

MAIDSTONE BOROUGH COUNCIL

POLICY AND RESOURCES COMMITTEE

**MINUTES OF THE MEETING HELD ON WEDNESDAY 24
NOVEMBER 2021**

Present: Councillors Mrs Blackmore, Brice, Burton(Chairman),
Cooke, Cox, English, Garten, Harper, Joy, Khadka,
Kimmance, Parfitt-Reid, Perry and Round

Also Present: Councillor J Sams

102. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Hastie, Munford and Ring.

103. NOTIFICATION OF SUBSTITUTE MEMBERS

Councillor Joy was present as Substitute for Councillor Hastie.

Councillor Garten was present as Substitute for Councillor Ring.

Note: Councillor Khadka joined the meeting at 6.32 p.m.

104. URGENT ITEMS

There was one urgent item, Item 19 – Briefing on Legal Proceedings – Update Report. The reason for urgency was that a decision was required to ensure progress continued on the matter.

An amended agenda had been published and the papers provided to the Committee.

105. CHANGE TO THE ORDER OF BUSINESS

It was decided that Item 13 – Report of the Communities, Housing and Environment Committee Meeting held on 2 November – Purchase and Repair, Temporary Accommodation and Acquisition, would be taken alongside Item 18 – Phase 5 Purchase & Repair Temporary Accommodation Acquisition due to the related subject matter.

Item 17 – 2nd Quarter Finance, Performance and Risk Monitoring Report would be taken before Item 16 – Medium Term Financial Strategy in order that the Committee could consider the finances for quarter two of the current financial year before discussing the Medium-Term Financial Strategy.

106. NOTIFICATION OF VISITING MEMBERS

Councillor J Sams was in attendance as a Visiting Member for Item 11 – Questions from Members to the Chairman and Item 14 – Public Sector-Led Garden Community Update.

107. DISCLOSURES BY MEMBERS AND OFFICERS

Councillor Round disclosed an 'Other Significant Interest' in relation to Item 19 – Briefing on Legal Proceedings – Update Report, and intended to leave the meeting before the item's consideration.

108. DISCLOSURES OF LOBBYING

All Committee Members had been lobbied on Item 14 – Public Sector-Led Garden Community Update.

109. EXEMPT ITEMS

RESOLVED: That Item 19 – Briefing on Legal Proceedings – Update Report, be taken in private due to the possible disclosure of exempt information.

110. MINUTES OF THE MEETING HELD ON 20 OCTOBER 2021

RESOLVED: That the Minutes of the Meeting held on 20 October 2021 be agreed as an accurate record of the meeting and signed.

111. PRESENTATION OF PETITIONS

There were no petitions.

112. QUESTIONS AND ANSWER SESSION FOR MEMBERS OF THE PUBLIC

There were two questions from Members of the Public.

Question from Ms Kate Hammond to the Chairman of the Policy and Resources Committee

Tonight's Heathlands update report confirms that £632,000 has been spent by Maidstone's taxpayers to date on this project. Can the Chairman confirm how much the Strategic Outline Business Case for the new railway station is estimated to cost?

The Chairman responded to the question.

Ms Hammond asked the following supplementary question:

'The SOBC for the Cannock railway station in Staffordshire cost £231k in January 2021. Would you agree with me that an SOBC for a new station at Heathlands would be of the same order of magnitude?'

The Chairman responded to the supplementary question.

Question from Mr Steve Heeley to the Chairman of the Policy and Resources Committee

At September's Policy & Resources meeting, you said that signed option agreements from the eight principal landowners were "very, very imminent". At the October meeting, you said that you were "very, very confident" that signed agreements from all eight landowners would be secured by the end of the month. Given it is nearly the end of November and still no sight of signed option agreements, are they in fact imminent and are you still very confident that you will have these all by next week?

The Chairman responded to the question.

Mr Heeley asked the following supplementary question:

'The problem is that this Committee has been talking for 18 months about landowners being very close to signing and on the 23 June of this year, the officer report said that the options agreements were due in the next few weeks, and our big issues with this at the moment is that we keep getting told that these agreements are about to be signed; that it's this month, that it's next month and you're using the analogy of buying a house which I get, but the fundamental question is are you certain these landowner's are willing to sign this agreement?'

The Chairman responded to the supplementary question.

The full responses were recorded on the webcast and made available to view on the Maidstone Borough Council website. The question-and-answer session took place between minutes 8:50 to 14:24 of the recording.

To access the webcast, please use the link below:

[Policy and Resources Committee - 24 November 2021 - YouTube](#)

113. QUESTIONS FROM MEMBERS TO THE CHAIRMAN

There was one question from a Member to the Chairman.

Question from Councillor J Sams to the Chairman of the Policy and Resources Committee

We note with interest the minutes from the last meeting where this committee has employed "We are Fabrick " to conduct public engagement exercises on your Heathlands proposition.

This was to be proceeded by pre briefing for Ward and Parish Councillors.

Please can you give us an update on this?

The Chairman responded to the question.

Councillor J Sams asked the following supplementary question:

'The engagement event was due to take place as you said, in the consultation period, we had this confirmed on the 19 October by Phil Coyne and by 'We are Fabrick'. It was then reiterated at the P&R meeting the next day, on the 20 October. The following day, on the 21st, Mr Cornall emailed to say that the Local Planning Authority this week would prefer that we do not run our engagement event during the consultation period.

Why was this not raised as an issue at the P&R committee on the 20th and can you enlighten me on who had a change of heart and why it wasn't foreseen?'

The Chairman responded to the supplementary question.

The full response was recorded on the webcast and made available to view on the Maidstone Borough Council website. The question-and-answer session took place between minutes 14:36 to 17:07 of the recording.

To access the webcast recording, please use the link below:
[Policy and Resources Committee - 24 November 2021 - YouTube](#)

114. COMMITTEE WORK PROGRAMME

RESOLVED: That the Committee Work Programme be noted.

115. PUBLIC SECTOR-LED GARDEN COMMUNITY UPDATE

The Director of Regeneration and Place introduced the report and stated that the Council, acting as land promoters for the Heathlands Garden Community, and Homes England would be submitting representations to the Local Planning Authority as part of the Regulation 19 'draft for submission' documents public consultation. The representations would be approved and submitted in consultation with the Chairman and Vice-Chairman of the Committee.

Preparation continued for the proposed public engagement exercises, with the postponed exercises for the local Ward and Parish Councillors to be rearranged to occur early in 2022.

Ms Kate Hammond addressed the Committee on behalf of the Save Our Heathlands Action Group.

In response to questions, the Director of Regeneration and Place stated that an update on the preliminary business case submitted to Network Rail could be included in the report presented at the Committee's January 2022 meeting. A risk matrix would be included in the future update reports presented to the Committee to display the changing nature and number of risks associated with the proposal as progress continued.

RESOLVED: That the report be noted.

116. COUNCIL TAX REDUCTION SCHEME 2022-2023

The Head of Revenues and Benefits Shared Service introduced the report and stated that, if agreed by the Committee and Council, the implementation date would be the 1 April 2022.

The current Council Tax Reduction Scheme had been implemented in 2021, and was a new scheme based on five wide income bands. The contributing factors to the scheme's change were outlined and positive feedback had since been received from the Council's Customer Services Team and the Citizens Advice Bureau. Due to the feedback received and the current scheme having only been implemented in 2021, it was recommended that no changes were made in preparation for the 2022-23 financial year.

In response to questions, the Head of Revenues and Benefits Shared Service confirmed that the income bands were based on monthly net income and that several 'roadshows' would be taking place across the borough to increase awareness of the scheme.

The Committee expressed support for the scheme proposed.

RESOLVED: That

1. The progress of the inaugural year of the income banded Council Tax Reduction Scheme, be noted; and
2. Full Council be recommended that no changes are made to the Council Tax Reduction Scheme for 2022-2023, for the reasons outlined in the report.

Note: Councillor Blackmore joined the meeting at 7.08 p.m. and abstained from voting on the item.

117. VOTE OF THANKS

The Committee thanked Sheila Coburn for her service to the Council and wished her the best for her future endeavours.

118. 2ND QUARTER FINANCE, PERFORMANCE AND RISK MONITORING REPORT

The Director of Finance and Business Improvement introduced the financial update within the report and referenced the projected favourable revenue outturn of a £265,000 underspend. The underspend in the capital budget had resulted from the delay in the commencement of various capital schemes, rather than a cancellation of or saving against the planned schemes.

The Senior Business Analyst introduced the performance update within the report; the Key Performance Indicator (KPI) for the 'Percentage of Non-domestic Rates Collected' had missed its target by just over three per cent, due to the end of the 100 per cent business rates relief holiday

provided by the government during the Covid-19 pandemic. The 'Percentage of Council Tax collected' had surpassed its target.

Two of the targeted indicators across the Council's other Service Committees had missed the target by more than 10 per cent; 'Footfall in the Town Centre' and 'Number of youths unemployed' however the latter was improving. The addition of the 'Way we Work' KPI was highlighted.

The Deputy Head of Audit introduced the risk management update which included the 14 risks identified within the corporate risk register. Following the previous update provided to the Committee, the four additional corporate risks had been discussed with the risk owners and scored as appropriate.

A risk concerning the impact of hybrid working and the retention of talent was being developed, alongside further monitoring of the IT Security Failure risk. The horizon risks were briefly outlined, alongside the continued review of the financial uncertainty risk by the corporate leadership team. The introduction of JCAD software was noted.

In response to questions, the Director of Finance and Business Improvement confirmed that Maidstone Property Holdings Ltd. managed properties intended for the private rental sector, as opposed to temporary accommodation. There were concerns that the financial risk surrounding capital programme schemes would be increased given the problems being experienced by the construction industry. The Director of Finance and Business Improvement confirmed that the capital programme for the next financial year would be reviewed and any additional financial risks considered. The Director of Regeneration and Place confirmed that the processes undertaken to secure contractors for various schemes had been and would remain robust.

RESOLVED: That

1. The Revenue position as at the end of Quarter 2 including the actions being taken or proposed to improve the position, where significant variances have been identified, be noted;
2. The Capital position at the end of Quarter 2, be noted;
3. The write off of £13,887.12 in uncollectable business rates debt, be approved;
4. The Performance position as at Quarter 2, including the actions being taken or proposed to improve the position, where significant issues have been identified, be noted; and
5. The Risk update, attached at Appendix 3 to the report, be noted.

119. MEDIUM TERM FINANCIAL STRATEGY

The Director of Finance and Business Improvement introduced the report and referenced the influence of the Council's four strategic priorities as part of the budget setting process. In addition, the '1000 Homes Initiatives' and Town Centre Strategy were strategic projects that would need to be considered.

It was noted that whilst the Local Government Finance Settlement was yet to be released, the current financial projections suggested that the Council would experience a balanced revenue position for the next financial year but could experience a deficit in the 2023-24 financial year. This was due to issues such as the new waste contract and the possible loss of the benefit of business rates growth.

The results of the Budget Survey as attached at Appendix 3 to the report were highlighted. The respondents' top three priorities were environmental enforcement, housing and homelessness and parks and open spaces.

The Committee commended the information included within the Budget Survey results and requested that further information on local variances be provided in the future. The Director of Finance and Business Improvement stated that the New Homes Bonus (NHB) could be used for revenue expenditure, as opposed to capital expenditure, if required. Several Members expressed concern that whilst the NHB could be included within the revenue budget it should not be relied upon.

It was felt strongly that the inflationary estimates within Table 5, Appendix A to the report should be higher, to properly reflect the likely increase in inflation above two per cent. The Director of Finance and Business Improvement stated that the two per cent base inflation estimate was an appropriate figure, as it coincided with the government's inflation assumption. The £500,000 'Contingency for Future Pressures' included within Appendix B to the report was highlighted as it would provide flexibility if the inflationary estimate was higher than expected.

The Chief Executive provided reassurance that varying levels of inflationary estimates for different elements, such as the eight per cent shown for contract costs, had been included within the report's appendices. Staff costs and employee turnover were benchmarked on the financial reward provided by the public, private and not for profit sectors. The Council would aim to be placed at the median.

The Director of Finance and Business Improvement advised against a wholesale increase of the inflation assumptions, due to inflation affecting various sectors differently and the perceived increase in budgets that would be assumed by the Council's contractors. The proposed approach of a set of core assumptions alongside a contingency fund was reiterated, however the Committee's comments would be considered as the Council moved to the next stage of the budget setting process.

RESOLVED: That

1. The Draft Medium Term Financial Strategy 2022/23-2026/27, as attached at Appendix A to the report, be endorsed subject to further consultation and development; and
2. The Draft Medium Term Financial Strategy 2022/23-2026/27 be re-presented to the Committee in January 2022 with a fourth case scenario based upon a five per cent inflation rate guidance figure.

Note: Councillor Brice left the meeting between 7.45 p.m. to 7.49 p.m.

120. REPORT OF THE COMMUNITIES, HOUSING AND ENVIRONMENT COMMITTEE MEETING HELD ON 2 NOVEMBER 2021 - PURCHASE AND REPAIR, TEMPORARY ACCOMMODATION AND ACQUISITION

RESOLVED: That Item 13 – Report of the Communities, Housing and Environment Committee Meeting held on 2 November 2021 – Purchase and Repair, Temporary Accommodation and Acquisition, be considered alongside Item 18 – Phase 5 Purchase and Repair Temporary Accommodation Acquisition.

121. PHASE 5 PURCHASE & REPAIR TEMPORARY ACCOMMODATION ACQUISITION

The Housing Development Officer introduced the report and outlined the purpose of the Temporary Accommodation Strategy in alleviating Homelessness across the borough. The total funding allocated to Phase 5 of the Strategy was outlined, which included the addition of the previous years' underspend.

Phase 5 had been considered by the Communities, Housing and Environment Committee in early November 2021, as the body responsible for its implementation. The Council's governance arrangements required approval from the Committee regarding the provision of delegated authority to the Director of Finance and Business Improvement, as recommended, to purchase the properties.

The Committee expressed support for work undertaken and reiterated the importance of the Temporary Accommodation Strategy.

In response to questions, the Housing Development Officer explained the existing protocol whereby the Local Ward Members were informed of the Council's intention to purchase a property within their Ward and a request made for any comments. Several Members of the Committee felt that further attention into any issues arising from the properties was required.

RESOLVED: That

1. The £481,570 underspend from previous phases of the project having been carried forward to the capital programme allocation,

giving a total of £3,007,570 for investment in further properties for use as temporary accommodation, be noted;

2. The Director of Finance and Business Improvement be given delegated authority, in consultation with the Chairman of the Policy and Resources Committee, to purchase properties for us as temporary accommodation up to the total value of £3,007,570;
3. The Head of Mid-Kent Legal Partnership be given delegated authority to negotiate and complete all necessary agreements, deeds and documents arising from or ancillary to the purchases of such properties on terms negotiated and agreed by the Director of Finance and Business Improvement; and
4. The Communities, Housing and Environment Committee be requested to review the current temporary property portfolio with regard to the management of identified problems.

122. EXCLUSION OF THE PUBLIC FROM THE MEETING

RESOLVED: That the public be excluded from the meeting for the following items of business because of the likely disclosure of exempt information for the reasons specified, having applied the public interest test:

Head of Schedule 12A and Brief Description

Urgent Item – Briefing on Legal Proceedings -Update Report	1 – Information relating to any individual
	2 – Information which is likely to reveal the identity of an individual
	5 – Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings
	6(a) – Information Which reveals that the authority proposes to give act under any enactment a notice under or by virtue of which requirements are imposed on a person

Note: Councillor Round left the meeting at 8.25 p.m.

123. URGENT ITEM - BRIEFING ON LEGAL PROCEEDINGS - UPDATE REPORT

The Director of Finance and Business Improvement introduced the report and referenced the previous report on the matter, presented in July 2021. An oral update on the proceedings, in conjunction with the urgent report, was provided.

The Committee expressed support for the actions proposed and felt that the issue should be drawn to a close as soon as possible.

RESOLVED: That

1. The oral update provided by the Director of Finance and Business Improvement be noted;
2. The Director of Finance and Business Improvement be given delegated authority to resolve the matter with specific limitations.

124. DURATION OF MEETING

6.30 p.m. to 9.07 p.m.

Note: The Committee adjourned for a short break between 8.25 p.m. to 8.32 p.m.