neutral position with an expected outturn of less than £0.1m under spend at 31st March 2016.
- 2.5 The main budget messages are the continued increase in the net cost of temporary accommodation, increased cost of employees in the planning service along with the continued increase in income from both waste & recycling and the planning service.
- 2.6 The increase in temporary accommodation costs began in 2010 and has been steadily rising. The Council has used a number of initiatives to resolve the pressure including self-provision of accommodation, restructuring the service to refocus work and providing additional revenue resources. Despite the initiatives used to date the pressure continues to grow. Monitoring shows that the cost per person per day in temporary accommodation has reduced and continues to do so but the demand is rising and the continued growth in cost is the net effect of this.
- 2.7 The volume of planning applications being handled by the Council is increasing in number and in size of applications. This is providing additional income from planning fees. As this increase is occurring throughout the country to a greater or lesser extent, recruitment and retention of planning staff is becoming more difficult and enhancements to salary are now being paid. Combined with increased staffing numbers, this is utilising the majority of the increased planning fee income.
- 2.8 Effective budgetary control means that the majority of services are operating within budget and this will support the additional cost of temporary accommodation in 2015/16. Additionally income from recycling of green waste continues to grow and this ensures the predicted outturn will balance to the budget. This compares positively to previous years where significant underspends have occurred.

Revenue Resources

- 2.9 Given at **Appendix A** to this report is a revised strategic revenue projection (revised SRP) that takes into account all of the changes set out in the following sections of this report.

The Autumn Statement & the Provisional Finance Settlement

2.10 The Chancellor of the Exchequer made the autumn statement to parliament on 25 November 2015. Each year, following that statement, the Department for Communities and Local Government (DCLG) provides each authority with a provisional finance settlement specific to that local authority for the following year, at the time of writing this report the settlement information for 2016/17 has not been received but is expected by 16 December 2015.

2.11 Some of the factors announced in the Chancellor's statement were announced immediately following the general election earlier this year or at the Conservative party conference. The autumn statement amended some of the expected announcements and a summary of the issues, where these affect local government, is set out below.

- a) A number of housing related announcements including:
 - 400,000 new homes of which 200,000 will be starter homes of which 135,000 will be affordable under the governments help to buy scheme. Of note is the fact that all of these homes, affordable or market price, will be for sale and not for rent.
 - Proposals to extend the right to buy to registered providers and possibly other public sector owned property
 - Maintaining levels of funding for homelessness while providing £40m additional funding for work on domestic violence issues;
 - Government will make £10m available to Councils help homeless people.
- b) A number of announcements related to the finance settlement:
 - A complete removal of revenue support grant by 2020;
 - Local government to keep all revenue from business rates by the end of the Parliament.
 - A rebalancing of the finance system towards social care. Directing resources at those authorities with a responsibility for this function.
- c) A number of announcements linked to the full localisation of business rates:
 - A consultation on the proposal will come forward
 - The announcement mentions new burdens generally and one specific example relating to the administrative costs of housing benefits for pensioners. For the administration of Housing Benefits the Council currently receives a specific grant which is currently expected to reduce as Universal Credit is introduced. This announcement implies it will be completely eradicated.
 - Council's will have the ability to reduce the business rate multiplier. Only in certain circumstances will elected mayors have the ability to increase it.
- d) A number of extensions to the controls over council tax levels:
 - A new social care "precept" in council tax of up to 2% to allow relevant councils to raise £2bn for social care;
 - Arrangements for police forces that have maintained low levels of council tax to charge above the normal 2% referendum limit.
- e) An additional announcement relating to specific support for Police forces with growth of £900m which will be targeted to specific national issues

- f) Local government spending, in cash terms, to be same in 2020 as 2015;
- g) 26 new enterprise zones to be created;
- h) Funding for flood defence to be protected in real terms;
- i) £250m support for motorways in Kent to relieve pressure caused by Operation Stack;
- j) Publication of guidance on salary controls; and
- k) A consultation on changes to the New Homes Bonus which will most likely propose a reduction from a 6 year grant to a 4 year grant.

2.12 The statement contained no detail at a service or local level and at this time it is expected that the additional support or maintained level of funding to some public services will mean a disproportionate impact on the funding provided to most district council services.

2.13 Until the details of the provisional finance settlement are published by the DCLG it will be difficult to identify the exact impact on this council.

2.14 It is expected that the provisional finance settlement for 2016/17 will be published on the day of the meeting of Policy & Resources Committee and it is officers' intention to give a verbal update to this report at the meeting.

Parish Funding from the Finance Settlement

2.15 The settlement figures, once published, will include the central funding towards local council tax support (LCTS) that replaced council tax benefit on 1 April 2013. At its meeting on 12 December 2012 the Council gave initial approval to the current scheme in operation in the borough and has reconsidered the scheme annually and is expected to have considered the 2016/17 scheme on 9 December 2015.

2.16 The government funding for the scheme, as set up back in 2013/14, represented 90% of the government's predicted expenditure on council tax benefit. This was based on actual costs for the year 2012/13. By 2014/15 the funding for LCTS was no longer identified separately in the settlement figures. Due to the significance of the reductions in revenue support grant this level of funding is no longer available through the resources provided through the finance settlement.

2.17 Part of the LCTS funding that the Council initially received, related to the benefit paid to claimants in parished areas. This is because the local scheme affects parish preceptors and major preceptors in the same way as it affects the Council's income from council tax. As in prior years, the effect is considered in the report setting the Tax Base for 2016/17 that is elsewhere on this agenda. The government has stated that it expects appropriate consideration of the funding of parish councils to be made by district councils when planning for overall funding levels. However it has not legislated for the payment of this funding on to parishes.

2.18 In previous years the Council has chosen to pass on the funding to parish councils. Resources distributed to date are set out in table 1 below. The reduction in the level of resource has been linked to the overall reduction in the level of the funding received by the Council through the finance

settlement each year and can therefore only be estimated at this time. On that basis the indicative reduction for 2016/17 would be 14.26% of the 2015/16 distribution. The percentage reduction is based on the reduction in the finance settlement year on year

Year	Resources £	Reduction %
2013/14	110,631	
2014/15	96,802	12.50
2015/16	82,024	15.27
2016/17 (Proposal)	70,327	14.26

Table 1: LCTS resources distributed to Parish Councils

- 2.19 Individual parish council funding is distributed on the basis of predicted demand for the local council tax support in each parish as considered in the calculation of the Tax Base reported for approval elsewhere on this agenda. The proposed distribution is given at **Appendix B**.
- 2.20 Parishes are required to notify the council of their precept requirement before the end of January and therefore require information about their tax base and LCTS funding in December.

Council Tax

- 2.21 The Council's 2015/16 council tax charge is £235.71 per annum for a band D property.
- 2.22 At the meeting on 29 July 2015 this Committee agreed the July SRP for planning purposes and it included an assumed 2.5% increase in council tax income. This represented a 1.99% increase in the council tax charge and a 0.5% increase in the tax base arising from new property.
- 2.23 The tax base for 2015/16 is 56,974.3. The Tax Base submitted for approval elsewhere on this agenda proposes a tax base of 58,525.4 for 2016/17. This represents a 2.7% increase and occurs due to the combined effect of identified dwellings that will come onto the register in the period from now to 31st March 2017, a decrease in empty property partly from fraud reduction activities and the continued reduction in working age claimants of Council Tax Support discount, as employment levels rise.
- 2.24 A council tax increase of 1.99% will produce a band D charge of £240.39. This represents an increase of £4.68 per annum or 39 pence per month. This level of charge made on the tax base detailed above would generate council tax receipts of £14.1m (£14,068,920) for the council.
- 2.25 At this time it is usual to report on options for a Council Tax increase. A final decision is not necessary until the meeting of this Committee on 17 February 2016 when the Committee will recommend the budget to Council. It is however beneficial for members of the committee to have the opportunity to consider all options while considering the other changes set out in the revised SRP.

2.26 It is currently expected that the maximum increase available to this Council, if it does not wish to hold a referendum on the matter, will be 2%. The increase of 1.99% used for planning purposes allows for any potential rounding errors in the figures. A series of example options for a council tax increase and the reduction from the 1.99% increase used for planning purposes is detailed in the table below:

Example Increase Levels	Increase £.p	Resource provided £	Resource reduction from SRP figures £
A 1.99% increased (used in the revised SRP)	4.68	273,900	0
Increase of 1.5%	3.51	205,420	68,480
Increase of 1%	2.34	136,950	136,950
Increase of 0.5%	1.17	68,470	205,430
Increase of 0%	0	0	273,900

Table 2: Options for Council Tax increases and resources provided / reduced

2.27 The right hand column of table 2 above shows the additional amount of savings and efficiencies that would be require, above those set out in the revised SRP at Appendix A.

2.28 Elsewhere on this agenda the Committee will consider a report on the collection fund adjustment. This is the balance of council tax left in, or overdrawn from, the account at the end of last year after all preceptors and the council have received the amount requested. The recommendation of that report is to distribute approximately £1.0m across the major preceptors and this council. The share calculated for this council is £168,706 and this has been added to the resources available to the Council in the revised SRP set out at Appendix A.

Income from Other Sources

2.29 The estimated income generated from other source is £14.2m for 2015/16. This represents gross income and does not account for the cost of the services that generate this income. This income is a contribution to overall costs. From a small number of services the council generates a surplus from the activities. This surplus is used to support other service provision except in cases where legislation limits the use of any surplus created.

2.30 This income is divided between:

Income Type	2015/16 Estimate £
Grants & Contributions	233,340
Charges to other organisations (incl. Partnerships)	4,224,150
Interest on Investments	270,000
Rents (Commercial & Residential)	1,490,850
Fees & Charges	7,996,010
Total	14,214,350

Table 3: Income from Services 2015/16

- 2.31 The Commercialisation Strategy was approved by Cabinet in August 2014. This strategy proposes a target level of net increase in income of £1m over the five year period from 2015/16 to 2019/20. The SRP attached assumes no increase in income from this source and the proposals for commercial activity are included in the details relating to revenue savings and efficiency later in the report. As and when necessary the relevant service committee will consider business cases for future work and the overall funding for any acquisition or other capital costs will be considered by this committee when setting and monitoring the future capital programme.
- 2.32 The service committees have yet to consider proposals for setting their fees and charges. The intended recommendations increase income budgets by £123,000 in 2016/17. Those increases have been treated as savings and efficiencies and, as such, are not included in the revised SRP attached at Appendix A.

Summary of Resources

- 2.33 Combining the resources available to this council from the revenue support grant, business rates income, council tax income, the collection fund adjustment and income from other sources gives estimated resources for the period of the revised SRP of £34.12m for 2016/17 as tabled below. The Cabinet should note that the level of resources available from revenue support grant estimated for the years 2016/17 and beyond assume the consequence of the Chancellors announcement regarding the ending of Revenue Support Grant. Although a projection is given, no actual detail is available on the rate at which the resources available to this council will reduce but the Chancellor of the Exchequer has given a clear indication that the government intends to remove revenue support grant as the changes to business rates are introduced over the period of the current MTFS.

	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m
Revenue Support Grant	1.46	0.92	0.42	0	0
Business Rates	3.02	3.08	3.14	3.20	3.27
Business Rates Growth	1.19	1.20	1.21	1.22	1.23
Collection Fund Adj.	0.17	0	0	0	0
Council Tax	14.07	14.46	14.86	15.27	15.69
Other Income	14.21	14.21	14.21	14.21	14.21
Available Resources	34.12	33.87	33.84	33.90	34.40

Table 4: Summary of Resources

Review of Strategic Projection

- 2.34 When this Committee agreed the July SRP, service committees along with officers were set the task of continuing to review the budget pressures and identify savings and efficiencies to balance the budget.
- 2.35 Since that time there has been a series of meetings managed by the Head of Finance and Resources in order discuss proposals that offer potential savings and efficiencies with Committee members and these are considered later in this report.

2.36 In addition a number of additional pressures have been identified and included in the revised SRP the proposals reflect the needs of a number of services. An explanation of each additional pressure included in the revised SRP but not in the July SRP is given below:

- a) **Homelessness Prevention £81,000:** Levels of homelessness are increasing and the Council has diverted the majority of its relevant housing resources to assessment and support for those who are presenting themselves to the Council as homeless. One part of effective housing support is to work at an earlier stage with those people who have the potential to become homeless. Homelessness can often be prevented by actions such as: immediate financial support; working with landlords; or providing financial advice. In such cases the cost is significantly less than the avoided cost of using temporary accommodation, calculated at around £800 per person. Preventing 100 cases from requiring temporary accommodation equates to around £80,000 in avoided costs. The revised SRP includes the introduction of additional permanent staff to recommence the Council's work on homeless prevention at a total cost of £81,000.
- b) **Homelessness Temporary Accommodation £150,000:** The pressure on the temporary accommodation budget has continued to increase despite efforts to control it in recent years. The Council measures the average cost per night of a stay in temporary accommodation and this cost is reducing because of actions taken by officers however demand for the service is still increasing. The Council has previously acquired two properties that are now managed by a third party to reduce dependence on bed and breakfast stays. It also added £160,000 to the net budget for this service. Despite this the 2015/16 outturn is predicted to be in excess of £300,000 over budget. Given the proposal above it can be assumed that a successful homeless prevention service will reduce the cost of temporary accommodation by more than the £81,000 funding proposed above. Given the continued success of the work on reducing the cost per day of temporary accommodation and additional work on homeless prevention a balance of the £300,000 over spend remains and requires funding through the MTFs. This balance is estimated to be £150,000.
- c) **New Shared Planning Support Service £56,000:** Following the tri-borough agreement on the revised planning support service there is a need for this Council to increase its contribution to the new two-partner shared service. The original agreement, which has been brought forward to the new arrangement, required the service to move toward a transactional basis for charging. This Committee agreed at the tri-borough meeting to make a £56,000 additional contribution, funded from planning application fee income. The decision included a requirement for the service to continue to make savings in future from the introduction of efficiencies which will eventually cover this additional cost.
- d) **MK Legal Services £87,000:** Mid Kent Legal Services provides support to all three MKIP authorities through a charging system based on transaction levels. The demand for the service by this Council has increased disproportionate to the demand of the other

two partner authorities. Due to the time management system used by the service an accurate estimate of the increased workload is possible. It has been estimated that £127,000 must be provided but can be partially offset by charges to developers for s106 agreement work. The net increase in resources required by this authority is £87,000.

- e) **Staffing Changes £40,000:** The current post of Mid Kent Services Director was created for a trial period using resources made available by the three Mid Kent Improvement Partnership (MKIP) authorities. The trial period is over and consideration is being given by the three authorities to make the role permanent. The role is supported in principle by the MKIP Board who also supports this Council being the employer. From a MBC perspective the MKS Director role has been successful. The Policy & Resources Committee considered a report at its July 2015 meeting concerning senior management arrangements and this referenced the MKS Director role. This Council's maximum share of the cost of the post would be £40,000.
- f) **Maidstone Museum £125,000:** As the Committee will be aware the Museum has undergone a zero based budgeting exercise. The result of this work has identified a baseline need for an additional £60,000 to cover current service provision after the cessation of a number of loss making activities. In addition the Museum provides educational services to schools through a grant aided programme and this funding will come to an end in 2015/16. A further £65,000 is proposed to continue the funding for the educational service and to provide a new post of business development officer at the Museum. The Committee should note that the arrangement under which the Council shares the Museum Manager with Tunbridge Wells Borough Council comes to an end this year and resources have already been identified to employ a full time Museum manager once the arrangement ends.
- g) **Pay Policy Assessment up to £400,000:** The pay policy statement will be considered by the Employment Committee and presented to Council in March 2016. This is a position statement but is likely to identify a gap between the value of the top point on some pay grades in comparison with the policies objective to match this pay point to the median salary for the public sector in the south east as assessed by the Hay Group. Affordability of any change may be a significant issue for the MTFS and a provisional sum is used in the revised SRP that will provide up to £400,000 over a three year period to resolve the issue identified. This three year provision starts with a £100,000 contribution in 2016/17

Review of Savings Proposals

2.37 The need for savings and efficiencies, as identified by this Committee in July 2015, was an overall saving of £3.7m over the forthcoming five years. This included a need for savings of £1.6m in 2016/17. Considering all of the changes set out in the revised SRP and detailed in this report, there is now a need to identify £4.5m over the period of the MTFS including £1.8m for 2016/17.

- 2.38 Each of the other three service committees have received a report detailing proposals that members and officers have brought forward as savings and efficiencies that are achievable from their respective service budgets. In addition officers and members of this Committee have received a briefing on options that can be brought forward from this Committee's services. The options for this Committee are set out in more detail in **Appendix C** for consideration and approval at this meeting.
- 2.39 **Appendix D** then sets out the combined details submitted by the other service committees and includes the list recommended for approval by this Committee.
- 2.40 In summary the resources available, expected expenditure levels and savings and efficiencies available are set out in the table below for each year of the MTFS:

	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m
Resources (App A)	-34.12	-33.87	-33.84	-33.90	-34.49
Expenditure (App A)	35.87	35.06	34.75	34.47	34.45
Savings (App D)	-1.75	-0.46	-0.42	-0.04	0
Saving still required	0.00	0.73	0.49	0.53	- 0.04

Table 5: Summary strategic revenue projection & Savings still required.

- 2.41 The savings requirement set out above assumes approval to the proposed fees and charges still to be considered by each service committee. In considering the level of increase proposed the service committees will be made aware of the impact of a change in the proposed charges on the MTFS.

New Homes Bonus

- 2.42 Along with the finance settlement, it is expected that the government will also announce the allocation of New Homes Bonus for the forthcoming year. This is the seventh year of the programme and the Council should receive an amount equivalent to last five years' payments plus the new sum specifically for housing growth during the period October 2014 to October 2015. In 2016/17 payment of the first year's sum will no longer be made.
- 2.43 The Chancellor has now confirmed a review of and a consultation on the programme. It remains appropriate to assume that the Council should remain prepared for a change in resources received from this programme.
- 2.44 In previous years Cabinet has considered the future use of NHB and agreed that resources should be set aside to support the Capital Programme. It is assumed that this Committee will confirm that decision and the level of future funding is therefore considered in the Capital Budget Strategy report elsewhere on this agenda.

3. AVAILABLE OPTIONS

- 3.1 The Committee could chose not to make any decision at this time. The final decision needs to be taken in February 2016 in time to recommend a balanced budget and level of council tax to Council for its budget setting meeting on 2 March 2016. At this time information relating to the finance settlement is unavailable and service committees have not given formal consideration to the level of fees and charges they wish to set for 2016/17.
 - 3.2 Accepting that some information is as yet incomplete it is still appropriate to make formal decisions relating to the requests of service committees and the information to provide to parish councils. It is also good practice to remain abreast of developing information and to ensure the plan remains consistent with known information. For these reason a decision at this time is appropriate.
 - 3.3 The Committee could chose not to agree the proposals as set out in this report and agree revised proposals instead. Each factor considered in the report could be varied individually. At this time the report proposes an effective option to reach a balanced budget with a council tax increase that is within the referendum limit. Varying any individual proposal should be done with care to ensure alternatives are proposed that continue to balance the budget for 2016/17.
 - 3.4 The Committee could chose to agree the revised SRP as set out in Appendix A and detailed in this report as its current MTFS plan. This is the recommended option.
-

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 It is recommended that the Committee agree to continue to plan on the basis of the revised SRP set out at Appendix A including the revised resource and expenditure budgets as detailed in the report. These proposals have been submitted by members and officers based on assessed need and will enable a balanced budget to be set for 2016/17, subject to the details of the finance settlement and the approval of the level of increase in fees and charges that has been taken into account in developing the savings and efficiencies.
- 4.2 It is also recommended that the Committee approve the allocation of funding to assist the loss of council tax income by Parish Councils due to the levels of local council tax support discount in each parish, as set out in Appendix B. This will enable better financial planning by Parish Councils in time for the statutory deadline of 31 January 2016 for providing the Council with their precept.
- 4.3 It is recommended that the Committee agrees the savings and efficiencies considered by members of this Committee at the briefing held on 9 October 2015 and set out in detail in Appendix C. The members of this Committee who attended the briefing session have considered and debated these issues and the proposals brought forward are required to set a balanced budget on current information.

4.4 It is recommended that the Committee accepts the proposed savings and efficiencies from all service committees as set out in Appendix D. These savings and efficiencies have been considered and approved by each service committee and represent an ability to set a balanced budget for 2016/17.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 The service committees have considered the Policy and Resources Committee decision in July 2015 and the July SRP. Each committee has responded to this Committee’s request for details of proposed savings and any further budget pressures and their responses have been incorporated into the detail of this report. Together with the proposals set out in Appendix C detailing this committee’s savings and efficiencies the proposals submitted will enable this Committee to recommend a balanced budget to Council, subject to the provisional finance settlement once known.
- 5.2 The service committees will consider the revised SRP at their meetings in January 2016 along with the proposed fees and charges in full detail. Any necessary additional savings and efficiencies required as a consequence of either the provision finance settlement or changes to the fees and charges proposed will require the service committees to identify additional savings in time for consideration by this Committee in February 2016 and Council in March 2016.
- 5.3 The Council is currently consulting on financial issues and the budget as part of the Residents Survey. It is intended that the results of that survey work will be reported to this Committee’s meeting in January 2016

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 The decisions arising from this report will be passed back to each service committee who will receive a report detailed their budget by service along with the growth and savings relevant to their services. This will be for information unless further amendments are required in relation to the outstanding issues set out in this report.
- 6.2 The final decision by this Committee will be at its meeting in February where it will be necessary to agree a balanced budget and a level of council tax to recommend to Council at its budget setting meeting on 2 March 2016.

7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The medium term financial strategy and the budget are a re-statement in financial terms	Head of Finance &

	of the priorities set out in the strategic plan. It reflects the Council's decisions on the allocation of resources to all objectives of the strategic plan.	Resources
Risk Management	<p>Matching resources to priorities in the context of the significant pressure on the Council's resources is a major strategic risk. The MTFS is improved each year to enhance its resilience and effectiveness. The MTFS is considered by Policy & Resources Committee, all service committees, the Audit Governance & Standards Committee and Council.</p> <p>Specific budget savings proposals are identified in the exempt appendix to this report.</p>	Head of Finance & Resources
Financial	<p>The MTFS impacts upon all activities of the Council. The future availability of resources to address specific issues is planned through this process.</p> <p>It is important that the committee is aware of the potential consequences of the remaining predictions for fees and charges income and for the finance settlement. This is not the first year when information like the finance settlement has been provided or amended early in the new year. Variances have occurred in the past but the January schedule of Committee meetings will ensure that any necessary amendments are made before this Committee considers the final estimates in February</p>	Head of Finance & Resources
Staffing	<p>The process of developing the budget strategy identifies the level of resources available for staffing over the medium term.</p> <p>The report considers funding to</p>	Head of Finance & Resources

	ensure that the Council has resources to fund appropriate salaries at all grades.	
Legal	The Council has a statutory obligation to set a balanced budget and development of the savings proposals assists this obligation. Should the Council wish to consider an increase above the currently proposed 1.99% it is likely that it would be required to hold a referendum.	Head of Finance & Resources
Equality Impact Needs Assessment	The objective of the MTFS is to match available resources to the priorities set out in the Strategic Plan.	Head of Finance & Resources
Environmental/Sustainable Development	None identified	Head of Finance & Resources
Community Safety	None identified	Head of Finance & Resources
Human Rights Act	None identified	Head of Finance & Resources
Procurement	None identified	Head of Finance & Resources
Asset Management	Resources for management and maintenance of the Council's assets are included within the proposed budget.	Head of Finance & Resources

8. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix A: Revised Strategic Revenue Projection 2016/17 to 2020/21
- Appendix B: Proposed Distribution of Parish Council LCSD funding for 2016/17
- Appendix C: MTFS Savings Proposals 2016/17 Onwards – Policy & Resources
- Appendix D: MTFS Savings Proposals 2016/17 Onwards – All service committees

9. BACKGROUND PAPERS

None

**BUDGET STRATEGY 2015/16 ONWARDS
REVISED STRATEGIC REVENUE PROJECTION**

2015/16 £,000		2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/20 £,000	2020/21 £,000
AVAILABLE FINANCE						
2,267	REVENUE SUPPORT GRANT	1,463	922	420	0	0
2,959	RETAINED BUSINESS RATES	3,018	3,078	3,140	3,203	3,267
1,176	BUSINESS RATES GROWTH & POOL INCOME	1,186	1,196	1,206	1,216	1,226
302	COLLECTION FUND ADJUSTMENT	169				
13,429	COUNCIL TAX	14,069	14,456	14,855	15,264	15,685
20,133	BUDGET REQUIREMENT	19,905	19,652	19,621	19,683	20,178
14,214	OTHER INCOME	14,214	14,214	14,214	14,214	14,214
34,347	TOTAL RESOURCES AVAILABLE	34,119	33,866	33,835	33,897	34,392
EXPECTED SERVICE SPEND						
33,054	CURRENT SPEND	34,347	34,119	33,866	33,835	33,897
INFLATION INCREASES						
421	PAY AND INFLATION INCREASES	467	481	486	491	496
NATIONAL INITIATIVES						
150	LOSS OF ADMINISTRATION GRANT	100	100	100		
50	PENSION DEFICIT FUNDING	50	83	83	83	
	SINGLE TIER PENSION ARRANGMENTS	350				
LOCAL PRIORITIES						
30	ECONOMIC DEVELOPMENT STAFFING	30				
266	ECONOMIC DEVELOPMENT STRATEGY					
868	BUSINESS SUPPORT PROVISION	10	10	10	10	10
160	HOUSING TEMPORARY ACCOMMODATION	150				
	HOUSING HOMELESSNESS PREVENTION	74	7			
	SHARED PLANNING SUPPORT SERVICE	42	14			
	MK LEGAL SERVICES GROWTH	87				
	MUSEUM SERVICE	25	50	50		
	STAFFING CHANGES	40				
	PAY POLICY	100	200	100		
MINOR INITIATIVES						
	GROWTH PROVISION			50	50	50
34,999	TOTAL PREDICTED REQUIREMENT	35,872	35,064	34,745	34,469	34,453

POLICY RESOURCES COMMITTEE 16 DECEMBER 2015
PARISH COUNCIL ALLOCATION OF LOCAL COUNCIL TAX SUPPORT FUNDING 2016/17

Parish	Local Council Tax Discount (Band D Equivalent)	Band D Charge	Local Council Tax Discount at Band D (=lost precept)	Apportioned Share Of Grant
		£p	£	£
Barming	24.8	23.58	585	400
Bearsted	148.5	27.1	4,024	2,752
Boughton Malherbe	12.1	24	290	198
Boughton Monchelsea	67.9	41.56	2,822	1,930
Boxley	117	25.77	3,015	2,062
Bredhurst	9.9	50.85	503	344
Broomsfield & Kingswood	36.5	79.63	2,906	1,987
Chart Sutton	26.7	50.09	1,337	914
Collier Street	14.4	38.02	547	374
Coxheath	139.4	40.78	5,685	3,887
Detling	33.6	56.14	1,886	1,290
Downswood	49	32.54	1,594	1,090
East Sutton	4.4	44.62	196	134
Farleigh East	49.9	48.75	2,433	1,664
Farleigh West	17.8	74.91	1,333	911
Harrietsham	74.1	55	4,076	2,787
Headcorn	134.1	80.89	10,847	7,417
Hollingbourne	26.8	52.33	1,402	959
Hunton	14	65.04	911	623
Langley	53.1	35.08	1,863	1,274
Leeds	34.3	90.61	3,108	2,125
Lenham	106.9	40.89	4,371	2,989
Linton	14	48	672	459
Loose	69.7	57.66	4,019	2,748
Marden	151.7	63	9,557	6,535
Nettlestead	47.6	45.93	2,186	1,495
Otham	17.8	43.02	766	524
Staplehurst	147.9	54.98	8,132	5,560
Stockbutry	29.8	42.61	1,270	868
Sutton Valence	43	66.41	2,856	1,953
Teston	19.4	68.76	1,334	912
Thurnham	8.8	30.89	272	186
Tovil	171.7	52.94	9,090	6,216
Ulcombe	22.7	51.35	1,166	797
Yalding	99.4	58.32	5,797	3,964
			102,851.0	70,328

**POLICY RESOURCES COMMITTEE
MEDIUM TERM FINANCIAL STRATEGY 2016/17 ONWARDS**

SAVINGS PROPOSALS - MTFS 2016/17 ONWARDS POLICY RESOURCES COMMITTEE

Committee	Head of Service	Proposal	Saving			2016/17 £	2017/18 £	2018/19 £	2019/20 £	2012/21 £	Setup Funding
			Priority	Category	Risk						
Policy & Resources	Structure	Various structure changes	all	3	L	70,000		90,000			
Policy & Resources	Commercial and Economic Development	Enterprise Hub	2	2	L	27,000	20,000	-	-	-	-
Policy & Resources	Finance & Resources	Commercial Rents	2	2	M	46,000	-	90,000	-	-	-
Policy & Resources	Policy & Communications	CSIP Implementation	all	3	M	45,000	45,000	-	-	-	-
Policy & Resources	Policy & Communications	Gateway Rationalisation	all	2	H	50,000	100,000	50,000	-	-	-
Policy & Resources	Revenues & Benefits	Debt Collection	all	2	H	37,000	75,000	38,000	-	-	-
Policy & Resources	Revenues & Benefits	Fraud Partnership	2	1	M	50,000	-	-	10,000	-	-
Policy & Resources	Finance & Resources	Business Rates	2	1	M	505,000	95,000	-	-	-	-
Policy & Resources	Finance & Resources	Contingency	2	1	L	180,000	-	-	-	-	-
						1,010,000	335,000	268,000	10,000	-	-

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¹ Corporate Priorities

Keeping Maidstone Borough an attractive place for all	1
Securing a successful economy for Maidstone Borough	2

² Savings Categories: 1 - Efficiency; 2 - Income; 3 - Service Reconfiguration

**POLICY RESOURCES COMMITTEE
MEDIUM TERM FINANCIAL STRATEGY 2016/17 ONWARDS**

SAVINGS PROPOSALS - MTF5 2016/17 ONWARDS ALL COMMITTEES

Committee	Head of Service	Proposal	Saving			2016/17 £	2017/18 £	2018/19 £	2019/20 £	2012/21 £	Setup Funding
			Priority	Category	Risk						
Various	Fees & Charges	Increased income	all	2	M	123,000					
Various	Structure	Various structure changes	all	3	L	70,000		90,000			
Communities Housing & Environmen	Environment & Public Realm	Weightbridge	2	3	L	-	10,000	-	-	-	20,000
Communities Housing & Environmen	Environment & Public Realm	Street Cleaning Review	1	3	L	50,000	-	-	-	-	-
Heritage, Culture and Leisure	Commercial and Econommic Development	Existing Café managed in-house	1	2	L	50,000	-	-	-	-	50,000
Heritage, Culture and Leisure	Commercial and Econommic Development	Car park charges	2	2	M	98,000	-	-	-	-	80,000
Heritage, Culture and Leisure	Commercial and Econommic Development	Adventure Zone	1	2	M	-	75,000	100,000	39,000	-	to procure
Heritage, Culture and Leisure	Commercial and Econommic Development	Leisure centre PV	1	2	M	37,000	-	-	-	-	230,000
Heritage, Culture and Leisure	Maidstone Culture & Leisure	Reimburse Museum Funding	1	1	M		25,000	50,000			
Policy & Resources	Commercial and Econommic Development	Enterprise Hub	2	2	L	27,000	20,000	-	-	-	-
Policy & Resources	Finance & Resources	Commercial Rents	2	2	M	46,000	-	90,000	-	-	-
Policy & Resources	Policy & Communications	CSIP Implementation	all	3	M	45,000	45,000	-	-	-	-
Policy & Resources	Policy & Communications	Gateway Rationalisation	all	2	H	50,000	100,000	50,000	-	-	-
Policy & Resources	Revenues & Benefits	Debt Collection	all	2	H	37,000	75,000	38,000	-	-	-
Policy & Resources	Revenues & Benefits	Fraud Partnership	2	1	M	50,000	-	-	10,000	-	-
Policy & Resources	Finance & Resources	Business Rates	2	1	M	505,000	95,000	-	-	-	-
Policy & Resources	Finance & Resources	Contingency	2	1	L	180,000	-	-	-	-	-
Strategic Planning Committee	Planning and Development	Increase pre-applications fees	2	2	L	20,000	-	-	-	-	-
Strategic Planning Committee	Finance & Resources	Bus Shelter Income	1	2	L	25,000	-	-	-	-	-
Strategic Planning Committee	Parking Services	Park & Ride	2	3	M	298,000	-	-	-	-	-
Strategic Planning Committee	Planning Income	Increase to cover Shared Service	2	2	L	42,000	14,000				
						1,753,000	459,000	418,000	49,000	-	380,000

¹ **Corporate Priorities**

Keeping Maidstone Borough an attractive place for all	1
Securing a successful economy for Maidstone Borough	2

² **Savings Categories:** 1 - Efficiency; 2 - Income; 3 - Service Reconfiguration

**POLICY & RESOURCES
COMMITTEE**

16 DECEMBER 2015

Is the final decision on the recommendations in this report to be made at this meeting?

Yes

COUNCIL TAX – TAX BASE 2016/17

Final Decision-Maker	Policy & Resources Committee
Lead Head of Service	Head Of Finance & Resources
Lead Officer and Report Author	Head Of Finance & Resources
Classification	Public Report
Wards affected	All

This report makes the following recommendations to this Committee:

That the Committee agrees:

1. Pursuant to this report and in accordance with the Local Authority (Calculation of Council Tax Base) (England) Regulations 2012, that the amount calculated by this Authority as its Council Tax Base for the year 2016/17 will be 58525.4;
2. In accordance with the Local Authority (Calculation of Council Tax Base) (England) Regulations 2012, that the amount calculated by this Authority as the Council Tax Base for each parish area for the year 2016/17 will be as identified in Appendix B to this report.

This report relates to the following corporate priorities:

The tax base is an integral part of the council tax collection process which is a basic financial function of this Authority. It is essential for the efficient funding of all Local Authorities in the area. The income received from Council Tax, within the overall context of the budget process, provides resources for the achievement of all the Council's priorities.

Timetable

Meeting	Date
Policy & Resources Committee	16 December 2015

COUNCIL TAX – TAX BASE 2016/17

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report advises Members of the information available on the tax base as at 17 October 2015 for Council Tax purposes. It identifies potential changes to that tax base that can be expected in the forthcoming year and recommends the tax base for 2016/17.
-

2. INTRODUCTION AND BACKGROUND

- 2.1 In accordance with the statutory timetable a decision on the tax base must be made between 1st December and 31st January each financial year.
- 2.2 The basis of the calculation of the tax base is the valuation information received from the Valuation Office as at 8 September 2015 and the latest information on exemptions and discounts available as at 17 October 2015. This information has been collated for the whole of the Borough area and for individual Parish areas. Information for the whole area has been supplied to the Government for their use in the monitoring of:
- The Local Council Tax Support Scheme;
 - This Council's needs baseline, which was fixed by Central Government in 2013/14 as part of the new system of retained business rates; and
 - Property changes that will be used to calculate the Council's New Homes Bonus award next year.
- 2.3 The tax base figure supplied to Central Government is given at **Appendix A**. This shows a net tax base of 58740.7 as at 17 October 2015. Starting from this figure an estimate of the tax base for 2016/17 can be made by considering movements that may occur in the factors that influence the tax base over the forthcoming year.
- 2.4 It is necessary that a realistic assessment is made of the potential changes to the tax base for 2016/17 as an under or over recovery of Council Tax income will affect this Authority's cash flow. If the tax base is overestimated, there will inevitably be a deficit on the Collection Fund which will need to be recovered through the Council Tax in the following financial year. In addition, during the course of the year, the borrowing necessary to cover the under recovery of the tax would need to be paid for by this Authority. If the tax base is underestimated there will be a surplus on the collection fund because the Council will have asked tax payers to contribute more than necessary in this financial year. The surplus would then be used to reduce the need for resources in the following year.
- 2.5 It is also necessary at this time to provide the Parish Councils, which set a precept, with the element of the tax base of the borough that equates to

their area. Attached at **Appendix B** to this report is the detail of the calculation of the tax base for each parish.

3. AVAILABLE OPTIONS

Option 1

- 3.1 An assessment of the information held by both the Revenues Service and the Planning Service suggests that between October 2015 and March 2017 a total of 710 properties will be added to the council tax records. Distributing this sum evenly over the period and taking the average, to identify the effect on the tax base for 2016/17, the result suggests an increase of 417.6 band D equivalent properties. Adjusting this figure for the current levels of discount and other allowances suggests a net tax base increase of 375.9.
- 3.2 This figure is significantly lower than the 710 new properties identified because they will not all be band D properties, they will not all start to pay Council Tax at the beginning of the year and some will receive the discounts and allowances that are part of the system.
- 3.3 Finally the revised total tax base must be adjusted to allow for non-collection for which the Council currently targets 1% of total debt.
- 3.4 The calculation is set out in the table below:

Tax Base as Appendix A	58740.7
New properties (Avg: by band D & time)	417.6
Adjustment for potential allowances	-41.7
Non-collection allowance (1% of above)	-591.2
Proposed Tax Base	58525.4

Table 1: Summary of proposed tax base calculation 2016/17

- 3.5 Appendix B to this report provides details of the tax base for each parish based on an identical calculation.

Option 2

- 3.6 It would be possible to vary some of the factors set out above. The exception is the figure from Appendix A as this is reconciled to the District Valuers' records and has been reported to central government. The other figures given above are current known data and though they could rise or fall during the year they are based on accurate knowledge.
- 3.7 The risk of making an inaccurate calculation are set out in paragraph 2.4 above and the data used in calculating option 1 is accurate and evidenced any variation the committee may wish to make should be similarly evidence based.

Option 3

3.8 The do nothing option is not available to the Council as it is statutorily obliged to set a tax base after 1 December each year.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

4.1 The recommended option is Option 1 above as this calculation is based on current known data and collection rates.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

5.1 No consultation is necessary on this specific issue but consultation has occurred with the public and with service committees on the wider issues relating to the budget and council tax for 2016/17.

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

6.1 The tax bases approved as part of this decision will be provided, as appropriate, to relevant preceptors.

6.2 The Council will use this tax base in setting its 2016/17 budget on 2 March 2016.

7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	<p>The tax base is an integral part of the Council Tax collection process which is a basic financial function of this Authority. It is essential for the efficient funding of all Local Authorities in the area.</p> <p>The income received from Council Tax, within the overall context of the budget process, provides resources for the achievement of all the Council's priorities.</p>	Head of Finance & Resources
Risk Management	<p>The major risk relates to an over optimistic estimate of the tax base, as this would lead to cash flow problems during the</p>	Head of Finance & Resources

	<p>year. As a direct consequence this would reduce investment income.</p> <p>An over pessimistic estimate would lead to increased balances on the Collection Fund. When fed into the overall budget process this can produce yearly variations which need to be managed as part of the Budget Strategy and place unnecessary burdens on tax payers in advance of need.</p>	
Financial	<p>The setting of the tax base is an essential part of the budget process and is required by legislation. Any increase in the tax base effectively means that the cost of services provided by this Authority and others in the area is being spread over more Council Tax payers and would effectively reduce the Council Tax burden on any individual tax payer. This relationship however must be realistic in that any underachievement on the collection of Council Tax will result in cash flow problems for this Authority and a loss of investment income.</p>	Head of Finance & Resources
Staffing	None identified	Head of Finance & Resources
Legal	<p>Setting the tax base is a statutory obligation of this Council and is calculated under the provisions of the Local Authority (Calculation of Council Tax Base) (England) Regulations 2012.</p>	Head of Finance & Resources
Equality Impact Needs Assessment	<p>The council tax system includes discounts and allowances that ensure that any impact arising from changes is minimised.</p>	Head of Finance & Resources
Environmental/Sustainable Development	None identified	Head of Finance & Resources

Community Safety	None identified	Head of Finance & Resources
Human Rights Act	None identified	Head of Finance & Resources
Procurement	None identified	Head of Finance & Resources
Asset Management	None identified.	Head of Finance & Resources

8. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix A – Calculation of Council Tax Base 2016/17 (CTB1 Return)
- Appendix B – Calculation of Individual Parish Tax Bases 2016/17

9. BACKGROUND PAPERS

None

CTB(October 2014)

Calculation of Council Tax Base

Please e-mail to : ctb.statistics@communities.gsi.gov.uk
Please enter your details after checking that you have selected the correct local authority name

Ver 1.0

Please select your local authority's name from this list

Lincoln
Liverpool
Luton
Maidstone
Maldon
Malvern Hills
Manchester

Check that this is your authority : **Maidstone**
E-code : **E2237**
Local authority contact name : Sheila Coburn
Local authority telephone number : 01622 602093
Local authority fax number : 01622 602974
Local authority e-mail address : sheila.coburn@tunbridgewells.gov.uk

CTB(October 2014) form for Maidstone

Completed forms should be received by DCLG by Friday 17 October 2014

Dwellings shown on the Valuation List for the authority on Monday 8 September 2014	Band A entitled to disabled relief reduction									TOTAL COLUMN 10
	COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4	COLUMN 5	COLUMN 6	COLUMN 7	COLUMN 8	COLUMN 9	
Part 1										
1. Total number of dwellings on the Valuation List		4,161	8,576	18,471	17,831	9,236	5,238	3,861	347	67,721
2. Number of dwellings on valuation list exempt on 6 October 2014 (Class B & D to W exemptions)		243	114	372	174	94	43	17	1	1,058
3. Number of demolished dwellings and dwellings outside area of authority on 6 October 2014 (please see notes)		0	0	0	0	1	0	0	0	1
4. Number of chargeable dwellings on 6 October 2014 (treating demolished dwellings etc as exempt) (lines 1-2-3)		3,918	8,462	18,099	17,657	9,141	5,195	3,844	346	66,662
5. Number of chargeable dwellings in line 4 subject to disabled reduction on 6 October 2014		1	15	38	82	62	30	29	16	273
6. Number of dwellings effectively subject to council tax for this band by virtue of disabled relief (line 5 after reduction)	1	15	38	82	62	30	29	16		272
7. Number of chargeable dwellings adjusted in accordance with lines 5 and 6 (lines 4-5+6 or in the case of column 1, line 6)	1	3,932	8,485	18,143	17,637	9,109	5,194	3,831	330	66,661
8. Number of dwellings in line 7 entitled to a single adult household 25% discount on 6 October 2014	1	2,403	4,033	6,131	4,731	1,818	794	448	33	20,392
9. Number of dwellings in line 7 entitled to a 25% discount on 6 October 2014 due to all but one resident being disregarded for council tax purposes		16	93	210	190	84	36	33	2	664
10. Number of dwellings in line 7 entitled to a 50% discount on 6 October 2014 due to all residents being disregarded for council tax purposes		1	6	12	20	5	10	21	13	88
11. Number of dwellings in line 7 classed as second homes on 6 October 2014		22	17	30	33	10	17	20	6	155
12. Number of dwellings in line 7 classed as empty and receiving a zero% discount on 6 October 2014		45	79	112	98	44	20	16	2	416
13. Number of dwellings in line 7 classed as empty and receiving a discount on 6 October 2014 and not shown in line 12.		11	16	48	40	21	10	9	1	156
14. Number of dwellings in line 7 classed as empty and being charged the Empty Homes Premium on 6 October 2014.		13	21	21	20	12	12	4	3	106
15. Total number of dwellings in line 7 classed as empty on 6 October 2014 (lines 12, 13 & 14).		69	116	181	158	77	42	29	6	678
16. Number of dwellings that are classed as empty on 6 October 2014 and have been for more than 6 months. NB These properties should have already been included in line 15 above.		30	60	72	69	47	29	21	5	333
16a. The number of dwellings included in line 16 above which are empty on 6 October 2014 because of the flooding that occurred between 1 December 2013 and 31 March 2014 and are only empty because of the flooding.		0	0	0	0	0	0	0	0	0
17. Number of dwellings that are classed as empty on 6 October 2014 and have been for more than 6 months and fall to be treated under empty homes discount class D (formerly Class A exemptions). NB These properties should have already been included in line 16 above. Do NOT include any dwellings included in line 16A above.		2	4	12	12	8	4	6	0	48
18 Line 16 - line 16a - line 17. This is the equivalent of line 16c on the CTB(October 2013) and will be used in the calculation of the New Homes Bonus.		28	56	60	57	39	25	15	5	285
19. Number of dwellings in line 7 where there is liability to pay 100% council tax	0	1,488	4,316	11,718	12,633	7,169	4,332	3,316	278	45,250
20. Number of dwellings in line 7 that are assumed to be subject to a discount or a premium	1	2,444	4,169	6,425	5,004	1,940	862	515	52	21,412
21. Number of dwellings equivalents after applying discounts and premiums to calculate taxbase	0.8	3,322.3	31,445.0	16,512.8	16,365.3	8,616.0	4,977.5	3,693.3	315.3	61,248.00

CTB(October 2014)

Calculation of Council Tax Base

Please e-mail to : ctb.statistics@communities.gsi.gov.uk

Please enter your details after checking that you have selected the correct local authority name

Ver 1.0

22. Reduction in taxbase as a result of the Family Annex discount	0.00	7.38	2.25	1.50	1.50	0.00	0.00	0.00	0.00	12.6
23. Ratio to band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
24. Total number of band D equivalents (to 1 decimal place) ((line 21 - line 22) x line 23)	0.4	2,209.9	5,788.8	14,676.7	16,363.8	10,530.7	7,189.7	6,155.4	630.5	63,545.9
25. Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2013-14 (to 1 decimal place)										219.8
26. Tax base (to 1 decimal place) (line 24 col 10 + line 25)										63,765.7

Part 2

27. Number of dwellings equivalents after applying discounts and premiums to calculate taxbase	0.75	3,322.25	7,445.00	16,512.75	16,365.25	8,616.00	4,977.50	3,693.25	315.25	61,248
28. Reduction in taxbase as a result of the Family Annex discount	0.00	7.38	2.25	1.50	1.50	0.00	0.00	0.00	0.00	12.63
29.Reduction in taxbase as a result of local council tax support	0.40	673.80	1,334.00	2,038.80	1,048.10	334.80	126.00	48.30	3.00	5,607.20
30. Ratio to band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
31. Total number of band D equivalents after allowance for council tax support (to 1 decimal place) ((line 27 - line 28 - line 29) x line 30)	0.2	1,760.7	4,751.3	12,864.4	15,315.7	10,121.5	7,007.7	6,074.9	624.5	58,520.9
32. Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2013-14 (to 1 decimal place)										219.8
33. Tax base after allowance for council tax support (to 1 decimal place) (line 30 col 10 + line 31)										58,740.7

Certificate of Chief Financial Officer

I certify that the information provided on this form is based on the dwellings shown in the Valuation List for my authority on 8 September 2014 and that it accurately reflects information available to me about exemptions, demolished dwellings, disabled relief, discounts and premiums applicable on 6 October 2014 and, where appropriate, has been completed in a manner consistent with the form for 2013.

Chief Financial Officer : Date :

Ver 1.0

Local authority contact name : Sheila Coburn
 Local authority telephone number : 01622 602093
 Local authority fax number : 01622 602974
 Local authority e-mail address sheila.coburn@tunbridgewells.gov.uk

Now open the sheet called Validation to see if there are any inconsistencies in your form

POLICY RESOURCES COMMITTEE
TAX BASE CALCULATION FOR PRECEPTING PARISH COUNCILS 2016/17

Parish	Total	Adjustment net changes	Non Collection	Net Tax Base
Barming	737.4	1.9	5.5	733.8
Bearsted	3,617.1	2.5	27.1	3,592.5
Bicknor	42.8		0.3	42.5
Boughton Malherbe	219.3		1.6	217.7
Boughton Monchelsea	1,259.1	39.2	9.7	1,288.6
Boxley	3,853.6	3.1	28.9	3,827.8
Bredhurst	177.8	0.6	1.3	177.1
Broomsfield & Kingswood	706.9	0.5	5.3	702.1
Chart Sutton	414.4		3.1	411.3
Collier Street	356.7	1.8	2.7	355.8
Coxheath	1,515.0	5.0	11.4	1,508.6
Detling	369.3	2.0	2.8	368.5
Downswood	836.1	0.4	6.3	830.2
East Sutton	143.3		1.1	142.2
Farleigh East	664.3	0.3	5.0	659.6
Farleigh West	216.2	1.0	1.6	215.6
Fringsted	74.2		0.6	73.6
Harrietsham	1,018.9	9.0	7.7	1,020.2
Headcorn	1,496.3	2.7	11.2	1,487.8
Hollingbourne	444.1	2.0	3.3	442.8
Hucking	32.6		0.2	32.4
Hunton	313.6	0.8	2.4	312.0
Langley	497.0	1.0	3.7	494.3
Leeds	333.6	2.6	2.5	333.7
Lenham	1,403.6	6.7	10.6	1,399.7
Linton	313.6	0.3	2.4	311.5
Loose	1,094.3	0.7	8.2	1,086.8
Marden	1,552.6	29.1	11.9	1,569.8
Nettlestead	323.3		2.4	320.9
Otham	216.1	29.0	1.8	243.3
Otterden	89.7		0.7	89.0
Staplehurst	2,300.8	20.1	17.4	2,303.5
Stockbutry	324.3		2.4	321.9
Sutton Valence	656.5	1.8	4.9	653.4
Teston	313.6	0.5	2.4	311.7
Thurnham	547.9	3.4	4.1	547.2
Tovil	1,308.2	11.7	9.9	1,310.0
Ulcombe	384.7	0.3	2.9	382.1
Wichling	58.0		0.4	57.6
Wormshill	101.1		0.8	100.3
Yalding	966.4	1.7	7.3	960.8
	31,294.3	181.7	235.8	31,240.2

Agenda Item 13

POLICY AND RESOURCES COMMITTEE

16 December 2015

Is the final decision on the recommendations in this report to be made at this meeting?

Yes

Projected Collection Fund Adjustment Account 2015/16

Final Decision-Maker	Policy and Resources Committee
Lead Head of Service	Paul Riley, Head of Finance & Resources
Lead Officer and Report Author	Report prepared by Janette Gill, Interim Chief Accountant
Is this a key decision report	Yes
Classification	Public
Wards affected	N/A

This report makes the following recommendations to this Committee:

1. That the Policy and Resources Committee agrees the Council Tax projection of £1.017m (Maidstone share £0.169m) as detailed in this report and as a result agree the distribution of the surplus set out in paragraph 3.7.
2. That the Policy and Resources Committee also agrees the Business Rate projection of £0.681m (Maidstone share of £0.272m) as detailed in this report and as a result agrees the distribution of the surplus set out in paragraph 3.13.

This report relates to the following corporate priority:

- The council is committed to delivery of Value for Money services and securing a successful economy for Maidstone Borough Council

Timetable

Meeting	Date
Policy and Resources Committee	16 December 2015

Projected Collection Fund Adjustment Account 2015/16

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report details the projected balance on the Collection Fund as at 31 March 2016 from Council Tax Collection and Business Rate Retention. The distribution of balances to precepting authorities is an important part of their budget calculation and enables the Council to make informed decisions about the anticipated year end position before the year end at 31st March 2016.

2. INTRODUCTION AND BACKGROUND

- 2.1 The projected Collection Fund adjustment account 2015/16 report gives an estimated year end balance as at 31st March 2016 of the Collection Fund balances for Council Tax Collection and Business Rates in the appropriate share for the Billing Authority and its Preceptors of which the Policy and Resources Committee agrees the distribution as set out below:

Preceptor	£
Maidstone Borough Council	168,706
Kent County Council	706,959
Kent Police Authority	95,387
Kent and Medway Towns Fire Authority	45,863
Total projected Surplus/share as at 31 March 2016	1,016,915

Table 1 – Council Tax

Preceptor	£
Central Government (50%)	340,493
Maidstone Borough Council (40%)	272,394
Kent County Council (9%)	61,289
Kent and Medway Towns Fire Authority (1%)	6,810
Total projected Surplus/share as at 31 March 2016	680,986

Table 2 – Business Rates

3. REASONS FOR RECOMMENDATIONS

- 3.1 Members will be aware that this Council is required to maintain a Collection Fund which accounts for all local tax payments for Council tax and Business Rates. The income into the fund is used to pay precepts to Kent County Council, Kent Fire Authority, Kent Police (Council Tax only), Central Government (Business Rates only) and the equivalent requirement of this Council which includes the local Parish Precepts.

3.2 For proper maintenance of the Collection Fund, it is necessary to assess, on an annual basis, the projected balance as at 31 March of each year. Any balance, either positive or negative, must be taken into account in the following financial year. Under the Statutory arrangements for the Collection Fund, the balance remaining does not become a credit or charge on this Council but requires it to be distributed proportionately across the preceptors.

Council Tax

3.3 The latest estimated financial position regarding the Council Tax for 2015/16 is projected as at 31st March 2016 in **Appendix A**. This appendix details the precepts and demands on the Fund totalling £89,333,786.

3.4 **Appendix A** also details the latest position regarding the Council Tax Billing, incorporating exemptions and discounts. Total income is now forecasted to be £86,634,058; therefore a surplus of £300,272 is anticipated for the end of 2015/16 financial year. The Collection Fund regularly produces a surplus due to the continuing increase in properties on the valuation list.

3.5 The actual council tax surplus as at 31 March 2015 was £2,542,677. The predicted outturn at this time last year was £1,826,034 and this value was taken into account when setting the Council tax in 2014/15. During 2014/15, there was increased uncertainty around the predictions used in relation to the local council tax support scheme that replaced council tax benefit from 1 April 2013. The level of demand for support through the scheme was lower than predicted, which had a positive impact on the surplus at 31 March 2015. This was at a similar position to the 2013/14 Collection Fund surplus in that a lower take up of discounts resulted in increased net collectable income from Council tax. This resulted in a balance of £716,643 resulting from an under distribution in the year.

3.6 For 2015/16 it is estimated that there will be a net surplus on the Collection Fund of £1,016,915. This is reflected in **Appendix A**.

3.7 In line with the Local Government Finance Act 1999, it is necessary to declare the distribution of any surplus or deficit on the Collection Fund and for this reason it is recommended that the surplus be distributed as set out in the table below. This apportions the surplus in line with the Preceptors' share of the Council Tax as set out in **Appendix A**.

Preceptor	£
Maidstone Borough Council	168,706
Kent County Council	706,959
Kent Police Authority	95,387
Kent and Medway Towns Fire Authority	45,863
Total projected Surplus/share as at 31 March 2016	1,016,915

3.8 **Business Rates**

- 3.9 The Committee will be aware that all Authorities are in the third year of the Business Rate Retention scheme which came into force on the 1 April 2013. The National Pool has no longer been applicable since that date and the scheme will allow Authorities to retain a proportion of Business Rate income after payment to Central Government for levies and tariffs (or top-ups for non-tariff Authorities). The distribution is for a fixed percentage to be distributed between the Billing Authority (Maidstone share 40%), Central Government (50% share) and other preceptors such as Kent County Council (9% share) and Kent and Medway Towns Fire Authority (1% share).
- 3.10 Precepts for Business Rates are determined prior to the start of the financial year based on the NNDR 1 Return (Estimated Business Rates Return) submitted to Central Government and in the agreed percentages as per paragraph 3.9. Variations between the NNDR 1 estimates and the NNDR 3 Return (Actual Business Rates Return) are then distributed in the following two financial years (between Estimates in the following year and actuals in the subsequent year).
- 3.11 The latest estimate for Business Rates for 2015/16 is projected to 31st March 2015 as outlined in Appendix B. At the end of 2015/16 the Business Rate element of the Collection Fund is estimated to have a surplus of £139,316 to be distributed to preceptors the following year.
- 3.12 The actual outturn, as at 31 March 2015, produced a surplus of £612,939. The predicted outturn in January 2015 was a surplus of £71,089. Therefore there is a balance of £541,850 to be shared between the preceptors' shares outlined in paragraph 3.9. The surplus in 2014/15 arose due to the position with the 'Losses on Appeals' provision which resulted in an increase in provision matched by a utilisation of the 2013/14 provision, with the one off hit to the Collection Fund which occurred in the first year of the Business Rate Retention scheme in 2013/14.
- 3.13 The total balance on the Collection Fund for business rates was £680,696 and will be distributed to preceptors as set out in the table below, by applying the central and local share percentages as set out by Central Government as per paragraph 3.9

Preceptor	£
Central Government (50%)	340,493
Maidstone Borough Council (40%)	272,394
Kent County Council (9%)	61,289
Kent and Medway Towns Fire Authority (1%)	6,810
Total projected Surplus/share as at 31 March 2016	680,986

3.14 Since the beginning of the new system the government has issued a number of business rate incentives to encourage growth and assist, in particular small businesses with a rate relief and also limiting business rate increases to a capped rate increase of 2%. Other reliefs and exemptions offer alternative incentives to businesses such as retail relief and charitable reliefs, for example. These have a direct impact on the collection fund by reducing the value of business rates collected. The Council is reimbursed through other grants such as the Section 31 Grant. These do not affect the Collection Fund. For this reason the distribution above does not reflect the details set out in the Medium Term Financial Strategy which accounts for these factors as well as the Kent Business Rate pool which was set up as a shelter against the volatility of the scheme and to improve value for money by working jointly with other Kent Authorities.

Alternative Action and why not Recommended

3.15 It is a statutory requirement that any adjustment be calculated annually and that the Policy and Resources Committee cannot choose to ignore this decision.

3.16 This Committee could vary the figures using the estimate provided within the appendices. However, these are based on data from the revenues system, projections developed from past experience and known factors. They are considered to represent a reasonable estimate of the situation.

3.17 Should this Committee choose to vary the data and distribute a different surplus or deficit, this could have an impact on the balance on the Collection Fund and the Council’s cash flows.

3.18 The distribution of the surplus will mean that the 2016/17 budget will benefit from the receipt of this Council’s share of surplus of £441,100 on the Collection Fund, split between Council Tax and Business Rates as follows:

Maidstone Borough Council share of collection Fund surplus 2015/16	£
Council Tax	272,394
Business Rates	168,706
Total	441,100

4. CROSS-CUTTING ISSUES AND IMPLICATIONS

The implications arising from this report are in the following table:

Issue	Implications	Sign-off
Impact on Corporate Priorities	The Council is committed to delivery of value for money services.	Head of Finance & Resources
Risk Management	The calculation of the balance on the Collection Fund at 31 March 2016 could be incorrect and a significant deficit could arise. This would be recouped from the various preceptors and the Council in 2016/17. During the interim period, the deficit would also affect the Council's cash flow. Monthly monitoring of collection rates and growth seen in the tax base over recent years help the Council to mitigate this risk.	Head of Finance & Resources
Financial	The results of this decision affect the overall budget strategy process and therefore the pressure on the council tax requirement in creating a balanced budget.	Head of Finance & Resources

5. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix A: Council Tax projection to 31 March 2016
- Appendix B: Business Rates projection to 31 March 2016

6. BACKGROUND PAPERS

None

APPENDIX A

**MAIDSTONE BOROUGH COUNCIL
POLICY AND RESOURCES COMMITTEE**

COLLECTION FUND 2015/16 - COUNCIL TAX ADJUSTMENT

	£	Share %
<u>DEMANDS ON THE FUND</u>		
Maidstone Borough Council budget requirement	14,823,367	16.59%
Kent County Council	62,101,417	69.52%
Kent Police Authority	8,383,768	9.38%
Kent and Medway Towns Fire Authority	4,025,234	4.51%
<u>Council Tax requirement</u>	<u>89,333,786</u>	<u>1.00</u>

DEBIT RAISED

Charges raised	108,696,096
Less Disabled Relief	71,629
Discounts	16,622,639
Exemptions	1,483,628
	<u>90,518,200</u>
Less Provision for bad and doubtful debts	884,142
Projected Council Tax Income	<u>89,634,058</u>

Projected surplus for the year **300,272**

UTILISATION OF FUND BALANCE

	<u>£</u>
Actual Surplus at 31 March 2015	2,542,677
Less anticipated surplus (2014-15 Estimate)	1,826,034
	<u>716,643</u>
Add Projected Surplus 2015-16	300,272
	<u>—</u>
<u>Projected Surplus at 31 March 2016</u>	<u>1,016,915</u>

APPENDIX B**MAIDSTONE BOROUGH COUNCIL
POLICY AND RESOURCES COMMITTEE****ESTIMATED BUSINESS RATES INCOME 2015/16**

	£
Central Government	29,262,538
Maidstone Borough Council	23,410,030
Kent County Council	5,267,257
Kent Fire Authority	585,251
Total	<u>58,525,075</u>

ESTIMATED SURPLUS/(DEFICIT) AT 31 MARCH 2016

	£
Opening balance (at 31/3/15)	612,939
Gross rates payable in respect of 2015/16	67,863,614
Transitional relief	0
Transitional protection	26,520
Mandatory reliefs	-8,280,620
Discretionary reliefs	-1,143,241
- Total charges	-58,940,076
Projected surplus for the year	<u>139,136</u>

<u>Utilisation of fund balance</u>	£
Actual surplus at 31 March 2015	612,939
Less anticipated surplus - (2014/15 Estimate)	71,089
	<u>541,850</u>
Add Projected Surplus/deficit 2015/16	139,136
Projected Surplus at 31 March 2016	<u>680,986</u>

<u>Distribution</u>	£	%
Central Government	340,493	50
Maidstone Borough Council	272,394	40
Kent County Council	61,289	9
Kent Fire Authority	6,810	1
Total	<u>680,986</u>	<u>100</u>

Agenda Item 15

Policy & Resources

16 December 2015

Is the final decision on the recommendations in this report to be made at this meeting?

Yes

Maidstone Town Centre Strategic Development Plan 2015-2020

Final Decision-Maker	Policy & Resources Committee
Lead Head of Service	Director of Planning and Regeneration
Lead Officer and Report Author	Head of Commercial and Economic Development – Dawn Hudd
Classification	Public
Wards affected	High Street, Bridge, North, East and Fant

This report makes the following recommendations to this Committee:

1. Note the contents of this report.
2. Approve the formation of a Town Centre Strategic Board.
3. Nominate the Chair of Policy & Resources as a member of the Town Centre Strategic Board.
4. Agree the draft 5 year investment and action plan.

This report relates to the following corporate priorities

- Keeping Maidstone Borough an attractive place for all
 - Enhancing the appeal of the town centre for everyone
 - Providing a safe and clean environment
- Securing a successful economy for Maidstone Borough
 - Promoting a range of employment opportunities and skills required across the Borough
 - Planning for sufficient homes to meet our borough's needs
 - Securing improvements to the transport infrastructure for our Borough

Timetable

Meeting	Date
Policy & Resources Committee	16 December 2015

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to set out a vision, plan and programme of projects to develop, improve and enhance Maidstone Town Centre in line with the Council's approved policies and emerging aspirations. This includes the emerging Local Plan, Economic Development Strategy, Housing Strategy and Destination Management Plan and will also reflect our rich culture and heritage.
- 1.2 We will outline a 5 year plan to ensure that the County Town achieves its full potential as the fastest growing, most dynamic urban centre in Kent with a high quality environment and unique heritage appeal.
- 1.3 Through this plan we will place the emphasis on growth and dynamism and will specifically aim to:
- Enhance the retail, leisure and business offer.
 - Facilitate increased private sector investment in development projects and unblock stalled schemes.
 - Attract new occupiers and stimulate enterprise growth.
 - Exploit our heritage and cultural assets and ensure that the town centre fulfils its potential as a cultural focus for residents and visitors.
 - Improve transport and connectivity, emphasising sustainable modes and create new transport hubs.
 - Make the town centre a walking centre with better legibility.
 - Build and where appropriate convert offices to create more homes.
 - Raise the quality of the built environment and public realm.
 - Encourage more visitors and create a sense of welcome.
 - Enhance the quality of the twilight and evening economy.
 - Consider introducing and encouraging Smart High Street technologies.
- 1.4 By securing support for and promoting this vision we will improve clarity and certainty for investors and strengthen public/private sector partnerships in order to support its delivery, unlock third party investment, bring forward sites and attract external funding and inward investment.
- 1.5 Two further reports are being presented to the Policy and Resources Committee outlining the opportunities for the Council to be involved in and drive the redevelopment of Maidstone East and The Mall. These projects are both key to the delivery of the Town Centre Strategic Plan.

2. INTRODUCTION AND BACKGROUND

- 2.1 The County Town of Kent is on the cusp of a significant renaissance. Over the next five years Maidstone will see major new commercial development,

transport improvements and additional high quality retail and leisure investment.

- 2.2 The Local Plan (2000) identified Maidstone town centre as one of the largest and most important shopping centres in mid-Kent. Following the opening of Fremlin Walk in 2007 Maidstone centre rose to 33rd in the Venuescore National Hierarchy of shopping Centres. This fell to 51st in 2010 and 52nd in 2013. The new Draft Local Plan sets out an objective for Maidstone Town centre to be a first class traditional town centre that will enable Maidstone to retain its role in the retail hierarchy of Kent.
- 2.3 Recent Savills' research on the Top 25 Retail locations in the UK by rental value growth over the next three years placed Maidstone 20th and the Property Week report by location specialist CACI which identified the "Hot 100 Retail Locations" measuring the towns that have the greatest capacity to support mass-market retail brands, placed Maidstone 41st, the highest position of any of the Kent towns.
- 2.4 The Council's Economic Development Strategy 2015-2031 (EDS), sets out priority actions one of which is 'Enhancing Maidstone town centre - We will promote the regeneration of Maidstone town centre as a high quality retail and leisure destination, and as a place to live and work.'
- 2.5 The analysis of the local office market carried out by GVA (Qualitative Employment Site Assessment 2015), draws a distinction between the town centre office market and the market for locations further afield. In general terms businesses favouring town centre premises may particularly value the good public transport links that it offers compared with more peripheral locations. Certain types of firms, lawyers, accountants and recruitment consultants for example, require an accessible 'front door' location for visiting clients. Maidstone town centre has a significant supply of older, poorer quality office stock with significant levels of vacant floorspace predominantly within the large scale older stock pepper-potted across the town centre. The GVA work concludes that in the order of 25,000sqm (from a total 218,000sqm) of this poorer quality stock could be lost borough-wide without long term detriment to the economy. Indeed, a net loss of office space in the town centre is actively needed to help rebalance the market.
- 2.6 A proportion of office floorspace is being converted to residential use under the Prior Notification arrangements whilst other landowners have Prior Notification consent but have not implemented the permission. The Prior Notification regime was originally introduced for a temporary 3 year period but is now to be permanent. The Local Plan allocates land at Mote Road for new office floorspace which would help the supply of new, grade A stock in the town centre. Wider environmental and transport improvements will also help to secure the attractiveness of the town centre as an office-based business destination.
- 2.7 Earlier this year Bilfinger and GVA were commissioned to carry out a piece of work to provide a robust platform from which major change within the town centre can be delivered. It was identified that the work should advance the ability to deliver change within the town centre rather than simply plan for it. See section 4 below.

- 2.8 Maidstone's emerging Draft Local Plan identifies major opportunity areas and gives confidence in the capacity of the town centre to attract more commercial, retail, residential and leisure development. Officers are talking to potential new occupiers attracted by Maidstone's strategic location and improving investment proposition. We are working with land and building owners to secure the regeneration of run-down buildings and sites such as Wren's Cross, for new commercial and residential uses.
- 2.9 Maidstone is in the premier league for heritage assets; similar towns include Chester and Worcester. In a recently commissioned positioning report on Maidstone's culture and heritage it was recognised that despite the presence of significant cultural and heritage assets such as the Hazlitt Theatre and the Maidstone Museum, the town centre tends to hide its cultural and heritage strengths and overly-dominant vehicular traffic flows prevent linkages with the attractive river frontage. There are no less than 5 separate conservation areas within the town centre boundary – Chillington House, Holy Trinity, Ashford Road, All Saints and the Town Centre conservation areas - a reflection of the special architectural and historic quality of the area. Much has been achieved over the past five years in improving the quality of the public realm around Jubilee Square, Remembrance Square and Brenchley Gardens.
- 2.10 Work undertaken on the Destination Management Plan, the study tour with the Royal Society of Arts and feedback from Councillors and stakeholders, highlights the need for the general look and feel of the town centre to be further improved to create a proper sense of welcome. Issues raised include poor lighting in some areas, poor wayfinding, clutter and some difficult to clean/intransigent litter hotspots. A further step change is therefore required to improve the quality of the environment further.
- 2.11 Keep Britain Tidy independent surveys in 2015 have shown Maidstone Borough is already performing better than regional and national comparators in terms of litter and detritus.
-

3. CHALLENGES

3.1 Competition

- 3.1.1 Maidstone's main retail competitors are Bluewater, Ashford, Bromley, Chatham, Dartford and Tunbridge Wells. This pressure will increase as both Bluewater and Ashford Designer Outlet have major growth plans.
- 3.1.2 Out of town shopping developments and on-line shopping will put pressure on the town centre and we need to have a clear strategy in place to ensure we improve and maintain our position in the retail hierarchy tables.

3.2 Office Accommodation

- 3.2.1 The introduction of permitted development rights to convert office to residential has seen over 50 notifications received by MBC across the whole Borough. This has reduced the available office stock and has seen a number of businesses displaced, especially in the serviced office accommodation market and some consolidation where space that has been empty for long periods is now occupied.
- 3.2.2 An assessment of the type of occupiers interested in town centre locations needs to be undertaken to establish a position for Maidstone town centre in the office market to enable us to attract appropriate inward investors and start-ups and local businesses looking to establish a base in the town centre.

3.3 Street scene

- 3.3.1 There are a number of Borough wide strategic issues that impact on the town centre such as public toilets, bins and increased use of mobile technology. These will be dealt with via various reports in the forthcoming months to Community, Housing and Environment Committee.
- 3.3.2 The following issues need careful consideration in creating a welcoming environment to enable enjoyable visits to our town centre:
- "A" Boards –agree a proportionate joint enforcement policy with partners.
 - Clutter –eradicate street furniture with no aesthetic or essential value to the Street Scene; ensuring MBC street furniture remains consistent with our existing street design policy style and future public realm development.
 - Lighting –identify potential street lighting improvements that would enhance the appeal of more streets and car parks within the existing town centre.
 - Street Cleanliness – ensuring new public realm designs are compatible with cleansing best practices; attempting to secure new private funding for some additional targeted street-cleaning operations; continuing to work with landowners, businesses and other stakeholders to ensure compliance with their environmental legal obligations; maintaining the Littering FPN Environmental Enforcement Officer (Kingdom) contract to further drive down littering (offences down approx. 60% in four years);retaining independent surveys by Keep Britain Tidy to ensure standards remain, as now, well above regional and national averages
 - Bins –borough-wide Bins Review will ensure bin provision, style and emptying schedules meet growing Town Centre needs; coupled with innovative proposals to better identify bin locations to street-users.

3.4 Eyesore sites

There are a number of sites in and around the town centre which for various reasons have not come forward for development or have been left to deteriorate. That are negatively impacting on the appearance and appeal of the town centre. These include:

- Wren's Cross
- Lenworth House
- Gala Bingo (old cinema)

3.5 Signage, wayfinding, entry points

There is a need to improve signage for visitors to enable better pedestrian navigation around the town centre and improve the legibility of the town centre and thereby business footfall and shopper experience.

3.6 Car parking

3.6.1 Pay and display car parks provide an important role in supporting town centre prosperity. Seven short stay car parks are located in the town centre and these have good occupancy levels. There are ten long stay car parks and although some are under utilised, occupancy levels are likely to improve following the closure of the Eclipse Park, Park and Ride site in February 2016.

3.6.2 The provision of well placed, good quality parking is an integral part of town centre development and success and should be considered in balance with other transport considerations and the wider market.

3.6.3 Shaping parking provision and on-street enforcement can support wider economic and environmental objectives. Close management of on-street traffic regulation orders and Civil Parking Enforcement is an effective way of reducing instances of highway obstruction which facilitates the free flow of traffic on primary routes, particularly at peak times.

3.7 Crime, fear of crime and anti-social behaviour.

3.7.1 In the last three years, our preventative approach to ASB has led to a reduction in the number of incidents of ASB across the Maidstone borough recorded by Police of 25% over the three year period. However, Maidstone still has the 5th highest number of reported incidents in the County (after Thanet, Canterbury, Swale and Dover). Analysis of ASB including environmental nuisances across Maidstone, highlights that the High Street ward continues to experience the highest volumes, with Fant and Bridge wards seeing a significant increase.

3.7.2 The Council continues to receive repeated complaints from residents, visitors and local businesses about unreasonable anti-social behaviour including street drinking, increased littering from legal highs (e.g. empty laughing gas canisters) and verbal intimidation from the street population, including beggars and rough sleepers over the last year.

Complaints showed that the anti-social behaviour was having a detrimental effect on the quality of life of those living in or using certain areas, reducing their ability to feel safe in, use or enjoy public spaces.

- 3.7.3 The Council's Community Safety Unit with its partners, carried out a series of data gathering exercises in order to provide the empirical evidence to support the four themes that form the basis of a new Public Sector Protection Order – see 5.14 below.

4 WORK COMMISSIONED TO SUPPORT THE TOWN CENTRE ACTION PLAN

- 4.1 Earlier this year Bilfinger and GVA were commissioned to carry out a piece of work to provide a robust platform from which major change within the town centre can be delivered.

- 4.2 The work consisted of three key work streams:

4.2.1 Production of a 5 year action plan of deliverable and achievable interventions.

4.2.2 Evolution of a new governance structure to provide strategic direction and over-sight.

4.2.3 Establishment delivery issues and options for key projects, which may include the role of a delivery vehicle in partnership with Kent County Council (KCC) to intervene in areas where progress is slow or not being made.

- 4.3 The following tasks have been undertaken:

- 4.3.1 Policy and Context

Production of a concise summary of relevant policy, strategy and other planned interventions in order to set the growth and regeneration context for the town centre and identify both the key drivers and opportunities for the Town centre.

- 4.3.2 Core Areas of Opportunity

Drawing on the baseline and knowledge of the town centre confirmation of the key opportunity areas for change within the town centre, mapped out with linkages identified.

- 4.3.3 Opportunity Site Assessment

Production of an opportunity site assessment matrix following a strategic review of opportunity sites to identify factors that may support or hinder their delivery within the action plan period. This sits alongside a high level 'urban design' analysis to identify co-

dependent projects and public realm interventions and maps setting out the opportunity sites, public realm and place making projects.

4.3.4 Options Analysis for Core Sites

Production of a high level assessment of development potential for the 5 year action plan period with interrelationships of different parcels, projects and public realm. Prioritisation to identify those sites which are likely to be significantly progressed over the 5 year period with a high level options analysis to consider the potential use(s) that could be considered for each site.

Outline Strategic Approach

Production of a high level briefing paper to identify the core priorities over the next 5 years, linking both development, infrastructure and public realm interventions to demonstrate how they combine to make a significant impact on the town centre. This provides the strategic approach and will be supported by mapping of the intervention requirements.

4.4 The documents considered as part of this work included:

- Employment Land Studies (2015)
- Strategic Housing Market Assessment (2015)
- Strategic Housing Land Availability Study (2014)
- Community Infrastructure Levy Viability Study
- Economic Development Strategy 2015-2031
- Destination Management Plan 2015
- Town centre Assessment (2013)
- Town centre Study (2010)
- Primary and secondary frontages in the draft Local Plan
- Retail Capacity Study 2013
- Draft Infrastructure Delivery Plan 2014
- Maidstone Bridges Gyratory Scheme

4.5 The Bilfinger/GVA report sets out the strategic drivers and opportunities for Maidstone Town centre, the physical constraints, core areas of opportunity and a summary of opportunity sites including:

- Maidstone East and Royal Mail Sorting Office (see separate report).
- Land on the west side of Wheeler Street and land to the south side of Brewer Street
- King Street Car Park and former AMF Bowling area. The latter is now being built out as a residential care home.
- Colman House and Colman Parade
- The Mall, Maidstone House, Gala Bingo old cinema site and Granada House (see separate report).
- Palace Gardens, All-Saints Church, The College and Cutbush Almshouses (Heritage Quarter)
- Len House (Peugeot building)
- Vacant retail in the Lower High Street

- Lockmeadow and Market Hall
- St Peters Wharf Retail Park
- West Works and Clarks House (Travis Perkins)
- Raglan House (Baltic Wharf)
- Wren's Cross
- Maidstone West
- Broadway Shopping Mall
- Union Street

4.6 These and other sites are identified in the attached map at Appendix I.

5 WHAT ARE WE ALREADY DOING?

- 5.1 We are already collaborating with Kent County Council to secure the comprehensive redevelopment of Maidstone East, working with Network Rail and South Eastern trains. The draft Local Plan specifically allocates the Maidstone East/Sorting office site for mixed use redevelopment and sets out the parameters for development on this site. The arrival of Thameslink in 2018 will be a significant boost to vital links with London. The new service will operate from Maidstone East to Blackfriars, City Thameslink and Farringdon to St Pancras. There will be at least two trains per hour during the three-hour morning peak period to London, with the same level of service during the three hour evening peak period from London. This will be a significant improvement to rail services and will make Maidstone East more attractive to some commuters, residents and visitors increasing footfall and station usage. The planned station redesign will sit within a comprehensive new retail-led new mixed use quarter. A separate report has been prepared setting out the detail of this project.
- 5.2 Modelling work for a new borough wide integrated transport strategy has been undertaken; the strategy will enable the sustainable development of the town centre. As part of this a new £5.74m Bridge Gyrotory Improvement Scheme will reduce traffic congestion at the major bridge crossings and improve pedestrian links from the west side of the river into the heart of the town centre.
- 5.3 Work is progressing on an 18 month £5m refurbishment programme of The Mall. A project team has been set up with Capital & Regional to progress the further development and improvement of the Mall and surrounding area to include a new leisure and dining offer and increased retail floor space. This will be linked to public realm improvements in Gabriel's Hill. A separate report detailing these proposals is also on the agenda for the Policy and Resources Committee.
- 5.4 New business space has been created at Maidstone House in The Business Terrace which provides the latest in flexible workhub facilities for start-ups, home-based businesses and entrepreneurs. The Business Terrace also provides a "work space when needed" - from desks by the hour to offices on easy-in, easy-out terms. This has proved extremely successful and a business plan is being developed for Business Terrace 2 using additional space in Maidstone House.

- 5.5 With over 600,000 artefacts, Maidstone Museum has one of the largest collections in Kent, and is renowned as being one of the best museums in the South East. Following recent investment from Heritage Lottery Fund and Arts Council England which has given us an improved and extended building and a national reputation for the quality of our schools programme we will be establishing a new Museums Strategic Board in order to set out and deliver a new 20 year strategic plan. This will further enhance the appeal of the town centre to residents, visitors and investors.
- 5.6 Further investment is planned in the county town's heritage and cultural assets. A pilot project is being established with the Royal Society of Arts for a new form of partnership, with common goals and a shared commitment to achieving a set of outcomes through coordinated activity. The objective will be broad: to ensure that Maidstone's history and culture inform the strategies, plans, investments, priorities and projects of many relevant agencies...and vice versa – to ensure that heritage assets and activities, as well as cultural venues and programming, are managed and encouraged to support the strategic social and economic development objectives for the town. Outcomes from this pilot project will include: investigate Green Flag heritage award for local parks; a campaign for a new round of Blue Plaques to remember social history of built environment; mapping secret, forgotten and disused spaces; attracting a new boutique hotel and enhancement of public amenities.
- 5.7 The Council is seeking to introduce a Public Spaces Protection Order (PSPO) for Maidstone town centre. This is intended to deal with particular nuisance or problems in a particular area that are detrimental to the local community's quality of life, by imposing conditions on the use of that area which apply to everyone. The area chosen has been based on crime heat maps around drunkenness, rowdy/nuisance gathering and rubbish/drugs paraphernalia. The PSPO is currently the subject of public consultation and if approved, could be in place for May 2016 and will last for three years, it would be extendable and would replace the existing Alcohol Control Zone. It can be amended in between times to change or add to the measures/areas etc. The use of PSPOs in other areas has shown a reduction in incidents of ASB etc., with an outcome of reduced costs for the emergency services and an increase in public confidence.
- 5.8 For the past two years the street population have been given weekly support via the Maidstone Assertive Outreach programme. This includes signposting and advice on housing, benefits, physical, mental and sexual health. Many who have accepted help have been housed and this assistance will continue in the future when the PSPO commences.

6 FURTHER OPPORTUNITIES

6.1 Accelerating Development of Major Sites/Site Assembly Opportunities

6.1.1 Maidstone East – see separate report.

6.1.2 The Mall – see separate report.

6.1.3 Union Street - the NHS is marketing its 1.36 acre redundant site on the corner of Union Street and Queen Anne Road which, together with the adjacent Council pay and display car parks, presents an excellent opportunity on this prominent site to provide a mixed use development involving affordable housing and community facilities whilst retaining or enhancing the current pay and display parking provision in this part of the Town centre.

6.2 Tackling Eyesore Sites

6.2.1 Bus depot – refurbishment of the bus depot. Potential funding may be available from Local Growth Fund.

6.2.2 Wren’s Cross – expecting mixed use housing led planning application by the end on 2015.

6.2.3 Lenworth House is owned by Golding Homes and is located in a prominent location at the junction of King Street, Ashford Road and the Wat Tyler carriageway. Previously used as a residential home for vulnerable homeless people, Lenworth House has been disused for several years and is now in need of major renovation. The site falls within the Ashford Road Conservation Area. A previous planning application to redevelop the site was refused in July 2013. Golding Homes have submitted a new full planning application for conversion into 8 flats and a new block of 6 flats together with under-croft parking. The planning application and proposals for the site are considered to be more acceptable than previous proposals and is currently awaiting a decision.

6.2.4 Gala Bingo (old cinema site) bottom of Gabriel’s Hill which is discussed in a separate report on this agenda.

6.2.5 The Old Vic Public House at Maidstone East – this will be demolished as part of the station improvement works in 2016.

6.3 Transportation

6.3.1 Bridge Gyrotory System - £5.74m improvement scheme.

6.3.2 Riverside Tow Path - £1.6m to provide an 8.8km riverside cycle path from Allington Lock to Barming Bridge.

6.3.3 Collection of data on car park occupancy and trends will be vital in refining car parking provision and pricing policy to moderate demand and localised traffic movement. This can be combined with new payment methods and emerging technology in the future.

6.4 Improving Public Realm

6.4.1 Public Realm improvements – new schemes to take in the North End of Week Street in the first instance as recommended by the Mott

McDonald economic impact assessment. Followed by Earl St and Gabriel's Hill as budgets allow. This will follow on from the extremely successful phases 1 and 2 for the Upper and Lower High Street which have brought about significant improvement from an MBC and KCC investment of £3.5m. The estimated annual footfall turnover in the High Street is £160m, 1% of which can be attributed to the improvements. Over a ten year period the improvements to the High Street could lead to an uplift of just over £13m in turnover in the local retail economy.

6.4.2 Signage/wayfinding for visitors and motorists especially at entry points into town.

6.4.3 Links to the Boroughs culture and heritage through public realm and public art projects such as linked streets and squares which reflect the town's industrial heritage.

6.4.4 Incorporation of new digital business directory/street maps at key sites across the town centre to improve the legibility of the town centre and thereby business footfall and shopper experience.

6.5 Attracting new businesses and start-ups into the town centre.

Business Terrace Phase 2 – building on the early success of the Business Terrace at Maidstone House, phase 2 will create an additional five offices to rent on a short term basis. A business plan is currently being produced to expand this with the potential for a collaboration with Capital and Regional to provide serviced office space.

6.6 Culture and Heritage

6.6.1 A 20 year Strategic Development Plan for Maidstone Museums will be developed with the support of a new Strategic Board. The first draft of this will come to the Heritage Culture and Leisure Committee early in 2016.

6.6.2 A pilot project is being established with the Royal Society of Arts for a new form of partnership, with common goals and a shared commitment to achieving a set of outcomes through coordinated activity.

6.7 Residential development

Town centre living will increase with the allocation of three specific sites for some 264 dwellings and the identification of the whole of the town centre as a 'broad location' which could deliver 700 additional homes by 2031. This will provide sustainable accommodation in the town centre being close to all amenities and transport links. It will also enable us to make use of brownfield land and reduce burden on greenfield sites and help to balance the character and lifecycle of the town centre which in turn will help reduce crime and anti-social behaviour.

6.8 Other potential longer term development opportunities

These are set out above in Section 4 and include the following:-

Maidstone West

Lockmeadow and Market Hall

Baltic Wharf

7 HOW WILL WE MEASURE SUCCESS?

7.1 It is important that we set out and monitor measures of success against the plan. These will be split between high level key performance indicators which will be monitor by the Council's Policy and Resources Committee and others which will be monitors by the Town Centre Strategic Board and One Maidstone. These will include:

- Increased levels of private sector investment.
- Increased footfall.
- Increased satisfaction with town centre as measured by our residents' survey.
- Increased business confidence with new businesses locating in the town centre.
- Reduced vacancy rates.
- Increased parking income.
- Improved quality of retailers.
- Increased business rates income.
- Improvement in retail ranking scores.
- Housing allocations for the town centre as identified in the Draft Local Plan will be achieved.
- Keep Britain Tidy score maintained.
- Improvement in traffic congestion and traffic flows.

8 GOVERNANCE

8.1 In order to progress this ambitious plan we are proposing to create a new town centre Strategic Advisory Board to drive this programme forward. The Board will initially include representatives from:

- Maidstone Borough Council – The Chair of Policy and Resources Committee and the Director of Regeneration and Place.
- Kent County Council –Director of Economic Development and a Cabinet Member.
- Network Rail – Director of Property
- One Maidstone (new town centre management organisation) – Board Chair
- Capital and Regional – Director
- M&G (owners of the Fremlins) – Director of Property

- Arriva – Commercial Director
- Museums Strategic Board, Board Chair
- Kent and Medway Economic Partnership – Partnership Chair
- London & Cambridge – Property Director
- Gulland Solicitors – Blair Gulland, Partner and Maidstone Trust, Trustee
- Maidstone United FC – Director/owner
- Residential developer to be identified.

8.2 This Board will consider how the public and private sectors can work together to help stimulate investment and bring forward development in Maidstone town centre. Terms of reference will be drawn up to define the role of the Board. It is envisaged that the board will meet quarterly, will be Chaired by the private sector and will act in an advisory capacity to MBC.

8.3 From 1 April 2016 a new Town Centre Management organisation – One Maidstone, will be operational. Their mission will be to improve the trading environment in Maidstone and in so doing enhance its appeal to residents and visitors. Included in their aims are aspirations to raise Maidstone’s profile as a place in which to live, work, shop, visit, spend leisure time and do business. Their vision is to build upon the calibre and best interests of their members and the cultural heritage of the town itself. Primarily they will act as a catalyst, imparting an effective two way flow of communication between their members and local authority decision makers.

8.4 Maidstone Borough Council will have two seats on the Board of One Maidstone which will be filled by the Head of Commercial and Economic Development and a nominated Councillor.

9 FIVE YEAR PLAN

9.1 The opportunities set out in this report have been incorporated into a five year action plan – Appendix II.

9.2 The delivery of this action plan and the integration of the projects reinforce each other to create critical mass, build confidence in the market and get schemes which have been around from sometime moving.

10 FINANCES AND RESOURCES

10.1 The projects and actions set out in this report will, in the main, require resources from the Council’s capital programme. Developed project proposals will be considered as part of the medium term financial strategy.

11 AVAILABLE OPTIONS

11.1 Accept this report, agree the five year action plan designed to deliver a Maidstone Town centre Strategic Plan, approve the creation of a Maidstone Town Centre Strategic Board.

11.2 Members could choose to reject this report and the recommendations made. This would adversely affect Maidstone's ability to develop its town centre to meet the challenges faced and to take advantage of the opportunities available to us.

12 PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

12.1 It is recommended that members support the recommendations set out in this report and summarised at 11.1.

12.2 The reasons for this recommendation are set out in the body of this report.

13 CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

13.1 The work undertaken by Bilfinger/GVA has involved consultation with local businesses, land and property owners and investment companies.

13.2 The production of all of the documents used as reference for this report included extensive consultation with residents and stakeholders.

14 NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

14.1 Many of the opportunities and action identified in this report will require decisions from other committees such as Communities, Housing and Environment.

15 CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	This plan directly delivers against the Council's vision and both corporate priorities.	Head of Commercial & Economic Development 04/12/15
Risk Management	Each project will have its a risk assessment undertaken in accordance with the Council's risk management framework.	Head of Commercial & Economic Development 04/12/15
Financial	The projects and actions set out in this report will, in the main, require resources from the Council's capital programme.	Head of Finance & Resources

	Developed proposals will be considered as part of the medium term financial strategy. A report on the capital elements of the MTFS will be considered by Policy & Resources Committee in January once preliminary appraisals of all capital proposals can be completed and aggregated into a revised programme.	
Staffing	There are no immediate staffing implications.	Head of Commercial & Economic Development 04/12/15
Legal	Consideration needs to be given to competitive procurement for the various projects associated with the 5-year plan. The likelihood of obtaining planning consent also needs to be factored in. There may also be statutory consultation obligations which may affect the timetable.	Mid Kent Legal Services
Equality Impact Needs Assessment	EINAs will be carried out on projects included in this plan as and where required.	Head of Commercial & Economic Development 04/12/15
Environmental/Sustainable Development		
Community Safety	Having a properly adopted town centre strategic plan is an important aspect of reducing crime and anti-social behaviour	Head of Housing and Community Services 11/12/15
Human Rights Act	None at this time.	
Procurement	Appropriate procurement processes, in line with the Councils Commissioning & Procurement Strategy, must be followed for all projects set out in this report.	Head of Finance & Resources
Asset Management	In some cases the 5 year plan refers to assets owned by the	Head of Finance &

	Council and must be reflected in the Asset Management Plan currently under revision.	Resources
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16 REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix I: Town centre maps
- Appendix II: Five Year Action Plan

17 BACKGROUND PAPERS

None.



Opportunity Sites

 Town Centre Boundary

 Opportunity Sites

- | | |
|--|---|
| 1 Maidstone East and Royal Mail Sorting House | 9 Public Toilets |
| 2 Colman House and Colman Parade | 10 Lockmeadow and Market Hall |
| 3 The Mall Chequers Centre, Maidstone House, Granada House, Gala Bingo & Bus Station | 11 B & Q |
| 4 Kent House, Sussex House, Miller House, Stanton House and Medvale House | 12 Broadway Shopping Mall |
| 5 Wren Cross | 13 Powerhub and St Peters Wharf Retail Park |
| 6 Palace Gardens, All-Saints Church, The College and Cutbush Almshouses | 14 Transco House |
| 7 Len House (Peugeot Building) | 15 West Works, Clarks House |
| 8 52 Earl Street | 16 Raglan House |

DRAFT

Maidstone Town Centre Draft Investment & Action Plan 2015-2020

ACTION	DETAIL	ORGANISATIONS INVOLVED	COST & FUNDING SOURCES
YEARS 1-2: AGREED AND PROGRESSING			
Public Spaces Protection Order	PSPO consultation concluded and PSPO introduced.	Maidstone Borough Council Kent Police	
Bridge Gyratory System	An improvement scheme will reduce traffic congestion at the major bridge crossings and vastly improve pedestrian links from the west side of the river into the heart of the town centre.	Kent County Council Maidstone Borough Council Environment Agency	£5.74m
Riverside Tow Path	Scheme to provide an 8.8km riverside cycle path from Allington Lock to Barming Bridge.	Maidstone Borough Council Kent County Council Environment Agency	£1.6m
Business Terrace 2	Expansion of the Business Terrace into the old Members Offices on first floor of Maidstone House.	Maidstone Borough Council	£10k
Maidstone East	Station improvement programme phase 1	South Eastern Network Rail Maidstone Borough Council Kent County Council	£2m
YEARS 1 – 2: PENDING DECISION			
Public Realm Improvements Phase 3	Upper Week Street	Maidstone Borough Council Kent County Council	
Maidstone Town Centre Strategic Advisory Board	Establish the Board and appoint a Chairman	Maidstone Borough Council Director of Planning & Regeneration	N/A
Maidstone East	Acquisition of the Royal Mail Sorting Office site	Maidstone Borough Council Kent County Council	
Signage / wayfinding	Project to provide new signage/wayfinding for visitors and motorists especially at entry	Maidstone Borough Council Kent County Council	

Appendix II

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	points to the town		
	New digital business directory/street maps at key sites across the town	Maidstone Borough Council One Maidstone	
Museums 20 Year Development Plan	New Museums Strategic Board set up and 20 year development plan agreed	Maidstone Borough Council and Museums Strategic Board members	Heritage Lottery fund Arts Council England Other arts/culture funding bodies
Heritage Assets Pilot Project	Project undertaken to ensure that heritage assets and activities support the strategic objectives for the town	Maidstone Borough Council Royal Society of the Arts	
Collection of data on car park occupancy and trends	To inform the refinement of car parking provision and pricing policy	Maidstone Borough Council Private car park operators	
YEARS 3 -5			
Bus Station	Comprehensive refurbishment of the bus depot	Capital & Regional Maidstone Borough Council Arriva Kent County Council	Local Growth Fund
Business Terrace 3	Potential to provide serviced office accommodation for grown on space on first floor of Maidstone House	Maidstone Borough Council Capital & Regional	
Public Realm Improvements Phase 4	1. Gabriel's Hill 2. Earl Street	Maidstone Borough Council Kent County Council	
Maidstone East	Masterplan for comprehensive redevelopment of the wider site	Maidstone Borough Council Kent County Council Network Rail South Eastern	
Union Street	Mixed use scheme brought forward with	NHS	

Appendix II

	enhancement of pay and display parking	Maidstone Borough Council	
The Mall	Comprehensive redevelopment of The Mall to include Leisure and improved food and retail offer. Site assembly to include the Gala Bingo site and Granada House.	Capital & Regional Maidstone Borough Council	
Lenworth House	Conversion to flats with under-croft parking	Golding Homes	
Baltic Wharf	Retail led mixed use development	Terance Butler Holdings	
LONG TERM			
Maidstone West		Network Rail South Eastern	
Lockmeadow and the Market Hall		Land Securities Maidstone Borough Council	

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