

HOUSING, HEALTH AND ENVIRONMENT POLICY ADVISORY COMMITTEE MEETING

Date: Tuesday 13 June 2023
Time: 6.30 p.m.
Venue: Town Hall, High Street, Maidstone

Membership:

Councillors Hastie, Jeffery, Joy (Vice-Chairman), Khadka, Knatchbull
(Chairman), Mortimer, Riordan, Rose and Springett

The Chairman will assume that all Members will read the reports before attending the meeting. Officers are asked to assume the same when introducing reports.

AGENDA

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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 | |
| 6. Disclosures of Lobbying | |
| 7. To consider whether any items should be taken in public due to the possible disclosure of exempt information | |
| 8. Minutes of the meeting held on 23 May 2023 | 1 |
| 9. Forward Plan relating to the Committee's Terms of Reference | 2 - 6 |
| 10. 4th Quarter Financial Update & Performance Monitoring Report 2022/23 | 7 - 38 |
| 11. Property Acquisition | 39 - 46 |
| 12. Property Acquisition for 1,000 Affordable Homes Programme | 47 - 55 |

Issued on Monday 5 June 2023

Continued Over/:

Alison Broom

Alison Broom, Chief Executive

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

13. Exempt Appendices to Item 11 - Property Acquisition	3 – Financial/Business Affairs	56 - 62
14. Exempt Appendices to Item 12 - Property Acquisition for 1,000 Affordable Homes Programme	3 – Financial/Business Affairs	63 - 71

INFORMATION FOR THE PUBLIC

In order to make a statement in relation to an item on the agenda, please call **01622 602899** or email committee@maidstone.gov.uk by 4 p.m. one clear working day before the meeting (i.e. by 4 p.m. on Friday 9 June 2023). You will need to tell us which agenda item you wish to speak on.

If you require this information in an alternative format please contact us, call **01622 602899**.

To find out more about the work of the Committee, please visit the [Council's Website](#).

MAIDSTONE BOROUGH COUNCIL

HOUSING, HEALTH AND ENVIRONMENT POLICY ADVISORY COMMITTEE

MINUTES OF THE MEETING HELD ON TUESDAY 23 MAY 2023

Attendees:

Committee Members:	Councillors Cleator, Cooke, Hinder, Jeffery, Joy (Vice-Chairman), Khadka, Mortimer, Riordan and Spooner
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1. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Hastie, Knatchbull and Rose.

2. NOTIFICATION OF SUBSTITUTE MEMBERS

Councillor Cleator was present as Substitute for Councillor Rose.

Councillor Cooke was present as Substitute for Councillor Knatchbull.

Councillor Hinder was present as Substitute for Councillor Hastie.

3. ELECTION OF CHAIRMAN

RESOLVED: That Councillor Knatchbull be elected as Chairman for the 2023/24 Municipal Year.

4. ELECTION OF VICE-CHAIRMAN

RESOLVED: That Councillor Joy be elected as Vice-Chairman for the 2023/24 Municipal Year.

In the absence of the Chairman, Councillor Joy then took the Chair to close the meeting.

5. DURATION OF MEETING

7.50 p.m. to 7.52 p.m.

MAIDSTONE BOROUGH COUNCIL FORWARD PLAN FOR THE FOUR MONTH PERIOD 30 MAY 2023 TO 30 SEPTEMBER 2023

This Forward Plan sets out the details of the key and non-key decisions which the Cabinet or Cabinet Members expect to take during the next four-month period.

A Key Decision is defined as one which:

1. Results in the Council incurring expenditure, or making savings, of more than £250,000; or
2. Is significant in terms of its effects on communities living or working in an area comprising two or more Wards in the Borough

The current Cabinet Members are:

<p style="text-align: center;">  Councillor David Burton Leader of the Council DavidBurton@maidstone.gov.uk 07590 229910 </p>	<p style="text-align: center;">  Councillor Paul Cooper Deputy Leader and Cabinet Member for Planning, Infrastructure and Economic Development PaulCooper@Maidstone.gov.uk 01622 244070 </p>	<p style="text-align: center;">  Councillor John Perry Cabinet Member for Corporate Services JohnPerry@Maidstone.gov.uk 07770 734741 </p>
<p style="text-align: center;">  Councillor Claudine Russell Cabinet Member for Communities, Leisure and Arts ClaudineRussell@Maidstone.gov.uk </p>	<p style="text-align: center;">  Councillor Patrik Garten Cabinet Member for Environmental Services PatrikGarten@Maidstone.gov.uk 01622 807907 </p>	<p style="text-align: center;">  Councillor Lottie Parfitt-Reid Cabinet Member for Housing and Health LottieParfittReid@Maidstone.gov.uk 07919 360000 </p>

Anyone wishing to make representations about any of the matters listed below may do so by contacting the relevant officer listed against each decision, within the time period indicated.

Under the Access to Information Procedure Rules set out in the Council's Constitution, a Key Decision or a Part II decision may not be taken, unless it has been published on the forward plan for 28 days or it is classified as urgent:

The law and the Council's Constitution provide for urgent key and part II decisions to be made, even though they have not been included in the Forward Plan.

Copies of the Council's constitution, forward plan, reports and decisions may be inspected at Maidstone House, King Street, Maidstone, ME15 6JQ or accessed from the [Council's website](#).

Members of the public are welcome to attend meetings of the Cabinet which are normally held at the Town Hall, High St, Maidstone, ME14 1SY. The dates and times of the meetings are published on the [Council's Website](#), or you may contact the Democratic Services Team on telephone number **01622 602899** for further details.

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David Burton
Leader of the Council

Details of the Decision to be taken	Decision to be taken by	Relevant Cabinet Member	Expected Date of Decision	Key	Exempt	Proposed Consultees / Method of Consultation	Documents to be considered by Decision taker	Representations may be made to the following officer by the date stated
Property Acquisition	Cabinet	Cabinet Member for Housing and Health	28 Jun 2023	Yes	No Part exempt	Housing, Health and Environment Policy Advisory Committee 13 Jun 2023 Notification to Ward members and briefing to Executive and Lead Member to PAC	Property Acquisition	Rachael Bennett RachaelBennett@Maidstone.gov.uk
4th Quarter Financial Update & Performance Monitoring Report	Cabinet	All	28 Jun 2023	No	No Open	Communities, Leisure and Arts Policy Advisory Committee 6 June 2023 Planning, Infrastructure and Economic Development Policy Advisory Committee 7 June 2023 Housing, Health and Environment Policy Advisory	4th Quarter Financial Update & Performance Monitoring Report	Paul Holland paulholland@maidstone.gov.uk

Details of the Decision to be taken	Decision to be taken by	Relevant Cabinet Member	Expected Date of Decision	Key	Exempt	Proposed Consultees / Method(s) of Consultation	Documents to be considered by Decision taker	Representations may be made to the following officer by the date stated
						Committee 13 June 2023		
Property Acquisition 1000 Affordable Homes Programme Report regarding acquisition of site for 1000 affordable homes programme	Cabinet	Cabinet Member for Housing and Health	28 Jun 2023	Yes	No Part exempt	Communities, Housing and Environment Policy Advisory Committee 13 Jun 2023 Notification of ward members. Briefing to executive and lead member for PAC	Property Acquisition 1000 affordable Homes Programme	Philip Morris philipmorris@maistone.gov.uk
1st Quarter Financial Update & Performance Monitoring Report	Cabinet	All	20 Sep 2023	No	No Open	Communities, Leisure and Arts Policy Advisory Committee 5 September 2023 Planning, Infrastructure and	1st Quarter Financial Update & Performance Monitoring Report	Paul Holland paulholland@maidstone.gov.uk

Details of the Decision to be taken	Decision to be taken by	Relevant Cabinet Member	Expected Date of Decision	Key	Exempt	Proposed Consultees / Method(s) of Consultation	Documents to be considered by Decision taker	Representations may be made to the following officer by the date stated
						<p>Economic Development Policy Advisory Committee 6 September 2023</p> <p>Housing, Health and Environment Policy Advisory Committee 7 Sep 2023</p>		

**HOUSING, HEALTH &
ENVIRONMENT POLICY
ADVISORY COMMITTEE**

13 June 2023

**4th Quarter Financial Update & Performance Monitoring
Report 2022/23**

Timetable	
Meeting	Date
Housing, Health & Environment Policy Advisory Committee	13 June 2023
Cabinet	28 June 2023

Will this be a Key Decision?	No
Urgency	Not Applicable
Final Decision-Maker	Cabinet
Lead Head of Service	Mark Green, Director of Finance, Resources & Business Improvement
Lead Officer and Report Author	Paul Holland, Senior Finance Manager Carly Benville, Senior Information Analyst Charlotte Yarnold, Programme Manager (Strategic Planning)
Classification	Public
Wards affected	All

Executive Summary

This report sets out the 2022/23 financial and performance position for the services reporting into the Housing, Health & Environment Policy Advisory Committee (HHE PAC) as at 31st March 2023 (Quarter 4). The primary focus is on:

- The 2022/23 Revenue and Capital budgets; and
- The 2022/23 Key Performance Indicators (KPIs) that relate to the delivery of the Strategic Plan 2019-2045.

The combined reporting of the financial and performance position enables the Committee to consider and comment on the issues raised and actions being taken to address both budget pressures and performance issues in their proper context,

reflecting the fact that the financial and performance-related fortunes of the Council are inextricably linked.

This report previously went to the now decommissioned Communities, Housing & Environment Policy Advisory Committee. For this report the figures being reported are broadly on the same basis as that Committee with some minor amendments to reflect the reallocation of responsibilities between the new PACs.

Budget Monitoring

Overall net expenditure at the end of Quarter 4 for the services reporting to this committee is £10.075m, compared to the approved profiled budget of £9.600m, representing an overspend of £0.475m.

Capital expenditure at the end of Quarter 4 was £11.280m against a total budget of £20.589m.

Performance Monitoring

75.0% (3 of 4) targetable quarterly key performance indicators reportable to the Communities, Housing & Environment Policy Advisory Committee achieved their Quarter 4 target.

Recovery & Renewal Update

All the actions in the Recovery and Renewal Plan for this Committee have now been completed.

UK Shared Prosperity Fund Update

An update on progress made against schemes using this funding is shown at Appendix 3.

Purpose of Report

The report enables the Committee to consider and comment on the issues raised and actions being taken to address both budget pressures and performance issues as at 31st March 2023.

This report makes the following recommendations to the Housing, Health & Environment Policy Advisory Committee:

1. That the Revenue position as at the end of Quarter 4 for 2022/23, including the actions being taken or proposed to improve the position, where significant variances have been identified, be noted.
2. That the Capital position at the end of Quarter 4 be noted.

3. That the Performance position as at Quarter 4 for 2022/23, including the actions being taken or proposed to improve the position, where significant issues have been identified, be noted.
4. That the Committee recommend the proposed new KPIs for 2023/24 to the Cabinet.
5. That the UK Shared Prosperity Fund update, attached at Appendix 3, be noted.

4th Quarter Financial Update & Performance Monitoring Report 2022/23

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	<p>This report monitors actual activity against the revenue budget and other financial matters set by Council for the financial year. The budget is set in accordance with the Council's Medium-Term Financial Strategy which is linked to the Strategic Plan and corporate priorities.</p> <p>The Key Performance Indicators and strategic actions are part of the Council's overarching Strategic Plan 2019-45 and play an important role in the achievement of corporate objectives. They also cover a wide range of services and priority areas.</p>	Director of Finance, Resources and Business Improvement (Section 151 Officer)
Cross Cutting Objectives	This report enables any links between performance and financial matters to be identified and addressed at an early stage, thereby reducing the risk of compromising the delivery of the Strategic Plan 2019-2045, including its cross-cutting objectives.	Director of Finance, Resources and Business Improvement (Section 151 Officer)
Risk Management	This is addressed in Section 5 of this report.	Director of Finance, Resources and Business Improvement (Section 151 Officer)
Financial	<p>Financial implications are the focus of this report through high level budget monitoring. Budget monitoring ensures that services can react quickly enough to potential resource problems. The process ensures that the Council is not faced by corporate financial problems that may prejudice the delivery of strategic priorities.</p> <p>Performance indicators and targets are closely linked to the allocation of resources and determining good value for money. The financial implications of any proposed changes are also identified and taken into account in the</p>	Senior Finance Manager (Client)

	Council's Medium-Term Financial Strategy and associated annual budget setting process. Performance issues are highlighted as part of the budget monitoring reporting process.	
Staffing	<p>The budget for staffing represents a significant proportion of the direct spend of the Council and is carefully monitored. Any issues in relation to employee costs will be raised in this and future monitoring reports.</p> <p>Having a clear set of performance targets enables staff outcomes/objectives to be set and effective action plans to be put in place.</p>	Director of Finance, Resources and Business Improvement (Section 151 Officer)
Legal	<p>The Council has a statutory obligation to maintain a balanced budget and the monitoring process enables the Committee to remain aware of issues and the process to be taken to maintain a balanced budget.</p> <p>There is no statutory duty to report regularly on the Council's performance. However, under Section 3 of the Local Government Act 1999 (as amended) a best value authority has a statutory duty to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. One of the purposes of the Key Performance Indicators is to facilitate the improvement of the economy, efficiency and effectiveness of Council services. Regular reports on Council performance help to demonstrate best value and compliance with the statutory duty.</p>	Interim Team Leader (Contentious and Corporate Governance) MKLS
Information Governance	The recommendations do not impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council processes.	Policy and Information Team
Equalities	There is no impact on Equalities as a result of the recommendations in this report. An EqIA would be carried out as part of a policy or service change, should one be identified.	Equalities and Communities Officer
Public Health	The performance recommendations will not negatively impact on population health or that of individuals.	Public Health Officer

Crime and Disorder	There are no specific issues arising.	Director of Finance, Resources and Business Improvement (Section 151 Officer)
Procurement	Performance Indicators and Strategic Milestones monitor any procurement needed to achieve the outcomes of the Strategic Plan.	Director of Finance, Resources and Business Improvement (Section 151 Officer)
Biodiversity and Climate Change	The implications of this report on biodiversity and climate change have been considered and there are no direct implications on biodiversity and climate change. Sufficient budget has been allocated for implementation of the Biodiversity and Climate Action Plan over the short to medium term to achieve Council priorities.	Biodiversity and Climate Change Manager

2. INTRODUCTION AND BACKGROUND

- 2.1 The Medium-Term Financial Strategy for 2022/23 to 2026/27 - including the budget for 2022/23 - was approved by full Council on 23rd February 2022. This report updates the Committee on how services have performed over the last quarter with regard to revenue and capital expenditure against approved budgets.
- 2.2 This report also includes an update to the Committee on progress against Key Performance Indicators (KPIs).
- 2.3 Attached at Appendix 1 is a report setting out the revenue and capital spending position at the Quarter 4 stage. Attached at Appendix 2 is a report setting out the position for the KPIs for the corresponding period and attached at Appendix 3 is an update on the UK Shared Prosperity Fund, which includes a RAG rating that was requested by Members at a previous meeting.

3. AVAILABLE OPTIONS

- 3.1 There is one matter for decision in this report. The Committee is asked to recommend the approval of the new Key Performance Indicators to Cabinet. The Committee is asked to note the remaining parts of the report but may choose to comment.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 In considering the current position on the Revenue budget, the Capital Programme, and the KPIs at the end of March 2023, the Committee can choose to note this information or could choose to comment. In the case of the Key Performance Indicators the Committee is asked to recommend these to Cabinet for approval so ongoing performance can be monitored effectively.
- 4.2 The Committee is requested to note the remaining content of the report.

5. RISK

- 5.1 This report is presented for information only and has no direct risk management implications.
- 5.2 The Council produced a balanced budget for both revenue and capital income and expenditure for 2022/23. The budget was set against a continuing backdrop of limited resources and a difficult economic climate, even before the final impact of the Covid-19 pandemic became clear. Regular and comprehensive monitoring of the type included in this report ensures early warning of significant issues that may place the Council at financial risk. This gives the Executive the best opportunity to take actions to mitigate such risks.

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 The KPIs update ("Performance Monitoring") are reported to the Policy Advisory Committees (PAC) quarterly: Communities, Leisure & Arts PAC, Housing, Health & Environment PAC and Planning, Infrastructure & Economic Development PAC. Each committee also receives a report on the relevant priority action areas. The report was also presented to the Corporate Services PAC reporting on the priority areas of "A Thriving Place", "Safe, Clean and Green", "Homes and Communities" and "Embracing Growth and Enabling Infrastructure".

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 The Quarter 4 Budget & Performance Monitoring reports are being reported to the relevant Policy Advisory Committees during June 2023.

8. REPORT APPENDICES

- Appendix 1: Fourth Quarter Budget Monitoring 2022/23
- Appendix 2: Fourth Quarter Performance Monitoring 2022/23
- Appendix 3: UK Shared Prosperity Fund Update 2022/23

9. BACKGROUND PAPERS

None.

Fourth Quarter Financial Update 2022/23

Housing, Health & Environment – Policy Advisory Committee
13th June 2023

Lead Officer: Mark Green
Report Author: Paul Holland

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B1) Revenue Budget Page 4

Part C: Capital Budget Q4 2022/23

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Part A

Executive Summary & Overview



This report provides members with the financial position as at 31st March 2023, covering activity for the Housing, Health & Environment Policy Advisory Committee's (HHE PAC) revenue and capital accounts for the fourth quarter of 2022/23.

In 2021/22, income recovered more strongly than expected from the pandemic and the Council generated a modest surplus compared with budget. For 2022/23, there is no more direct government funding to cover the costs of Covid, but the Council was able to set a balanced budget. Additional provision of £1.3 million was made within the 2022/23 budget for the expected impact of higher inflation on the Council's input costs. The projected peak level of inflation has increased and looks to continue to remain high for some time and is having an impact on contract and energy costs, so the unused contingency has been carried forward. We are also seeing increased demands in temporary accommodation which is linked to the financial economy. These pressures have been offset by increased levels of income and some underspends giving an outturn position which is a small underspend. The significant under and overspends have been reflected in the budget for 2023/24.

The headlines for Quarter 4 are as follows:

Part B: Revenue budget – Q4 2022/23

- Overall net expenditure at the end of Quarter 4 for the services reporting to this committee is £10.075m, compared to the approved profiled budget of £9.600m, representing an overspend of £0.475m.

Part C: Capital budget – Q4 2022/23

- Capital expenditure at the end of Quarter 4 was £11.280m against a total budget of £20.589m.

Part B

Fourth Quarter Revenue Budget 2022/23



B1) Revenue Budget

B1.1 The table below provides a detailed summary of the budgeted net income position for HHE PAC services at the end of Quarter 4. The financial figures are presented on an accruals basis (e.g., expenditure for goods and services received, but not yet paid for, is included). An analysis by the relevant Lead Members for this Committee is also shown.

HHE Revenue Budget & Outturn – Quarter 4

(a)	(b)	(c)	(d)
Cost Centre	Approved Budget for Year	Actual	Variance
	£000	£000	£000
Community Safety	36	35	2
PCC Grant - Building Safer Communities	0	0	0
C C T V	37	35	1
Community Partnerships & Resilience Section	542	465	77
Cemetery	33	-14	47
National Assistance Act	-0	-2	2
Crematorium	-844	-972	128
Licences	-5	-12	8
Licensing Statutory	-60	-88	28
Licensing Non Chargeable	8	8	-0
Dog Control	29	64	-36
Health Improvement Programme	8	8	0
Pollution Control - General	18	4	14
Contaminated Land	1	-6	6
Waste Crime	-2	-12	10
Food Hygiene	10	-5	15
Sampling	4	1	3
Occupational Health & Safety	-6	-12	5
Infectious Disease Control	1	1	-0
Noise Control	1	0	1
Pest Control	-12	-2	-10
Public Conveniences	269	168	101
Licensing - Hackney & Private Hire	-59	-64	5
Street Cleansing	1,289	1,259	30
Household Waste Collection	1,477	1,544	-67
Commercial Waste Services	-48	-78	30
Recycling Collection	1,005	975	30
Head of Environment and Public Realm	129	126	3
Bereavement Services Section	328	313	15
Licensing Section	139	123	16
Environmental Protection Section	280	199	82
Food and Safety Section	275	299	-24
Depot Services Section	999	935	64
Fleet Workshop & Management	186	185	1
MBS Support Crew	-60	-60	0

(a)	(b)	(c)	(d)
Cost Centre	Approved Budget for Year	Actual	Variance
	£000	£000	£000
Lettable Halls	-3	-13	9
Community Halls	47	18	29
Social Inclusion	74	85	-11
Parks & Open Spaces	986	953	34
Playground Maintenance & Improvements	159	145	14
Parks Pavilions	34	28	5
Mote Park	288	341	-52
Allotments	15	13	2
New Business & Housing Development	13	42	-29
Salary Slippage	-215	0	-215
Public Health - Obesity	0	0	0
Public Health - Misc Services	0	0	0
Strategic Housing Role	16	16	0
Housing Register & Allocations	13	11	2
Private Sector Renewal	-50	-50	0
HMO Licensing	-20	-31	10
Homeless Temporary Accommodation	289	1,195	-906
Homelessness Prevention	333	330	3
Predictive Analysis and Preventing Homelessness	2	2	0
Aylesbury House	13	0	13
Magnolia House	6	0	6
St Martins House	0	-2	3
Marsham Street	55	42	13
Sundry Temporary Accommodation (TA) Properties	-10	-11	0
2 Bed Property - Temporary Accommodation	-44	-44	0
3 Bed Property - Temporary Accommodation	-70	-71	0
4 bed Property - Temporary Accommodation	5	2	2
1 Bed Property- Temporary Accommodation	1	0	1
Trinity	40	22	17
Chillington House	14	4	10
Long Lease Properties	26	26	0
Marden Caravan Site (Stilebridge Lane)	19	30	-11
Ulcombe Caravan Site (Water Lane)	7	66	-60
Head of Housing & Community Services	126	125	2
Homechoice Section	256	231	25
Housing & Inclusion Section	465	469	-5
Housing & Health Section	339	329	10
Housing Management	283	279	4
Homelessness Outreach	84	73	11
Totals	9,600	10,075	-475

HHE Revenue Budget & Outturn – Quarter 4 (By Cabinet Member)

(a)	(b)	(c)	(d)
Cost Centre	Approved Budget for Year	Actual	Variance
	£000	£000	£000
Cemetery	33	-14	47
National Assistance Act	-0	-2	2
Crematorium	-844	-972	128
Licences	-5	-12	8
Licensing Statutory	-60	-88	28
Licensing Non Chargeable	8	8	-0
Dog Control	29	64	-36
Health Improvement Programme	8	8	0
Pollution Control - General	18	4	14
Contaminated Land	1	-6	6
Waste Crime	-2	-12	10
Food Hygiene	10	-5	15
Sampling	4	1	3
Occupational Health & Safety	-6	-12	5
Infectious Disease Control	1	1	-0
Noise Control	1	0	1
Pest Control	-12	-2	-10
Public Conveniences	269	168	101
Licensing - Hackney & Private Hire	-59	-64	5
Street Cleansing	1,289	1,259	30
Household Waste Collection	1,477	1,544	-67
Commercial Waste Services	-48	-78	30
Recycling Collection	1,005	975	30
Head of Environment and Public Realm	129	126	3
Bereavement Services Section	328	313	15
Licensing Section	139	123	16
Environmental Protection Section	280	199	82
Food and Safety Section	275	299	-24
Depot Services Section	999	935	64
Fleet Workshop & Management	186	185	1
MBS Support Crew	-60	-60	0
Parks & Open Spaces	986	953	34
Playground Maintenance & Improvements	159	145	14
Parks Pavilions	34	28	5
Mote Park	288	341	-52
Allotments	15	13	2
Sub-Total: Cabinet Member for Environmental Services	6,874	6,364	510

(a)	(b)	(c)	(d)
Cost Centre	Approved Budget for Year	Actual	Variance
	£000	£000	£000
Community Safety	36	35	2
PCC Grant - Building Safer Communities	0	0	0
C C T V	37	35	1
Community Partnerships & Resilience Section	542	465	77
Lettable Halls	-3	-13	9
Community Halls	47	18	29
Social Inclusion	74	85	-11
New Business & Housing Development	13	42	-29
Salary Slippage	-215	0	-215
Public Health - Obesity	0	0	0
Public Health - Misc Services	0	0	0
Strategic Housing Role	16	16	0
Housing Register & Allocations	13	11	2
Private Sector Renewal	-50	-50	0
HMO Licensing	-20	-31	10
Homeless Temporary Accommodation	289	1,195	-906
Homelessness Prevention	333	330	3
Predictive Analysis and Preventing Homelessness	2	2	0
Aylesbury House	13	0	13
Magnolia House	6	0	6
St Martins House	0	-2	3
Marsham Street	55	42	13
Sundry Temporary Accommodation (TA) Properties	-10	-11	0
2 Bed Property - Temporary Accommodation	-44	-44	0
3 Bed Property - Temporary Accommodation	-70	-71	0
4 bed Property - Temporary Accommodation	5	2	2
1 Bed Property- Temporary Accommodation	1	0	1
Trinity	40	22	17
Chillington House	14	4	10
Long Lease Properties	26	26	0
Marden Caravan Site (Stilebridge Lane)	19	30	-11
Ulcombe Caravan Site (Water Lane)	7	66	-60
Head of Housing & Community Services	126	125	2
Homechoice Section	256	231	25
Housing & Inclusion Section	465	469	-5
Housing & Health Section	339	329	10
Housing Management	283	279	4
Homelessness Outreach	84	73	11
Sub-Total: Cabinet Member for Housing and Health	2,726	3,711	-985

B1.2 The table shows that at the end of the fourth quarter overall net expenditure for the services reporting to HHE PAC is £10.075m, compared to the approved profiled budget of £9.600m, representing an overspend of £0.475m.

B1.3 The table indicates that in certain areas, significant variances to the budgeted income levels have emerged during the fourth quarter of the year. The reasons for the more significant variances are explored in section B2 below.

B2) Variances

B2.1 The most significant variances for this Committee are as follows:

	Positive Variance Q4	Adverse Variance Q4
Housing, Health & Environment Committee	£000	
Crematorium – There has been a greater demand for service with the death rate being higher than normal. There has also been an increase in memorial sales.	128	
Public Conveniences – The underspend relates to unused budgetary provision that was made for the new toilets in Mote Park which didn't open until the end of December 2022.	101	
Household Waste Collection – The overspend is due to additional bin purchases and the consultancy costs relating to the new waste collection contract.		-67
Mote Park - This overspend was caused by a number of factors – increased water costs, increased trade waste charges and costs relating to the new Estate Services Building.		-52
Homeless Temporary Accommodation - Demand has been high all year for temporary accommodation, and this is due mainly to the rise in the cost of living. There are also issues with getting people out of temporary accommodation as soon as possible, this has proved very difficult throughout the year.		-906
Ulcombe Caravan Site (Water Lane) - This overspend was caused by increased service charges from Kent County Council. This was due to issues around rent collection, and increased charges for water and electricity.		-60

Part C

Fourth Quarter Capital Budget 2022/23



C1) Capital Budget: Housing, Health & Environment Committee (HHE)

C1.1 The position of the 2022/23 HHE element of the Capital Programme at the Quarter 4 stage is presented in Table 3 below.

HHE Capital Programme 2022/23 (@ Quarter 4)

Capital Programme Heading	Revised Estimate 2022/23 £000	Actual to March 2023 £000	Budget Remaining £000
Housing, Health & Environment			
Housing - Disabled Facilities Grants Funding	1,640	1,228	412
Temporary Accommodation	4,330	451	3,879
Springfield Mill - Phase 2	731	738	-8
Affordable Housing Programme - Trinity Place	500	375	125
Commercial Development - Maidstone East	200		200
Private Rented Sector Housing Programme	2,310	1,653	657
1,000 Homes Affordable Housing Programme	7,600	4,406	3,194
Acquisitions Officer - Social Housing Delivery P/ship	160	180	-20
Granada House Refurbishment Works	100	41	59
Street Scene Investment	70	72	-2
Flood Action Plan	430	12	418
Electric Operational Vehicles	84	95	-11
Vehicle Telematics & Camera Systems	35	39	-4
Rent & Housing Management IT System	11	14	-3
Installation of Public Water Fountains	15		15
Crematorium & Cemetery Development Plan	250	241	9
Continued Improvements to Play Areas	126	32	94
Parks Improvements	152	133	19
Gypsy & Traveller Sites Refurbishment	1,421	1,289	131
Waste Crime Team - Additional Resources	25		25
Section 106 funded works - Open Spaces	400	283	117
Total	20,589	11,280	9,309

B1.2 Comments on the variances in the table above are as follows:

Disabled Facilities Grant Funding - The time taken to approve DFG payments has improved significantly, with the average time reducing from 50 days to 11 days. A review of the DFG process has been completed by an independent organisation and the recommendations have either been implemented or informed the new Housing Renewal Policy 2023. The draft policy was considered and recommended for approval by CHE PAC in February 2023 before adoption by the Executive. The new working practices and policy will provide for a better experience for our residents and see further improvements in the delivery of grants.

Temporary Accommodation - This is the funding for the latest phase of property acquisitions to provide accommodation for temporarily homeless families and persons. There were only two acquisitions this year, due to the high level of house prices during the year. More acquisitions are taking place in 2023/24 as more properties have been identified at affordable prices.

Private Sector Rented Housing Programme/ 1,000 Homes Affordable Housing Programme

A number of schemes are at various stages of development, and further land/property acquisitions have taken place during the year. The variance relates mainly to larger scale schemes that have not progressed as far as was anticipated by the end of March. Some schemes will also contain elements of both private rented and affordable housing so the costs may change depending on the mix at the sites where this happens.

Flood Action Plan - At this stage there are no plans to spend this budget, and it will be carried forward to 2023/24.

HHE: Quarter 4 Performance Report

Key to performance ratings

RAG Rating	
	Target not achieved
	Target slightly missed (within 10%)
	Target met
	Data Only

Direction	
	Performance has improved
	Previous data not captured
	Performance has declined
N/A	No previous data to compare

Performance Summary

RAG Rating	Green	Amber	Red	N/A ¹	Total
KPIs	3	0	1	9	13
Direction	Up	No Change	Down	N/A	Total
Last Quarter	4	0	8	1	13
Last Year	6	0	6	1	13

- 75% (3 of 4) the targetable quarterly key performance indicators (KPIs) reportable to this Committee achieved their Quarter 4 (Q4) target¹.
- Compared to last quarter (Q3 2022/23), performance for 33.3% (4 of 12) KPIs have improved, and for 66.7% (8 of 12) KPIs have declined¹.
- Compared to last year (Q4 2021/22), performance for 50% (6 of 12) KPIs have improved, and for 50% (6 of 12) KPIs have declined¹.

Homes & Communities

Performance Indicator	Q4 2022/23				
	Value	Target	Status	Short Trend (Last Quarter)	Long Trend (Last Year)
Number of households living in temporary accommodation last night of the month (NI 156 & SDL 009-00) (average taken from January – March)	258				
Number of households living in nightly paid temporary accommodation last night of the month (average taken from January – March)	160				
Percentage of successful Prevention Duty outcomes	69.57%	60%			
Number of households prevented or relieved from becoming homeless	149	112.5			

¹ PIs rated N/A are not included in the summary calculations.

Performance Indicator	Q4 2022/23				
	Value	Target	Status	Short Trend (Last Quarter)	Long Trend (Last Year)
Percentage of successful Relief Duty outcomes	38.41%	60%			
Number of Rough Sleepers accommodated by the Council on the last night of the month (average taken from January – March)	26				
Number of Rough Sleepers newly engaged in the period	7				
Number of households newly in temporary accommodation due to loss of tenancy and home ownership	21				
Number of homeless cases where the cause of homelessness is domestic abuse	57				
Percentage of CPWs to CPNs in period (CPT/SMP)	50%				
Percentage of noise complaints followed up with diary sheets by a customer	24.6%				
Number of affordable homes delivered, excluding first homes (Gross)	132	50			
Affordable homes as a percentage of all new homes	Annual KPI				

The “**Percentage of successful Relief Duty outcomes**” indicator outcome achieved a result of 38.41%, which has declined against last quarter (45.79%), however has improved against Q4 2021/22 (37.74%). The indicator missed its target by 21.6%.

As previously reported, this target is ambitious and significantly higher than national figures on the percentages of homelessness being successfully relieved. The target has been revised for 2023/24.

The performance of 38.41% of homelessness relieved in the quarter demonstrates average performance and is on par with the national average of homelessness relieved for the quarter of 38.2%, taken from the detailed Local Authority tables for statutory homelessness. It is also much higher than the Kent average of 33.8%.



Part B – HHE: 2022/2023 End-of-Year Outturn
Key to performance ratings

RAG Rating	
	Target not achieved
	Target slightly missed (within 10%)
	Target met
	Data Only

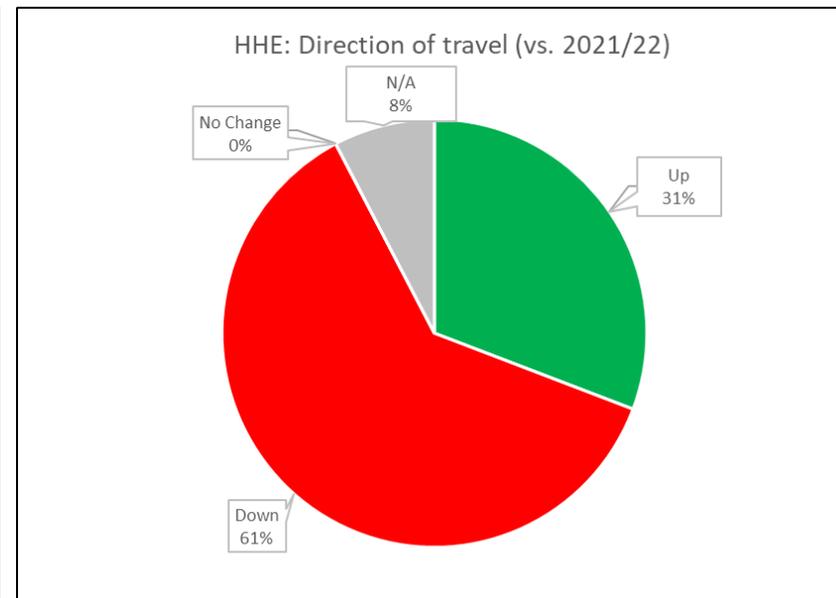
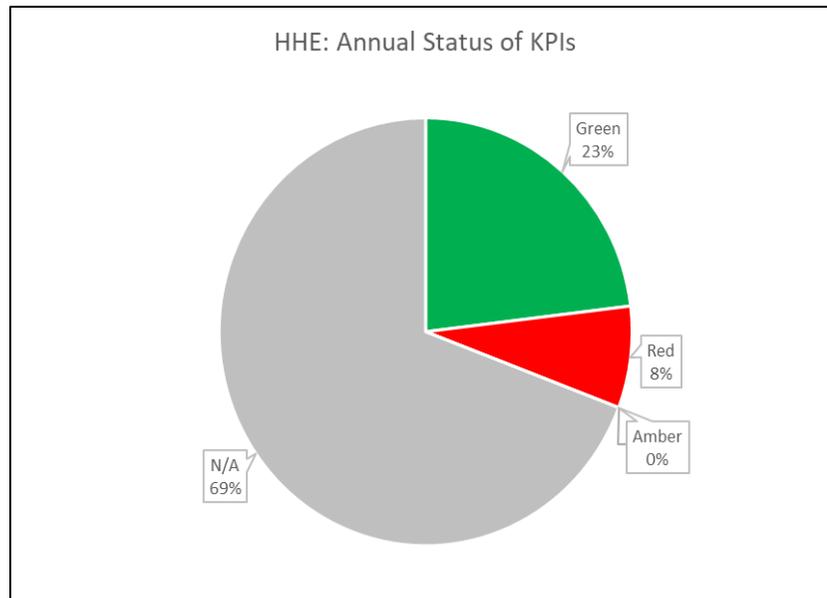
Direction	
	Performance has improved
	Performance has been sustained
	Performance has declined
N/A	No previous data to compare

NOTE: Direction of travel for targeted performance indicators shows if performance has improved or declined.

For Data Only performance indicators, the direction of travel shows if there has been an increase or decrease in volume.

Annual Performance Summary

30



Homes & Communities

Indicator	Q1 2022/23	Q2 2022/23	Q3 2022/23	Q4 2022/23	Annual 2022/23	Annual Target 2022/23	Annual Status	Direction of travel
Number of households living in temporary accommodation last night of the month (NI 156 & SDL 009-00)	169	193	219	258	210			
Number of households living in nightly paid temporary accommodation last night of the month	73	84	112	160	107			
Number of households prevented or relieved from becoming homeless	140	125	133	149	547	450		
Percentage of successful Prevention Duty outcomes	71.65%	73.77%	65.63%	69.57%	70.1%	60%		
Percentage of successful Relief Duty outcomes	47.12%	42.17%	45.79%	38.41%	43.06%	60%		
Number of Rough Sleepers accommodated by the Council on the	30	21	24	26	25			

APPENDIX 2

Indicator	Q1 2022/23	Q2 2022/23	Q3 2022/23	Q4 2022/23	Annual 2022/23	Annual Target 2022/23	Annual Status	Direction of travel
last night of the month								
Number of Rough Sleepers newly engaged in the period	18	8	12	7	11			
Number of households newly in temporary accommodation due to loss of tenancy and home ownership	14	17	17	21	17			
Number of homeless cases where the cause of homelessness is domestic abuse	46	43	35	57	45			
Percentage of CPWs to CPNs in period (CPT/SMP)	31.4%	42.9%	10.0%	50.0%	33.8%			
Percentage of noise complaints followed up with diary sheets by a customer	20.1%	20.6%	21.3%	24.6%	22.4%			
Affordable homes as a percentage of all new homes	Annual KPI				TBC	20%	TBC	TBC
Number of affordable homes delivered (Gross)	118	80	48	132	378	200		

Notes

- Where KPIs are providing data “as at the end of the month”, the annual outturn is provided as an average figure, taken from the quarterly performance, for the 2022/23 year.
- Data for the KPI “Affordable homes as a percentage of all new homes” is not available at the time of writing this report. As with previous years, the data is derived from surveys and subsequent analysis which take place from April, with results being available by August 2023.
- Direction of travel for targeted performance indicators shows if performance has improved or declined. For data only performance indicators direction of travel shows if there has been an increase or decrease in volume.

Summary of 2022/23 year

Head of Housing & Regulatory Services Comments:

The financial year 2022/23 was exceptionally busy with 2,568 approaches for advice about housing matters. Of these, 1,287 households were either homeless or threatened with homelessness requiring a homeless application to be taken and enquiries made. The breakdown of these applications saw 57% approaching at the threatened with homelessness (56 days) stage whilst 43% presented at the point of being homeless – our highest on record. We had a total of 57.7% of initial applications made at threat of homelessness stage

We were successful in preventing homelessness for 86% of applicants who approached at the threatened with homelessness stage. This represents top quartile performance nationally and stresses the importance of being able to engage with households at an early stage. To emphasise this point, only 14% of households became homeless where we had the opportunity to intervene (e.g. through the use of data analytics) - far lower than pre-pandemic levels which represents some excellent work across the service.

In line with the national and regional experience, temporary accommodation use has risen over the year. Two main causes can be attributed to the need to make temporary accommodation placements; these were the removal of restrictions around ending tenancies in the private rented sector (following the pandemic), and domestic abuse.

Domestic abuse became the single most significant factor, with 181 approaches this year. Whilst the quantum of approaches has remained similar to previous years, the Domestic Abuse Act widened the categories of persons who are owed a duty to secure accommodation to include single households. This significantly contributed to the number of persons in temporary accommodation.

Those helped at the 'Relief stage' (those who approached as homeless on the day) has a success rate of 43%, which is slightly better than the national average. This figure largely depends on the availability of move on accommodation and unfortunately, we experienced a reduction in the number of vacant properties becoming available from our Housing Association partners. During 2022/23 we successfully nominated 555 households, which is the lowest number of lettings since 2008/09.

The Housing Register has grown significantly since the pandemic, with 1,102 live applications. We received, on average, 270 new applications each month during 2022/23 making a total of 3,243 over the year.



Part C - HHE: 2023/24 Key Performance Indicators

Indicator	New or Existing	Frequency	Target	Head of Service
Lead Member for Housing & Health				
Housing				
Number of households living in temporary accommodation last night of the month (NI 156 & SDL 009-00)	Existing	Quarterly	Information Only	John Littlemore
Number of households living in nightly paid temporary accommodation last night of the month	Existing	Quarterly	Information Only	John Littlemore
Number of Rough Sleepers accommodated by the Council on the last night of the month	Existing	Quarterly	Information Only	John Littlemore
Percentage of successful Prevention Duty outcomes	Existing	Quarterly	65%	John Littlemore
Number of households prevented or relieved from becoming homeless	Existing	Quarterly	125	John Littlemore
Percentage of successful Relief Duty outcomes	Existing	Quarterly	40%	John Littlemore
Number of homeless cases where the cause of homelessness is domestic abuse	Existing	Quarterly	Information Only	John Littlemore
Private Sector Housing				
Number of completed Disabled Facilities Grants	New	Quarterly	Information Only	John Littlemore
Number of private sector homes improved through PSH interventions	New	Quarterly	Information Only	John Littlemore
Number of completed Home Assistances	New	Annual	Information Only	John Littlemore
Housing Allocation & Strategy				
Number of affordable homes delivered (Gross)	Existing	Quarterly	50	John Littlemore

APPENDIX 2

Indicator	New or Existing	Frequency	Target	Head of Service
Affordable homes as a percentage of all new homes	Existing	Annual	20%	John Littlemore
Community Safety				
Percentage of CPWs to CPNs in period (CPT/SMP)	Existing	Quarterly	Information Only	John Littlemore
Number of Community Protection Warnings (CPWs) in period	Existing	Quarterly	Information Only	John Littlemore
Number of Community Protection Notices (CPNs) in period	Existing	Quarterly	Information Only	John Littlemore
Health, Biodiversity & Climate Change				
Improvement in Air Quality	New	Annual	TBC	John Littlemore
Borough wide carbon emissions reduction (Gov Data)	New	Annual	TBC	Anna Collier
Lead Member for Environmental Services				
The percentage of relevant land and highways that is assessed as having acceptable levels of litter	New	Quarterly	98%	Jennifer Stevens
The percentage of relevant land and highways that is assessed as having acceptable levels of detritus	New	Quarterly	95%	Jennifer Stevens
Missed bins per 100,000 collections	New	Quarterly	35	Jennifer Stevens
Tonnage of household waste produced per household	New	Quarterly	Information Only	Jennifer Stevens
Percentage of household waste sent for reuse, recycling and composting	New	Quarterly	53%	Jennifer Stevens
Contaminated tonnage (rejected) as a percentage of tonnage of household waste sent for reuse, recycling or composting	New	Quarterly	6%	Jennifer Stevens
Number of trees planted/size of area rewilded	New	Annual	TBC	Anna Collier

UKSPF 2022/23 Quarter 4 Update:

On 5th December 2022 the Department for Levelling up, Housing & Communities (DLUHC) approved the Investment Plan submitted in August 2022. Since then the authority has returned the Memorandum of Understanding and received year 1 grant at the end of January 2023. Due to the delay in approving year 1 grants the government agreed that authorities can carry over any underspend from year 1 into year 2. There was £7,397 underspend across year 1 as shown in the table below. It was agreed by the Leader that this underspend would be used on equipment and added to the Creative Communities Fund that was extremely oversubscribed in year 2.

Preparatory and delivery work for year 2 projects has continued with project leads, the year 2 projects include:

- Creative Communities Fund
- Continued Events expertise and Advertisements for events
- Literature Festival
- Iggy Sculpture Trail
- Arts Carnival
- Feasibility Study for a Community Arts Hub
- Borough Insight
- Green volunteering project to improve Town Centre Green Spaces

In April 2023 the authority received confirmation that the Rural England Prosperity Fund (REPF) investment plan had been approved by Government. The first year of spending of this is 2023/24. The first round of applications was opened in mid-April and closes in June 2023.

Intervention	Project	Detail	2022/23 budget	Amount spent:	£ Committed	Q4 Update:
E1: Improvements to town centres & high streets	Project B A Safe and Attractive Town Centre achieved through Greening and Lighting	Feasibility study in year 1. The feasibility study will be combined with other work required for the Town Centre Strategy so the amount allocated reflects the study being partly funded from the TCS allocation	£20,000	£20,000		Consultant started work in January 2023, a feasibility study is nearly complete and will form part of the wider Town Centre Strategy that will be adopted in 2023.
E6: Local arts, cultural, heritage &	Project A - Building Pride in Place through	Creative communities funds for local organisations and groups to support events	£30,000	£30,000		Completed. In 2022/23 a single round was published, funding was then distributed across 18 projects.

creative activities	promotion of the Town Centre and Events.	Festive Trail event – working with One Maidstone to create a festive trail to run through the Town Centre	£20,000	£19,999		Completed in December 2022.
		Events Expertise to develop bespoke events	£4,500	£4,200		Support for the Festive Trail and Magic of Xmas Parade.
		Equipment purchase to support events	£15,000	£12,249		Videography equipment, speaker on wheels, Go Pro and accessories, uplighters for events, equipment storage, poster cases, event furniture.
E8: Campaigns to encourage visits and exploring of local area	Project A - Building Pride in Place through promotion of the Town Centre and Events.	Advertising budget to promote events across all channels	£20,000	£16,122		Support the Festive Trail, Magic of Xmas Parade, Lunar Festival, Light Festival and many others.
		Borough Insight Events and Town centre focussed	£25,000	£25,000		Completed.
		Promotional video for business and events in TC	£5,218	£4,750		Promotional video for the Magic of Xmas Parade.
Management Overheads			£5,822	£5,820		
Total:			£145,540	£138,143	£0	£7,397 underspend carried over to year 2.
				£138,143		

Housing, Health and Environment Policy Advisory Committee

13th June 2023

Property Acquisition

Timetable	
Meeting	Date
Housing, Health, and Environment Policy Advisory Committee	13 th June 2023
Cabinet	28 th June 2023

Will this be a Key Decision?	Yes
Urgency	Not Applicable
Final Decision-Maker	Cabinet
Lead Head of Service	Philip Morris – Head of New Business and Housing Development
Lead Officer and Report Author	Rachael Bennett – Development Project Manager
Classification	<p>Public Report with Exempt Private Appendices</p> <p>The information contained within the Appendices has been considered exempt under the following paragraph of part 1 of schedule 12A to the Local Government Act 1972:-</p> <p>3 = Information relating to the financial or business affairs of any particular person (including the authority holding that information)</p> <p>Public Interest Test</p> <p>On applying the public interest test, the public interest in non-disclosure of the report outweighs the public interest in disclosing this information. The reasons in favour of disclosure are the public interest in ensuring value for money and the reasons against disclosure are the harm to the Council’s financial position in respect of a commercial transaction. Any</p>

	disclosure of such information may compromise the negotiating position of the Council. Keeping the information exempt is therefore in the public interest.
Wards affected	High Street

Executive Summary

The Council has an ambitious housebuilding programme that is funded via the Council's adopted Capital Programme. This housebuilding programme encompasses homes for; Affordable Housing (AH), Private Rented Sector Housing (PRS) and on occasion a limited amount of exposure to Market Sale (MS) Housing too. The development strategy for this programme was approved by the Policy & Resources Committee in January 2022, and the proposals within this report are consistent with delivering that strategy.

Purpose of Report

For Consideration and Recommendation to Cabinet

The Housing, Health and Environment Policy Advisory Committee make the following recommendations to Cabinet:

1. Approve the financial returns for the proposed acquisition as shown in Exempt Appendix 3 of this report, which supports the Housing Development and Regeneration Investment Plan and overall Development Strategy.
2. Give delegated authority to the Director of Finance, Resources and Business Improvement to:
 - a) Negotiate terms for the purchase of the proposed acquisition for the sum as shown in the Exempt Appendix 3 of this report.
 - b) Procure and enter into all such deeds, agreements, contracts and documents which may be required to facilitate the purchase of the site, and the subsequent redevelopment works required to deliver the scheme referred to in this report. Including (but not limited to) any related appointments such as suitably qualified consultants and a Contractor.
 - c) Subject to satisfactory conclusion of all due diligence to negotiate and finalise and complete all legal formalities, deeds and agreements which may be required to facilitate the purchase.
 - d) Negotiate and agree any lease between The Council and Maidstone Property Holdings.
3. Authorise the Head of Mid Kent Legal Services to appoint the Solicitors required to negotiate and complete the necessary contract documentation, deeds and agreements associated with the purchase and construction works on the terms as agreed by the Director of Finance, Resources & Business Improvement.

Property Acquisition

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<p>Impact on Corporate Priorities</p>	<p>The four Strategic Plan objectives are:</p> <ul style="list-style-type: none"> • Embracing Growth and Enabling Infrastructure • Safe, Clean and Green • Homes and Communities • A Thriving Place <p>The purchase of the homes described in this report supports the Councils Development Strategic plan in building 1,000 Affordable Homes, within the agreed capital spend of 200m.</p> <p>Accepting the recommendations will materially improve the Council’s ability to achieve and support Embracing Growth and Enabling Infrastructure and Homes and Communities.</p>	<p>Philip Morris Head of New Business and Housing Development</p>
<p>Cross Cutting Objectives</p>	<p>The four cross-cutting objectives are:</p> <ul style="list-style-type: none"> • Heritage is Respected • Health Inequalities are Addressed and Reduced • Deprivation and Social Mobility is Improved • Biodiversity and Environmental Sustainability is respected <p>The report recommendations support the achievement of the Deprivation and Social Mobility is improved cross cutting objective by delivering a high-quality development of affordable homes.</p>	<p>Alison Broom Chief Executive</p>
<p>Risk Management</p>	<p>Already covered in the risk section.</p>	<p>Philip Morris Head of New Business and</p>

		Housing Development
Financial	Monies are allocated in the capital programme for Private Rented Sector housing. This scheme would draw upon those resources already allocated, subject to the risks set out in this report and to the initiatives described in the report to close any potential viability gap.	Paul Holland Senior Finance Manager – Client Accountancy
Staffing	We will deliver the recommendations with our current staffing. However, we will employ external consultants to help facilitate and oversee the redevelopment works with the appointed contractor.	William Cornall Director of Regeneration & Place
Legal	<p>MBC has statutory power under section 1 of the Localism Act 2011 to do anything that individuals generally may do and under section 111 of the Local Government Act 1972 MBC has power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.</p> <p>S120(1)(2) of the 1972 Act also enables MBC to acquire land to be used for the benefit, improvement or development of their area or for the purpose of discharging MBC’s functions.</p> <p>MBC must follow its internal procurement rules as detailed in the Constitution and comply with all legal requirements as may be applicable from time to time.</p> <p>Acting on the recommendations is within MBC’s powers as set out in the above statutory provisions.</p>	Robin Harris Interim Team Leader (Contentious and Corporate Governance)
Information Governance	The recommendations will impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council processes.	Lauren Connett & Georgia Harvey

		Information Governance Team
Equalities	The recommendations do not propose a change in service therefore will not require an equalities impact assessment.	Nicola Toulson Equalities & Communities Officer
Public Health	We recognise that the recommendations will not negatively impact on population health or that of individuals.	Philip Morris Head of New Business and Housing Development
Crime and Disorder	The recommendation will not have a negative impact on Crime and Disorder.	Philip Morris Head of New Business and Housing Development
Procurement	On accepting the recommendations, MBC will then follow procurement exercises for commissioning consultancy advice to secure the works contract. We will complete those exercises in line with financial procedure rules.	Philip Morris Head of New Business and Housing Development
Biodiversity and Climate change	<p>Providing new affordable and market rent homes will have a significant impact on the Council's carbon footprint and 2030 Net Zero commitment. Highly thermally efficient, low carbon heating, and climate adapted housing, as well as consideration for shared heating solutions, renewable energy, active travel, and biodiversity enhancements as part of the development strategy will ensure alignment with the Biodiversity and Climate Change Action Plan.</p> <p>Inline with the Biodiversity and Climate Change Action Plan, two particular actions should be considered as part of the developments:</p>	<p>James Wilderspin - Biodiversity and Climate Change Manager</p> <p>Philip Morris Head of New Business and Housing Development</p>

	<p>Action 9.3 Deliver Policy that ensures sustainability criteria is used for all Maidstone Borough Council construction of new buildings (offices, housing, leisure facilities) and sustainability criteria is part of decision-making process for all Maidstone Borough Council building acquisitions, to ensure buildings owned by the council are sustainable, future proofed, and align with our net zero commitment.</p> <p>Action 9.4 Establish criteria for investment in climate change and biodiversity and invest to save schemes (eg. renewables, heat networks). These will consider relative impact in terms of carbon reduction and ease of delivery, such that expenditure is focused on deliverable, affordable initiatives that maximise impact on the carbon reduction targets.</p>	
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2 INTRODUCTION AND BACKGROUND

2.1 When appraising new housing development opportunities, the New Business and housing Development Team consider proposals against the following standard risk headings: -

- Site location and ownership.
- Town Planning Status.
- Schedule of accommodation, tenure mix and parking ratio.
- Quality – Maidstone Building for Life 12.
- Housing Management.
- Deal structure.
- Contractor procurement.
- Financial viability.
- Delivery programme.
- Professional team.

2.2 The opportunity proposed in this report is fully appraised against these standard risk headings in the exempt Appendix 1.

3 AVAILABLE OPTIONS

3.1 Option 1: The Committee could choose not to recommend the approval of the purchase of the proposed acquisition to Cabinet. The Council would however lose an excellent opportunity to purchase a completed block of 25 units. Although some of the individual units fall under the national space guidance the site is shown to be a profitable asset for the council and

Maidstone Property Holdings in the appraisal of the financial viability that has been undertaken. Having a central location, the site is close to amenities and develops a previously derelict area which will help improve the aesthetics of the Town Centre South Conservation Area and aid in the prevention of crime by the addition of population.

- 3.2 Option 2: The Committee recommends to Cabinet that the purchase of the proposed acquisition is approved on the agreed terms and subsequently leased to Maidstone Property Holdings. This site will be a profitable asset to MBC and assist with much needed housing provision and contribute towards delivering MPH target. Having a central location, the site is close to amenities and develops a previously derelict area which will help improve the aesthetics of the Town Centre South Conservation Area and aid in the prevention of crime by the addition of population.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 Option 2 is the recommended option. A significant amount of work and negotiation has been completed by officers to reach this accepted offer stage with the vendor. The scheme is completed block of 25 flats and represents a good investment opportunity which supports Maidstone Property Holdings in their delivery target.

5 RISK

- 5.1 Please see exempt appendix 1

6 CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 The issue will be considered by the HHE PAC on the 13 June 2023 with a view to the outcome being reported to Cabinet on 28 June 2023.

7 NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 The next steps, subject to the decision made by Cabinet, will be to secure the site with exchange and completion of contracts on the terms as agreed by the Director of Finance, Resources and Business Improvement, subject to RICS valuation, and satisfactory due diligence report and contract.

8 REPORT APPENDICES

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

- Exempt Appendix 1: Risk Assessment
 - Exempt Appendix 2: Site Layout
 - Exempt Appendix 3: Financial Viability Outputs
-

9 BACKGROUND PAPERS

Policy and Resources Committee Report "Affordable Housing Delivery by the Council" and Minute (No.157) of 19 January 2022

Housing, Health and Environment Policy Advisory Committee

13th June 2023

Property Acquisition for 1,000 Affordable Homes Programme

Timetable	
Meeting	Date
Housing Health and Environment Policy Advisory Committee	13 th June 2023
Cabinet	28 th June 2023

Will this be a Key Decision?	Yes
Urgency	Not Applicable
Final Decision-Maker	Cabinet
Lead Head of Service	Philip Morris – Head of New Business and Housing Development
Lead Officer and Report Author	Philip Morris – Head of New Business and Housing Development
Classification	<p>Public Report with Exempt Private Appendices</p> <p>The information contained within the Appendices has been considered exempt under the following paragraph of part 1 of schedule 12A to the Local Government Act 1972:-</p> <p>3 = Information relating to the financial or business affairs of any particular person (including the authority holding that information)</p> <p>Public Interest Test</p> <p>On applying the public interest test, the public interest in non-disclosure of the report outweighs the public interest in disclosing this information. The reasons in favour of disclosure are the public interest in ensuring value for money and the reasons against disclosure are the harm to the Council’s financial position in</p>

	respect of a commercial transaction. Any disclosure of such information may compromise the negotiating position of the Council. Keeping the information exempt is therefore in the public interest.
Wards affected	Fant Ward

Executive Summary

The Council has an ambitious housebuilding programme that is funded via the Council's adopted Capital Programme. This housebuilding programme encompasses homes for Affordable Housing (AH), Private Rented Sector Housing (PRS) and on occasion a limited amount of exposure to Market Sale (MS) Housing too. The development strategy for this programme was approved by the Policy & Resources Committee on 19th January 2022, and the proposals within this report are consistent with delivering that strategy.

Purpose of Report

For Consideration and Recommendation to Cabinet

The Housing, Health and Environment Policy Advisory Committee make the following recommendations to Cabinet:

1. Approve the financial returns for the proposed acquisition as shown in Exempt Appendix 3 of this report, which supports the Housing Development and Regeneration Investment Plan and overall Development Strategy.
2. Give delegated authority to the Director of Finance, Resources and Business Improvement to:
 - a) Negotiate terms for the purchase of the proposed acquisition for the sum as shown in the Exempt Appendix 3 of this report.
 - b) Procure and enter into all such deeds, agreements, contracts and documents which may be required to facilitate the purchase of the site, and the subsequent redevelopment works required to deliver the scheme referred to in this report. Including (but not limited to) any related appointments such as suitably qualified consultants and a Contractor.
 - c) Subject to satisfactory conclusion of all due diligence to negotiate and finalise and complete all legal formalities, deeds and agreements which may be required to facilitate the purchase.
3. Authorise the Head of Mid Kent Legal Services to appoint the Solicitors required to negotiate and complete the necessary contract documentation, deeds and agreements associated with the purchase and construction works on the terms as agreed by the Director of Finance, Resources & Business Improvement.
4. Agree, post completion of the procurement process, to appoint a contractor for the works cost detailed in the financial summary at Exempt Appendix 3. If in the event tenders for the works cost are in excess of the agreed sum then

officers will return to the Committee/Cabinet to seek further approval prior to the development itself commencing.

Property Acquisition for 1,000 Affordable Homes Programme

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<p>Impact on Corporate Priorities</p>	<p>The four Strategic Plan objectives are:</p> <ul style="list-style-type: none"> • Embracing Growth and Enabling Infrastructure • Safe, Clean and Green • Homes and Communities • A Thriving Place <p>The purchase of the homes described in this report supports the Councils Development Strategic plan in building 1,000 Affordable Homes, within the agreed capital spend of 200m.</p> <p>Accepting the recommendations will materially improve the Council's ability to achieve and support Embracing Growth and Enabling Infrastructure and Homes and Communities.</p>	<p>Philip Morris Head of New Business and Housing Development</p>
<p>Cross Cutting Objectives</p>	<p>The four cross-cutting objectives are:</p> <ul style="list-style-type: none"> • Heritage is Respected • Health Inequalities are Addressed and Reduced • Deprivation and Social Mobility is Improved • Biodiversity and Environmental Sustainability is respected <p>The report recommendations support the achievement of the Deprivation and Social Mobility is improved cross cutting objective by delivering a high-quality development of affordable homes.</p>	<p>Alison Broom Chief Executive</p>
<p>Risk Management</p>	<p>Already covered in the risk section.</p>	<p>Philip Morris Head of New Business and</p>

		Housing Development
Financial	Development of the specific site is not currently included in the draft capital programme, however monies have been allocated for indicative schemes such as this. This scheme would therefore draw upon those resources already allocated to those indicative schemes, subject to the risks set out in this report and to the initiatives described in the report to close any potential viability gap.	Paul Holland (Senior Finance Manager – Client Accountancy) Philip Morris Head of New Business and Housing Development
Staffing	We will deliver the recommendations with our current staffing. However, we will employ external consultants to help facilitate and oversee the redevelopment works with the appointed contractor.	Philip Morris Head of New Business and Housing Development
Legal	<p>MBC has statutory power under section 1 of the Localism Act 2011 to do anything that individuals generally may do and under section 111 of the Local Government Act 1972 MBC has power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.</p> <p>S120(1)(2) of the 1972 Act also enables MBC to acquire land to be used for the benefit, improvement or development of their area or for the purpose of discharging MBC’s functions.</p> <p>MBC must follow its internal procurement rules as detailed in the Constitution and comply with all legal requirements as may be applicable from time to time.</p> <p>Acting on the recommendations is within MBC’s powers as set out in the above statutory provisions.</p>	Russell Fitzpatrick MKLS

Information Governance	The recommendations will impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council processes.	Georgia Harvey and Lauren Connett - Information Governance Team
Equalities	The recommendations do not propose a change in service therefore will not require an equalities impact assessment	Nicola Toulson Equalities & Communities Officer
Public Health	We recognise that the recommendations will not negatively impact on population health or that of individuals.	Philip Morris Head of New Business and Housing Development
Crime and Disorder	The recommendation will not have a negative impact on Crime and Disorder.	Philip Morris Head of New Business and Housing Development
Procurement	On accepting the recommendations, MBC will then follow procurement exercises for commissioning consultancy advice to secure the works contract. We will complete those exercises in line with financial procedure rules.	Philip Morris Head of New Business and Housing Development
Biodiversity and Climate change	<p>Providing 1,000 new affordable homes will have a significant impact on the Council's carbon footprint and 2030 Net Zero commitment. Highly thermally efficient, low carbon heating, and climate adapted housing, as well as consideration for shared heating solutions, renewable energy, active travel, and biodiversity enhancements as part of the development strategy will ensure alignment with the Biodiversity and Climate Change Action Plan.</p> <p>Special attention is needed in regards to the implications of the following to action of the Biodiversity and Climate Change Action plan:</p> <p>Action 9.3 Deliver Policy that ensures</p>	James Wilderspin - Biodiversity and Climate Change Manager

	<p>sustainability criteria is used for all Maidstone Borough Council construction of new buildings (offices, housing, leisure facilities) and sustainability criteria is part of decision-making process for all Maidstone Borough Council building acquisitions, to ensure buildings owned by the council are sustainable, future proofed, and align with our net zero commitment.</p> <p>Action 9.4 Establish criteria for investment in climate change and biodiversity and invest to save schemes (eg. renewables, heat networks). These will consider relative impact in terms of carbon reduction and ease of delivery, such that expenditure is focused on deliverable, affordable initiatives that maximise impact on the carbon reduction targets.</p>	
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2 INTRODUCTION AND BACKGROUND

2.1 When appraising new housing development opportunities, the New Business and housing Development Team consider proposals against the following standard risk headings: -

- Site location and ownership.
- Town Planning Status.
- Schedule of accommodation, tenure mix and parking ratio.
- Quality – Maidstone Building for Life 12.
- Housing Management.
- Deal structure.
- Contractor procurement.
- Financial viability.
- Delivery programme.
- Professional team.

2.2 The opportunity proposed in this report is fully appraised against these standard risk headings in the exempt Appendix 1.

3 AVAILABLE OPTIONS

3.1 Option 1: The Committee could choose not to recommend the approval of the purchase of the proposed acquisition to Cabinet. The Council would however lose an excellent opportunity to purchase a site with full planning permission with access to good transport links and amenities to add to its affordable housing stock. It will assist towards much needed affordable accommodation in the Borough and contribute towards the Council 1,000

Affordable Homes delivery target.

- 3.2 Option 2: The Committee recommends to Cabinet that the purchase of the proposed acquisition is approved on the agreed terms and procures the professional consultants. That post completion of the procurement process to appoint a contractor for the works cost detailed in the financial summary Exempt Appendix 3. If in the event tenders for the works cost are in excess of the agreed sum then officers will return to the committee to seek further approval prior to the development itself commencing. This site when built would assist with affordable housing provision, contributing towards delivering the 1,000 affordable homes target.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 Option 2 is the recommended option. A significant amount of work and negotiation has been completed by officers to reach this accepted offer stage with the vendor. The scheme has full planning consent on purchase and represents a good investment opportunity which supports the 1,000 Affordable Homes Development Strategy.
- 4.2 The acquisition will also deliver a number of new apartments within a residential location, making a valuable contribution to the borough's identified affordable housing need.

5 RISK

- 5.1 Please see exempt appendix 1.

6 CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 The issue will be considered by the HHE PAC on 13 June 2023 with a view to the outcome being reported to Cabinet on 28 June 2023.

7 NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 The next steps, subject to the decision made by Cabinet, will be to secure the site with exchange and completion of contracts on the terms as agreed by the Director of Finance, Resources and Business Improvement, subject to RICS valuation, and satisfactory contract. Alongside the acquisition, officers will work with the appointed Employers Agent to source a suitable contractor, and will return to Committee/Cabinet, as per point 4 of the recommendations, should there be any variance to the works cost provided in Exempt Appendix 3.

8 REPORT APPENDICES

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

- Exempt Appendix 1: Risk Assessment
 - Exempt Appendix 2: Site Layout
 - Exempt Appendix 3: Financial Viability Outputs
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9 BACKGROUND PAPERS

Policy and Resources Committee Report "Affordable Housing Delivery by the Council" and Minute (No.157) of 19 January 2022

Agenda Item 13

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