

CABINET MEETING

Date: Wednesday 7 February 2024
Time: 6.30 pm
Venue: Town Hall, High Street, Maidstone

Membership:

Councillors Burton (Chairman), Cooper, Garten, Parfitt-Reid, Perry and Russell

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

Page No.

1. Apologies for Absence
2. Urgent Items
3. Notification of Visiting Members
4. Disclosures by Members or Officers
5. Disclosures of Lobbying
6. To consider whether any items should be considered in private due to the possible disclosure of exempt information
7. Minutes of the Meeting held on 24 January 2024 1 - 5
8. Presentation of Petitions (if any)
9. Questions from Local Residents to the Leader or Individual Cabinet Member (as appropriate)
10. Questions from Members to the Leader or Individual Cabinet Member (as appropriate)
11. Matters Referred to the Cabinet for Reconsideration (if any)
12. Report of the Overview and Scrutiny Committee - Environmental and Waste Crime Enforcement Review 6 - 24
13. Matters Referred to the Executive by another Committee (if any)

Issued on 30 January 2024

Continued Over/:

Alison Broom

Alison Broom, Chief Executive

14. Any Matter Relating to a Serious Service Failure or Nuisance (if any)
15. Receipt of Written Representations from Members of the Council (if any)
16. Cabinet Forward Plan 25 - 38
17. Biodiversity and Climate Change Action Plan Update 39 - 69
18. Medium Term Financial Strategy 2024 to 2029 - Funding Settlement and Final Saving Proposals 70 - 167

INFORMATION FOR THE PUBLIC

In order to ask a question at this meeting, please call **01622 602899** or email committee@maidstone.gov.uk by 5 p.m. one clear working day before the meeting (i.e. by 5 p.m. on 5 February 2024). You will need to provide the full text in writing.

If your question is accepted, you will be provided with instructions as to how you can access the meeting.

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 5 February 2024). 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** or email committee@maidstone.gov.uk.

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

MAIDSTONE BOROUGH COUNCIL

CABINET

MINUTES OF THE MEETING HELD ON WEDNESDAY 24 JANUARY 2024

Attendees:

Committee Members:	Councillors Burton (Chairman), Cooper, Garten, Parfitt-Reid, Perry and Russell
Visiting Members:	Councillors English and Jeffery

92. APOLOGIES FOR ABSENCE

There were no apologies.

93. URGENT ITEMS

The Chairman stated that there were four urgent updates to Item 23 – Report Archbishops Palace Agreement for Lease which contributed to the item’s consideration and consisted of:

- The related Minute from the Corporate Services Policy Advisory Committee;
- Draft Recommendations of the Overview and Scrutiny Committee; and
- Two exempt appendices.

94. NOTIFICATION OF VISITING MEMBERS

Councillor English was present as a Visiting Member for Item 17 - River Medway Basin Task Force; Item 18 – Provision of Wheeled Bins and; Item 23 - Archbishop’s Palace – Agreement for Lease.

Councillor Jeffery was present as a Visiting Member for Item 17 - River Medway Basin Task Force.

95. DISCLOSURES BY MEMBERS OR OFFICERS

There were no disclosures by Members or Officers.

96. DISCLOSURES OF LOBBYING

There were no disclosures of lobbying.

97. EXEMPT ITEMS

RESOLVED: That all items be taken in public, unless any Cabinet Member wished to refer to the information contained within Exempt Appendix to Item 22 - Maidstone Leisure Centre Operator Contract or Exempt Appendix 23 - Archbishops Palace - Agreement for Lease, in which case the Cabinet would enter into closed session due to the likely disclosure of exempt information, for the reason specified having applied the public interest test.

98. MINUTES OF THE MEETING HELD ON 20 DECEMBER 2023

RESOLVED: That the Minutes of the meeting held on 20 December 2023 be approved as a correct record and signed.

99. PRESENTATION OF PETITIONS

There were no petitions.

100. QUESTIONS FROM LOCAL RESIDENTS TO THE LEADER OR INDIVIDUAL CABINET MEMBER

There were no questions from Local Residents.

101. QUESTIONS FROM MEMBERS TO THE LEADER OR INDIVIDUAL CABINET MEMBER

There were no questions from Members.

102. MATTERS REFERRED TO THE CABINET FOR RECONSIDERATION

There were no matters referred to the Cabinet for reconsideration.

103. ISSUES ARISING FROM OVERVIEW AND SCRUTINY

There were no issues arising from Overview and Scrutiny.

104. MATTERS REFERRED TO THE EXECUTIVE BY ANOTHER COMMITTEE

There were none.

105. ANY MATTER RELATING TO A SERIOUS SERVICE FAILURE OR NUISANCE

There were none.

106. RECEIPT OF WRITTEN REPRESENTATIONS FROM MEMBERS OF THE COUNCIL

There were none.

107. CABINET FORWARD PLAN

RESOLVED: That the report be noted.

108. RIVER MEDWAY BASIN TASK FORCE

RESOLVED: That a Task Force not be setup, but to ensure Maidstone has active representation and input to the existing River Medway groups and strategies that operate to manage the river and its basin, and ask the relevant Head of Service that a log of these engagements be maintained and reported back in 12 months' time.

(See Record of Decision)

109. PROVISION OF WHEELED BINS

RESOLVED: That

1. The lessons learnt from the policy change be noted.
2. The new revised policy for the provision of replacement bins be approved.

(See Record of Decision)

110. 1,000 HOMES UPDATE

RESOLVED: That

1. The contents of the report be noted.
2. The Director of Finance, Resources and Business Improvement, in consultation with the Leader of the Council, be authorised to enter into "Local Authority Grant Agreement for the Affordable Homes Programme 2021 to 2026", with Homes England as detailed in Appendix 1 to the report.

(See Record of Decision)

111. MEDIUM TERM FINANCIAL STRATEGY – CAPITAL PROGRAMME

RESOLVED: That

1. The capital strategy principles set out in paragraph 2.7 of the report, be agreed;
2. The capital funding projection set out in Appendix 2 to the report, be agreed;
3. The capital programme 2024/25 onwards as set out in Appendix 3 to the report, be agreed; and
4. In agreeing recommendations 2 and 3 above the Cabinet will set a prudential borrowing limit of £369.1 million over the period of the programme which will be recommended to Council as part of the Treasury Management Strategy 2024/25.

(See Record of Decision)

112. COUNCIL TAX BASE 2024/25 AND COLLECTION FUND ADJUSTMENT

RESOLVED: That

1. Pursuant to this report and in accordance with the Local Authority (Calculation of Council Tax Base) (England) Regulations 2012, the amount calculated by this Authority as its Council Tax Base for the year 2024-25 will be 68,263.55;

2. In accordance with the Local Authority (Calculation of Council Tax Base) (England) Regulations 2012, the amount calculated by this Authority as the Council Tax Base for each parish area for the year 2024-25 will be as identified in Appendix 2 to this report; and
3. The 2023-24 Council Tax projection and proposed distribution detailed in Appendix 3 of this report be agreed.

(See Record of Decision)

113. MAIDSTONE LEISURE CENTRE

RESOLVED: That

1. The current proposals from Maidstone Leisure Trust and Serco Leisure for a contract extension be noted;
2. The leisure services contract for Maidstone Leisure Centre, Mote Park Outdoor Adventure and Lockmeadow Health Club for the period August 2024 onwards be extended for a period of five years, with up to three one-year extensions thereafter;
3. Delegated authority be given to the Director of Finance, Resources and Business Improvement, in consultation with the Cabinet Member for Communities, Leisure and Arts, to finalise details of the contract extension;
4. An additional £250,000 for minor capital improvements be included in the capital programme;
5. £1,000,000 for bringing forward plans for a new or refurbished leisure centre be included in the capital programme, with a view to a final decision on the way forward by August 2026; and
6. Delegated authority be given to the Head of Legal Partnership to negotiate, execute and complete all necessary agreements, deeds and documents arising from or ancillary to the decisions.

(See Record of Decision)

114. REPORT ARCHBISHOPS PALACE AGREEMENT FOR LEASE

RESOLVED: That

1. Capital expenditure of up to £1.5 million be agreed;
2. The Director of Finance, Resources and Business Improvement be given delegated authority to select and appoint professional advisers to obtain all relevant consents, enter into contracts for applicable services as necessary, and to enter into a conditional agreement for lease with the preferred tenant.
3. The Head of Legal Partnership be given delegated authority to:

- i. negotiate and complete all necessary legal formalities for the agreement for lease, the lease and purchase of services as set out above and
- ii. negotiate, execute and complete all necessary agreements, deeds and documents arising from or ancillary to the decision.

(See Record of Decision)

115. DURATION OF MEETING

6.30 p.m. to 7.38 p.m.

Agenda Item 12

CABINET

7 FEBRUARY 2024

Report of the Overview and Scrutiny Committee – Environmental and Waste Crime Enforcement Review

Timetable	
Meeting	Date
Overview and Scrutiny Committee	23 January 2024
Cabinet	7 February 2024

Will this be a Key Decision?	No
Urgency	Not Applicable
Final Decision-Maker	Cabinet
Lead Director	Angela Woodhouse, Director of Strategy, Insight & Governance
Lead Officer and Report Author	Oliviya Parfitt, Principal Democratic Services Officer
Classification	Public
Wards affected	All

Executive Summary

This report outlines the Overview and Scrutiny Committee's 'Environmental and Waste Crime Enforcement' review and the recommendations produced as a result.

Purpose of Report

Decision

This report makes the following recommendation to the Cabinet: That

1. The report of the Overview and Scrutiny Committee be received; and
2. A substantive response to the report be provided via the completion of the SCRAIP report.

Report of the Overview and Scrutiny Committee – Environmental and Waste Crime Enforcement Review

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>Accepting the recommendations may materially improve the Council’s ability to achieve all corporate priorities and have been put forward by the Committee following its review.</p> <p>It is expected that an Overview and Scrutiny Recommendation Action and Implementation Plan will be provided to the Cabinet at a future meeting, which will contain comments from the relevant officers on the recommended actions.</p>	<p>Principal Democratic Services Officer</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>Accepting the recommendations may materially improve the Council’s ability to achieve all corporate priorities and have been put forward by the Committee following its review.</p> <p>It is expected that an Overview and Scrutiny Recommendation Action and Implementation</p>	<p>Principal Democratic Services Officer</p>

	Plan will be provided to the Cabinet at a future meeting, which will contain comments from the relevant officers on the recommended actions.	
Risk Management	See Section 5 of the report.	Principal Democratic Services Officer
Financial	The recommendations of the review will be considered by the relevant Officers and Decision makers. This will include a consideration of the budgetary implications and will take place via the presentation of the Committee's formal report and Overview and Scrutiny Recommendation Action and Implementation Plan (SCRAIP).	Principal Democratic Services Officer
Staffing	We will deliver the recommendations with our current staffing.	Principal Democratic Services Officer
Legal	In accordance with Part 1A of the Local Government Act 2000 (as amended by the Localism Act 2011) the Council is operating under Executive Arrangements. These arrangements must include provision for the appointment of one or more Overview and Scrutiny Committee to review and scrutinise the Executive Decisions made, or other actions taken relating to the exercise of Executive functions. – LGA 2000, Section 9F. Any actions agreed by the Committee as part of their review will be considered by the relevant Officers and Decision makers. This will take place via the presentation of the Committee's formal report and Overview and Scrutiny Recommendation Action and Implementation Plan (SCRAIP).	Principal Democratic Services Officer
Information Governance	The recommendations of this report do not impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council processes.	Principal Democratic Services Officer
Equalities	The recommendations do not propose a change in service therefore will not require an equalities impact assessment.	Principal Democratic

		Services Officer
Public Health	The recommendations of the review will be considered by the relevant Officers and Decision makers. This will take place via the presentation of the Committee's formal report and Overview and Scrutiny Recommendation Action and Implementation Plan (SCRAIP).	Principal Democratic Services Officer
Crime and Disorder	The report's recommendations will not impact Crime & Disorder. The recommendations of the review will be considered by the relevant Officers and Decision makers. This will take place via the presentation of the Committee's formal report and Overview and Scrutiny Recommendation Action and Implementation Plan (SCRAIP).	Principal Democratic Services Officer
Procurement	No impacts identified.	Principal Democratic Services Officer
Biodiversity and Climate Change	No impacts identified at this stage. The recommendations of the review will be considered by the relevant Officers and Decision makers. This will take place via the presentation of the Committee's formal report and Overview and Scrutiny Recommendation Action and Implementation Plan (SCRAIP).	Principal Democratic Services Officer

2. INTRODUCTION AND BACKGROUND

- 2.1 A review into 'Environmental and Waste Crime Enforcement' was held by the Overview and Scrutiny Committee (the Committee) between October to December 2023. These meetings were attended by the Cabinet Member for Environmental Services and the relevant Officers. The agenda papers and minutes for those meetings accessible through section 9 of this report.
- 2.2 The recommendations produced by the Committee are contained within Appendix 1 to the report and are applicable to the Cabinet Member for Environmental Services. This includes the 'intended outcomes' and 'lead officers' and was formally agreed by the Committee at its January 2024 meeting.

3. AVAILABLE OPTIONS

- 3.1 Option 1 – A substantive response to the report be provided via the completion of the SCRAIP report. This is the recommended option. Request further information on the recommended actions from the relevant officers,

in the form of an Overview and Scrutiny Recommendation Action and Implementation Plan (SCRAIP). The completed SCRAIP would then be presented to the Cabinet at a subsequent meeting, in producing a formal response from the to the OSC.

- 3.2 Option 2 – Amend and/or Agree to implement the recommended actions. If agreed, the relevant Lead Officers will implement the agreed actions or conduct further work, as appropriate. However, this would involve amending and/or approving the recommendations without having considered advice from the relevant officers. This is not recommended.
- 3.3 Option 3 - Reject the recommended actions. The Cabinet could choose not to implement the recommended actions however this may mean that an opportunity to improve the Water Management Cycle, is missed alongside the recommendations having been rejected without having considered advice from the relevant officers. This is not recommended.
- 3.4 It is a legislative requirement that the Cabinet provide a response to the Committee within two months of having received the report attached at Appendix 1. The Committee will be formally informed of the Cabinet’s response once provided at a future meeting.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 Option 1, as outlined for the reasons above.

5. RISK

- 5.1 The risks associated with this proposal, including the risks if the Council does not act as recommended, have been considered in line with the Council’s Risk Management Framework. We are satisfied that the risks associated are within the Council’s risk appetite and will be managed as per the Policy.

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

Committee Meeting	Action
June 2023	The Committee agreed to undertake a review into Environmental and Waste Crime Enforcement
October 2023	The Committee received written and verbal evidence from the Cabinet Member for Environmental Services and relevant officers.
November 2023	As Above.
December 2023	The Committee reviewed the suggestions made during the review, and agreed its recommendations from the review.

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 This will depend on the types of recommended action, and whether they are agreed. For the actions that can be agreed and implemented, the relevant Officers will implement the actions when appropriate. For the actions that require further consideration, further work will take place before any corresponding actions are implemented.
- 7.2 The Overview and Scrutiny Committee will be provided with a formal response on behalf of the Cabinet, which will outline the Cabinet's consideration of this report and associated appendices and which actions were agreed, if any. This is a legal requirement, where an Overview and Scrutiny Committee has formally published a report to the Cabinet resulting from a review.
- 7.3 Consideration could be given as to whether the Overview and Scrutiny Committee receives a further update post-implementation of any agreed actions. However, this would not need to be decided at this point.
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8. REPORT APPENDICES

- Appendix 1: Committee Report: Environmental and Waste Crime Review
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9. BACKGROUND PAPERS

Agenda and Minutes for the Overview and Scrutiny Committee Meeting held on 17 October 2023, 21 November 2023 and 19 December 2023: [Your Councillors - Maidstone Borough Council](#)

Overview and Scrutiny Committee Environmental and Waste Crime Enforcement Review

January 2024



Committee Membership:

Councillors: English (Chairman), Cleator (Vice-Chairman), Blackmore, Cannon, Clark, Conyard, Eagle, Gooch, Hastie, Hinder, Round, S Thompson and Webb.

Contact details for the Committee can be found here:

[Your Councillors - Maidstone Borough Council](#)

Report prepared by Cassie Beckley, Democratic Services Officer, on behalf of the Overview and Scrutiny Committee

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Introduction

In June 2023, the Council’s Overview and Scrutiny Committee (the Committee) agreed to review Environmental and Waste Crime Enforcement commencing across October and November 2023.

This report outlines the review timeline and resulting recommendations produced by the Committee.

The aim of the review was the:

‘Identification of required actions and/or policies to improve the Council’s Environmental and Waste Crime enforcement services’.

Approach to the Review

The review has taken place mainly through verbal questioning, supported by written information within the agenda papers.

The table below outlines the meetings that took place, the respective attendees and evidence provided. Links to the information have been included for each meeting.

Meeting	Attendees	Evidence provided
17 Oct 2023	<p>Cabinet Member for Environmental Services</p> <p>Head of Environmental Services and Public Realm</p> <p>Public Realm Operations Manager</p> <p>Waste Crime Manager</p>	<p>Waste Crime Enforcement Team Overview, including relevant policies.</p> <p>Verbal Q&A Session with attendees.</p> <p>Agenda for Overview & Scrutiny Committee on Tuesday 17th October, 2023, 6.30 pm :: Maidstone Borough Council</p>
21 Nov 2023	<p>Cabinet Member for Environmental Services</p> <p>Head of Environmental Services and Public Realm</p> <p>Public Realm Operations Manager</p> <p>Waste Crime Manager</p>	<p>Verbal Q&A session with attendees to build on previous discussion</p> <p>Agenda for Overview & Scrutiny Committee on Tuesday 21st November, 2023, 6.30 pm :: Maidstone Borough Council</p>
19 Dec 2023	<p>Cabinet Member for Environmental Services (as a Visiting Member)</p>	<p>Review of draft recommendations</p> <p>Agenda for Overview & Scrutiny Committee on Tuesday 19th December, 2023, 6.30 pm :: Maidstone Borough Council</p>

Recommended Actions and Intended Outcomes

During the review, the Committee gave positive feedback on and were supportive of the service, and the future actions proposed by the Environmental and Waste Crime Enforcement team. It is important to highlight the Council's proactive stance in being willing and able to take the appropriate enforcement action where breaches occur.

The Committee's recommendations arising from the review will be directed to **the Cabinet Member for Environmental Services**. Where applicable, the Lead Officer for each action has been included. The recommendations produced by the Committee have been grouped and outlined below.

1. To produce further communications via assorted media in respect of successful enforcement action taken by the Council and its partner organisations, including:
 - a. Joint Working between the Waste Crime and Waste Management Teams;
 - b. A Spotlight on the Waste Crime Team in the next Borough Insight Magazine, including individual household's duty of care and updated fixed penalty notice charges; and
 - c. Via the Council's Social Media Pages

Intended Outcome (IO): To publicise the successful enforcement action being taken to the public, and to positively impact the Council's reputation.

Lead Officer (LO): Head of Environmental Services and Public Realm

2. That Members and Parish Councillors be given updated contact details of Housing and Housing Management Associations.

IO: To ensure that Members report issues to the correct organisations, addressing issues quickly.

3. That High Street and East Wards be considered as locations for any available pilot schemes.

IO: To support the officers request in identifying suitable areas for pilot schemes, with these Wards highlighted due to the close proximity of properties reducing any travel requirements, and the breaking into and vandalism of shared waste facilities occurring.

Lead Officer (LO): Head of Environmental Services and Public Realm

4. That the process notes outlining the actions taken in educating, informing and taking enforcement action against residents and/or organisations be provided to the Committee.

IO: To outline the process so that Members are able to report concerns to the appropriate Officers, due to the overlap in work between the Waste Management and Waste Crime Teams in addressing these issues.

LO: Waste Crime Manager and Waste Manager

5. That the next amended Annual High Speed Road Cleaning Programme be presented to the Committee for review.

IO: To ensure that the Committee can review the programme as concern was expressed at the increase in road litter, particularly in rural areas.

LO: Public Realm Operations Manager

6. That a briefing be provided to the Committee on the technology available to the Waste Crime Team in monitoring and enforcing against fly-tipping.

IO: To provide the Committee with further information on the technology used by the team, and that used to evade the Council's technology.

LO: Head of Environmental Services and Public Realm and Waste Crime Manager.

7. That the Waste Crime Team be supported in submitting a capital funding bid for use in obtaining technology to support service provision.

IO: The Waste Crime Team is currently applying for external funding that would support increasing the technology available to monitor and enforce against fly-tipping.

If unsuccessful, the Team should be supported in applying for capital funding to support this, as it would support the service overall. The Head of Environmental Services and Public Realm has suggested a reporting method to Members in using the funding.

LO: Head of Environmental Services and Public Realm and Waste Crime Manager

8. That the Cabinet Member liaise with Medway Council to encourage the authority to continue providing assistance to voluntary litter picking groups, as well as local litter picking groups across Maidstone, including the Council's stance on providing assistance to those groups.

IO: To encourage continued support for the work conducted by voluntary litter picking groups.

9. That Medway Council and Kent County Council be asked to share information and figures on whether removing the charge for bulky waste collections has impacted fly-tipping and enforcement action.

IO: To review if that approach has been beneficial, such as reducing spending on responding to fly-tipping and taking enforcement action, and if so, to consider whether it could be trialled in Maidstone.

LO: Head of Environmental Services and Public Realm.

10. That the Cabinet Member review the following suggestion for its feasibility:

That a dashboard or similar reporting system be set up with the following items reported to Members on a regular basis, for instance, a six month cycle:

- a. Number of waste (crime) incidents identified, and those reported, and a separate category for (non-crime) household waste spilt from communal areas (as an example);
- b. Identification of areas in which incidents are more frequent. (similar to that presented at the October 2023 Overview and Scrutiny Meeting);
- c. Time taken to clean up incident, with notification of stresses to service capacity;
- d. Consequence to service/taxpayer, including costs;
- e. Disposal arrangement – recycling via sorting at the Council’s depot, or to landfill;
- f. Reporting of enforcement events, fines, police action, etc.
- g. Lessons and learning, for example, in conjunction with ‘Neighbourhood Watch’ and Litter picking groups. Members awareness and actions.

11. That the Cabinet Member and the Committee Chairman jointly write to the Medway and Kent County Councils, urging them to reconsider their charging policy for residents of other boroughs in using their Household Waste Recycling Centres.

IO: To ask for reconsideration of the policy and request a practical alternative given the impact to residents.

Summary of Stakeholder Evidence

Internal Stakeholders

Councillor Patrik Garten, Cabinet Member for Environmental Services

The Cabinet Member for Environmental Services attended all three meetings across which the review was held engaging in Q&A with the Committee.

Jennifer Stevens, Head of Environmental Services and Public Realm

As the relevant Head of Service for the review topic, the Head of Environmental Services and Public Realm attended the 17 October 2023 and 21 November 2023 Committee Meetings. The Head of Environmental Services and Public Realm answered questions regarding past and proposed approaches to education and enforcement action (including the pilot schemes); the team's intention to better utilise social media and potential sources of funding.

John Edwards, Public Realm Operations Manager

As the relevant Manager to the review, this officer attended the 17 October 2023 and 21 November 2023 Committee Meetings. The Public Realm Operations Manager outlined how the team intended to tackle fly tipping in problem areas, such as high-speed roads and rural areas and through development of enforcement technology.

Carl McIvor, Waste Crime Manager

As a new officer, the Waste Crime Manager attended the 17 October 2023 and 21 November 2023 Committee Meetings and answered queries concerning the current and future processes for education and enforcement.

Thanks to Witnesses

The Overview and Scrutiny Committee would like to extend its thanks to the stakeholders that supported the review, either through providing written evidence and/or attending a meeting of the Committee.

APPENDIX 1 – Information Relating To The Review

Written Information

Agenda and Minutes for the Overview and Scrutiny Committee Meeting held on 17 October 2023: [Your Councillors - Maidstone Borough Council](#)

Agenda and Minutes for the Overview and Scrutiny Committee Meeting held on 21 November 2023: [Your Councillors - Maidstone Borough Council](#)

Agenda and Minutes for the Overview and Scrutiny Committee Meeting held on 19 December 2023: [Your Councillors - Maidstone Borough Council](#)

Committee Membership during the Review

Councillors: English (Chairman), Cleator (Vice-Chair), Blackmore, Cannon, Clark, Conyard, Eagle, Gooch, Hastie, Hinder, Round, S Thompson and Webb.

Contact details for the Committee can be found here:

[Your Councillors - Maidstone Borough Council](#)

Appendix 2 – List of Recommendations arising from the Review.

Recommendation	Intended Outcome	Cabinet Members/s and Officers
<p>20</p> <p>1. To produce further communications via assorted media in respect of successful enforcement action taken by the Council and its partner organisations, including:</p> <ul style="list-style-type: none"> a. Joint Working between the Waste Crime and Waste Management Teams; b. A Spotlight on the Waste Crime Team in the next Borough Insight Magazine, including individual household’s duty of care and updated fixed penalty notice charges; and c. Via the Council’s Social Media Pages 	<p>To publicise the successful enforcement action being taken to the public, and to positively impact the Council’s reputation.</p>	<p>Cabinet Members for Environmental Services</p> <p>Head of Environmental Services and Public Realm.</p>
<p>2. That Members and Parish Councillors be given updated contact details of Housing and Housing Management Associations.</p>	<p>To ensure that Members report issues to the correct organisations, addressing issues quickly.</p>	<p>Cabinet Member for Environmental Services.</p>
<p>3. That High Street and East Wards be considered as locations for any available pilot schemes.</p>	<p>To support the officers request in identifying suitable areas for pilot schemes to be introduced, with these Wards highlighted due to the close proximity of properties reducing any travel requirements, and breaking into</p>	<p>Cabinet Member for Environmental Services.</p> <p>Head of Environmental Services and Public Realm.</p>

	and vandalism of shared waste facilities.	
4. That the process note outlining the actions taken in educating, informing and taking enforcement against residents and/or organisations be provided to the Committee.	To outline the process so that Members are able to report concerns to the appropriate Officers, due to the overlap in work between the Waste Management and Waste Crime Teams in addressing these issues.	Cabinet Member for Environmental Services. Waste Crime Manager Waste Manager
5. That the next amended Annual High Speed Road Cleaning Programme be presented to the Committee for review.	To ensure that the Committee can review the programme as concern was expressed at the increase in road litter, particularly in rural areas.	Cabinet Member for Environmental Services. Public Realm Operations Manager
21 6. That a Briefing be provided to the Committee on the technology available to the Team in monitoring and enforcing against fly-tipping.	To provide the Committee with further information on the technology used by the Team, and that used to evade the Council technology.	Cabinet Member for Environmental Services Head of Environmental Services and Public Realm Waste Crime Manager
7. That the Waste Crime Team be supported in submitting a capital funding bid for use in obtaining technology to support service provision.	The Waste Crime Team is currently applying for external funding that would support increasing the technology available to monitor and enforce against fly-tipping. If unsuccessful, the Team should be supported in applying for capital funding to support this as it would support the service overall. The Head of Environmental Services and Public Realm has suggested a reporting method to Members in using the funding.	Cabinet Member for Environmental Services Head of Environmental Services and Public Realm Waste Crime Manager

<p>8. That the Cabinet Member liaise with Medway Council to encourage the authority to continue providing assistance to voluntary litter picking groups, as well as local litter picking groups across Maidstone, including the Council's stance on providing assistance to those groups.</p>	<p>To encourage continued support for the work conducted by voluntary litter picking groups.</p>	<p>Cabinet Member for Environmental Services</p>
<p>9. That Medway Council be asked to share information and figures on whether removing the charge for bulky waste collections has impacted fly-tipping and enforcement action.</p>	<p>To review if that approach had been beneficial, such as reducing spending on responding to fly-tipping and taking enforcement action, and if so, to consider whether it could be trialled in Maidstone.</p>	<p>Cabinet Member for Environmental Services Head of Environmental Services and Public Realm</p>
<p>22</p> <p>10. That the Cabinet Member review the following suggestion for its feasibility:</p> <p>That a dashboard or similar reporting system be set up with the following items reported to Members on a regular basis, for instance, a six month cycle:</p> <ul style="list-style-type: none"> a. Number of waste (crime) incidents identified, and those reported, and a separate category for (non-crime) household waste spilt from communal areas (as an example); 		

- | | | |
|--|--|--|
| <p>b. Identification of areas in which incidents are more frequent. (similar to that presented at the October 2023 Overview and Scrutiny Meeting);</p> <p>c. Time taken to clean up incident, with notification of stresses to service capacity;</p> <p>d. Consequence to service/taxpayer, including costs;</p> <p>e. Disposal arrangement – recycling via sorting at the Council’s depot, or to landfill;</p> <p>f. Reporting of enforcement events, fines, police action, etc.</p> <p>g. Lessons and learning, for example, in conjunction with ‘Neighbourhood Watch’ and Litter picking groups. Members awareness and actions.</p> | | |
|--|--|--|

<p>11. That the Cabinet Member for Environmental Services and the Committee Chairman jointly write to the Medway and Kent County Councils, urging them to re-consider their charging policy for residents of other boroughs in using their HWRCs.</p>	<p>To ask for re-consideration of the policy and request a practical alternative given the impact to residents.</p>	<p>Cabinet Member for Environmental Services Chairman of Overview and Scrutiny</p>
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MAIDSTONE BOROUGH COUNCIL FORWARD PLAN FOR THE FOUR MONTH PERIOD 1 JANUARY 2024 TO 30 APRIL 2024

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:

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

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.

 **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
Staplehurst Conservation Appraisal and Management Plan	Cabinet Member for Planning, Infrastructure and Economic Development	Cabinet Member for Planning, Infrastructure and Economic Development	Not before 10 Jan 2024	No	No	Planning, Infrastructure and Economic Development Policy Advisory Committee 10 Jan 24	Staplehurst Conservation Appraisal and Management Plan	Janice Gooch JaniceGooch@Maidstone.gov.uk
1,000 Homes Update This report provides a review of the progress made towards achieving the delivery of the Council's various housing development programmes	Cabinet	Cabinet Member for Housing and Health	24 Jan 2024	No	No Open	Housing, Health and Environment Policy Advisory Committee 16 Jan 2024	1,000 Homes Update	William Cornall Director of Regeneration & Place williamcornall@maidstone.gov.uk
Archbishops' palace agreement for lease looking for agreement to move forward with a potential tenant for the palace	Cabinet	Cabinet Member for Corporate Services.	24 Jan 2024	Yes	No Part exempt	Corporate Services Policy Advisory Committee 17 Jan 2024 Overview and Scrutiny Committee 23 Jan 2024	Archbishops palace agreement for lease	Deborah Turner deborahturner@maidstone.gov.uk

Details of the Decision to be taken	Decision to be taken by	Lead 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>Council Tax Base 2024/25 and Collection Fund Adjustment.</p> <p>Report setting what the 24/25 C/tax base and collection fund. Used to set the amount of Council Tax and is a statutory requirement.</p>	Cabinet	Cabinet Member for Corporate Services.	24 Jan 2024	Yes	No Open	Corporate Services Policy Advisory Committee 17 Jan 2024	Council Tax Base 2024/25 and Collection Fund Adjustment.	<p>Adrian Lovegrove</p> <p>Head of Finance</p> <p>adrianlovegrove@m aidstone.gov.uk</p>
<p> Cobtree Manor Estate Financial Position Report</p>	Cobtree Manor Estate Charity Committee	Cabinet Member for Communities, Leisure and Arts	24 Jan 2024	Yes	No Open	Cobtree Manor Estate Charity Committee 24 Jan 2024	Cobtree Manor Estate Financial Position Report	<p>Paul Holland</p> <p>paulholland@maidst one.gov.uk</p>
<p>Maidstone Leisure Centre - Leisure Services Contract</p> <p>A report on the Leisure Services Contract for the council's leisure facilities</p>	Cabinet	Cabinet Member for Communities, Leisure and Arts	24 Jan 2024	Yes	No Part exempt	Communities, Leisure and Arts Policy Advisory Committee 9 Jan 2024	Maidstone Leisure Centre	<p>Mike Evans</p> <p>MikeEvans@Maidst one.gov.uk</p>

Details of the Decision to be taken	Decision to be taken by	Lead 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>Medium Term Financial Strategy 2024 to 2029 - Capital Programme</p> <p>Detail of the 10 year capital programme for inclusion in the budget for 2024/25 onwards.</p> <p>29</p>	Cabinet	Cabinet Member for Corporate Services.	24 Jan 2024	Yes	No Open	<p>Communities, Leisure and Arts Policy Advisory Committee 9 Jan 2024</p> <p>Planning, Infrastructure and Economic Development Policy Advisory Committee 10 Jan 2024</p> <p>Housing, Health and Environment Policy Advisory Committee 16 Jan 2024</p> <p>Corporate Services Policy Advisory Committee 17 Jan 2024</p> <p>Overview and Scrutiny Committee 23 Jan 2024</p>	<p>Medium Term Financial Strategy 2024 to 2029 - Capital Programme</p>	<p>Paul Holland, Adrian Lovegrove</p> <p>Head of Finance</p> <p>paulholland@maidstone.gov.uk, adrianlovegrove@maidstone.gov.uk</p>

Details of the Decision to be taken	Decision to be taken by	Lead 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>Provision of Wheeled Bins</p> <p>Summary of the policy for charging for replacement and new wheeled bins and review of recent developments to the policy.</p>	Cabinet	Cabinet Member for Environmental Services	24 Jan 2024	No	No Open	Housing, Health and Environment Policy Advisory Committee 16 Jan 2024	Provision of Wheeled Bins	<p>Jennifer Stevens</p> <p>Head of Environmental Services & Public Realm</p> <p>jenniferstevens@maidstone.gov.uk</p>
<p>River Medway Basin Task Force</p> <p>To provide information to Cabinet about the costs and benefits of setting up a River Medway Basin Task Force for consideration so that Cabinet can decide if they want to set up a Task Force</p>	Cabinet	Cabinet Member for Planning, Infrastructure and Economic Development	24 Jan 2024	No	No Open		River Medway Basin Task Force	<p>Karen Britton</p> <p>karenbritton@maidstone.gov.uk</p>
<p>Maidstone Local Bus Focus Group</p> <p>A report on the options to for the successor to the Maidstone Quality Bus Partnership.</p>	Cabinet Member for Planning, Infrastructure and Economic Development	Cabinet Member for Planning, Infrastructure and Economic Development	30 Jan 2024	Yes	No	Planning, Infrastructure and Economic Development Policy Advisory Committee 29 Jan 2024	Maidstone Local Bus Focus Group	<p>Tom Gilbert</p> <p>tomgilbert@maidstone.gov.uk</p>

Details of the Decision to be taken	Decision to be taken by	Lead 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
		nt						
Shared Revenues and Benefits Service - Consideration of expansion Report for the approval of Swale Borough Council joining the Mid Kent Revenues and Benefits Service	Cabinet	Cabinet Member for Corporate Services.	Not before 5 Feb 2024	No	No Part exempt	Corporate Services Policy Advisory Committee 5 Feb 2024 Consultation with the Revenues and Benefits staff	Shared Revenues and Benefits Service - Consideration of expansion	Zoe Kent Interim Head of Revenues & Benefits zoekent@swale.gov.uk
1,000 Affordable Homes Programme - Scheme Re-Approvals	Cabinet	Cabinet Member for Housing and Health	7 Feb 2024	No	No Open	Housing, Health and Environment Policy Advisory Committee 30 Jan 2024	1,000 Affordable Homes Programme - Scheme Re-Approvals	William Cornall Director of Regeneration & Place williamcornall@maidstone.gov.uk
Biodiversity and Climate Change Action Plan Update	Cabinet	Cabinet Member for Corporate Services.	7 Feb 2024	No	No Open	Planning, Infrastructure and Economic Development Policy Advisory Committee 29 Jan 2024	Biodiversity and Climate Change Action Plan Update	James Wilderspin Biodiversity and Climate Change Manager jameswilderspin@maidstone.gov.uk

Details of the Decision to be taken	Decision to be taken by	Lead 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
32						<p>Housing, Health and Environment Policy Advisory Committee 30 Jan 2024</p> <p>Corporate Services Policy Advisory Committee 5 Feb 2024</p> <p>Communities, Leisure and Arts Policy Advisory Committee 6 Feb 2024</p>		
<p>Enter into demolition contract</p> <p>Enter into demolition contract following tender to demolish the buildings at the former Royal Mail Sorting office site and Cantium House</p>	Cabinet	Cabinet Member for Housing and Health	7 Feb 2024	Yes	No Open	<p>Housing, Health and Environment Policy Advisory Committee 30 Jan 2024</p> <p>Previously been to PAC on 21st September 2021 to acquire Cantium house and submit planning application.</p>	Enter into demolition contract	<p>Philip Morris</p> <p>philipmorris@maidstone.gov.uk</p>

Details of the Decision to be taken	Decision to be taken by	Lead 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>Medium Term Financial Strategy 2024 to 2029 - Funding Settlement and Final Saving Proposals</p> <p>Details of the proposed budget for 2024/25. Revenue budget including savings and updates on government financial settlements and tax increases. Capital programme for 2024/2029</p>	Cabinet	Cabinet Member for Corporate Services	7 Feb 2024	Yes	No Open	Corporate Services Policy Advisory Committee 5 Feb 2024	Medium Term Financial Strategy 2024 to 2029 - Funding Settlement and Final Saving Proposals	<p>Mark Green, Adrian Lovegrove Director of Finance, Resources & Business Improvement, Head of Finance</p> <p>markgreen@maidstone.gov.uk</p> <p>adrianlovegrove@maidstone.gov.uk</p>
<p>1000 Homes Programme - Individual Scheme Updates</p> <p>Report seeking approval to enter into works contracts for the 5 sites acquired as part of the 1000 affordable homes programme.</p> <p>(Property Acquisition 1000 affordable Homes Programme)</p>	Cabinet	Cabinet Member for Housing and Health	7 Feb 2024	Yes	No Part exempt	<p>Housing, Health and Environment Policy Advisory Committee 30 Jan 2024</p> <p>Previous reports for site acquisitions have been to HHE committee.</p>	Property Acquisition 1000 affordable Homes Programme	<p>Philip Morris</p> <p>philipmorris@maidstone.gov.uk</p>

Details of the Decision to be taken	Decision to be taken by	Lead 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>Over-arching Conservation Management Plan</p> <p>The over-arching Conservation Area Management Plan has been drafted to address concerns that there was limited guidance on conservation areas that do not have either a conservation area appraisal or management plan.</p>	Cabinet Member for Planning, Infrastructure and Economic Development	Cabinet Member for Planning, Infrastructure and Economic Development	Not before 6 Mar 2024	Yes	No	Planning, Infrastructure and Economic Development Policy Advisory Committee 6 Mar 2024	Over-arching Conservation Management Plan	<p>Janice Gooch</p> <p>JaniceGooch@Maidstone.gov.uk</p>
Town Centre Greening and Lighting UK Shared Prosperity Fund	Leader of the Council	Leader of the Council	Before 15 Mar 2024	Yes	No	Planning, Infrastructure and Economic Development Policy Advisory Committee 6 Mar 2024	Town Centre Greening and Lighting UK Shared Prosperity Fund	<p>Katie Exon, Jennifer Stevens</p> <p>Head of Property and Leisure, Head of Environmental Services & Public Realm</p> <p>katieexon@maidstone.gov.uk, jenniferstevens@maidstone.gov.uk</p>

Details of the Decision to be taken	Decision to be taken by	Lead 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
35 3rd Quarter Finance, Performance and Risk Monitoring Report	Cabinet	Cabinet Member for Corporate Services.	20 Mar 2024	No	No Open	<p>Planning, Infrastructure and Economic Development Policy Advisory Committee 6 Mar 2024</p> <p>Communities, Leisure and Arts Policy Advisory Committee 5 Mar 2024</p> <p>Housing, Health and Environment Policy Advisory Committee 12 Mar 2024</p> <p>Corporate Services Policy Advisory Committee 13 Mar 2024</p>	3rd Quarter Finance, Performance and Risk Monitoring Report	<p>Paul Holland, Adrian Lovegrove</p> <p>Head of Finance</p> <p>paulholland@maidstone.gov.uk, adrianlovegrove@maidstone.gov.uk</p>
Community Infrastructure Round 1 Process Review and Round 2 Bid Prospectus and Programme	Cabinet	Cabinet Member for Planning, Infrastructure and Economic	20 Mar 2024	Yes	No Open	<p>Planning, Infrastructure and Economic Development Policy Advisory Committee</p>	Community Infrastructure Round 1 Process Review and Round 2 Bid Prospectus	<p>Rob Jarman, Carole Williams</p> <p>Robjarman@maidstone.gov.uk,</p>

Details of the Decision to be taken	Decision to be taken by	Lead 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
Report on the 1st round of CIL bidding and revised prospectus for the 2nd round of bidding with timetable/programme		Development				6 Mar 2024	and Programme	carolewilliams@maidstone.gov.uk
Elephant House A report on the Elephant House at Cobtree Manor Park 36	Cobtree Manor Estate Charity Committee	The Leader of the Council	20 Mar 2024	No	No Part exempt	Cobtree Manor Estate Charity Committee 20 Mar 2024	Elephant House	Mike Evans MikeEvans@Maidstone.gov.uk
Homelessness and Rough Sleeping Strategy 2024-2029 - Initial priorities and feedback Delivering the new strategic priorities for the Council in relation to homelessness and rough sleeping. A review of the themes and priorities for the Council.	Cabinet	Cabinet Member for Housing and Health	20 Mar 2024	Yes	No Open	Housing, Health and Environment Policy Advisory Committee 12 Mar 2024	Homelessness and Rough Sleeping Strategy 2024-2029 - Initial priorities and feedback	Hannah Gaston hannahgaston@maidstone.gov.uk

Details of the Decision to be taken	Decision to be taken by	Lead 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>Key Performance Indicators</p> <p>Key performance indicators are reviewed annually. This report proposes the KPIs for the period 2024/25.</p> <p>37</p>	Cabinet	Leader of the Council	20 Mar 2024	No	No Open	<p>Housing, Health and Environment Policy Advisory Committee 30 Jan 2024</p> <p>Communities, Leisure and Arts Policy Advisory Committee 6 Feb 2024</p> <p>Corporate Services Policy Advisory Committee 5 Feb 2024</p> <p>Planning, Infrastructure and Economic Development Policy Advisory Committee 6 Mar 2024</p>	Key Performance Indicators	<p>Carly Benville, Anna Collier</p> <p>carlybenville@maidstone.gov.uk, annacollier@maidstone.gov.uk</p>
Parish Charter Review Review of Parish Charter	Cabinet	Cabinet Member for Communities, Leisure and Arts	20 Mar 2024	No	No Open	Communities, Leisure and Arts Policy Advisory Committee 5 Mar 2024	Parish Charter Review	<p>Orla Sweeney</p> <p>orlasweeney@maidstone.gov.uk</p>

Details of the Decision to be taken	Decision to be taken by	Lead 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
Preventing Financial Exclusion	Cabinet	Cabinet Member for Communities, Leisure and Arts	20 Mar 2024	No	No Open	Communities, Leisure and Arts Policy Advisory Committee 5 Mar 2024	Preventing Financial Exclusion	Anna Collier, Orla Sweeney annacollier@maidstone.gov.uk, orlasweeney@maidstone.gov.uk

Cabinet

7 February 2024

Biodiversity and Climate Change Action Plan Update

Timetable	
Meeting	Date
Corporate Leadership Team	16 January 2024
Planning, Infrastructure and Economic Development Policy Advisory Committee	29 January 2024
Housing, Health, and Environment Policy Advisory Committee	30 January 2024
Corporate Services Policy Advisory Committee	5 February 2024
Communities, Leisure, and Arts Policy Advisory Committee	6 February 2024
Cabinet	7 February 2024

Will this be a Key Decision?	No
Urgency	Not Applicable
Final Decision-Maker	Cabinet
Lead Head of Service	Anna Collier Head of Insight, Communities and Governance
Lead Officer and Report Author	James Wilderspin, Biodiversity and Climate Change Manager
Classification	Public
Wards affected	All

Executive Summary

This is the biannual report on the implementation of the Biodiversity and Climate Change Action Plan. The last update report was published in July 2023.

This report includes updates on (i) the Council’s decarbonisation progress in achieving Net Zero by 2030, (ii) updates on the new strategic direction for targeting net zero housing and transportation, and (iii) key achievements and an overview of each action’s status of the Biodiversity and Climate Change Action Plan (**Appendix 1**).

Purpose of Report

Recommendation

This report makes the following recommendation to the Cabinet:

1. That the strategic considerations for tackling net zero borough wide and action plan updates shown at **Appendix 1**, be noted.

Biodiversity and Climate Change Action Plan Update

Issue	Implications	Sign-off
Impact on Corporate Priorities	<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>Accepting the recommendations will materially improve the Council's ability to achieve all its priorities.</p>	<p>Anna Collier Head of Insight Communities and Governance</p>
Cross Cutting Objectives	<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>Delivering the Biodiversity and Climate Change Action Plan supports the achievement of the Biodiversity and Environmental Sustainability is respected cross cutting objective. It also supports cross cutting objectives of Health Inequalities are Addressed and Reduced Deprivation and Social Mobility is Improved as delivery of actions have the opportunity to improve the health of residents in the longer term and reduce residents' energy costs.</p>	<p>Anna Collier Head of Insight Communities and Governance</p>
Risk Management	<p>Already covered in the risk section (see paragraph 5)</p>	<p>Anna Collier Head of Insight Communities and Governance</p>
Financial	<p>The specific costed proposals will be funded from within existing budgets. Future changes to policies and strategies will need to be assessed to understand the impact to ensure they remain affordable during the year and in future years as part of the Medium-Term Financial Strategy.</p>	<p>Section 151 Officer & Finance Team</p>

Staffing	We will deliver the recommendations with our current staffing.	Anna Collier Head of Insight Communities and Governance
Legal	Local authorities have a duty under Section 40 of the Natural Environment and Rural Communities Act 2006 in exercising their functions to have regard, so far as is consistent with the proper exercise of those functions, to the purpose of conserving biodiversity. The Council's Biodiversity and Climate Action Plan demonstrates compliance with the statutory duty.	Legal Team
Information Governance	The recommendations do not impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council Processes. Some individual actions may have implications in the future and the appropriate review and documentations will be completed as required	Information Governance Team
Equalities	The recommendations do not propose a change in service therefore will not require an equalities impact assessment	Policy & Information Manager
Public Health	We recognise that the recommendations will have a positive impact on population health or that of individuals.	Public Health Officer
Crime and Disorder	No implications	Anna Collier Head of Insight Communities and Governance
Procurement	Some actions will have implications and the appropriate procurement exercises will be undertaken	Anna Collier Head of Insight Communities and Governance
Biodiversity and Climate Change	The updates in this report and recommendations will support the continued implementation of the Biodiversity and Climate Change Action Plan.	Biodiversity and Climate Change Manager

2. INTRODUCTION AND BACKGROUND

- 2.1 The Policy and Resources Committee adopted the Biodiversity and Climate Change Action Plan on 21st October 2020. The last update was July 2023.
- 2.2 Since the last update report, officers have explored options to focus the Council's Biodiversity and Climate Change Strategy in discussion with Cabinet and with consideration to PACs feedback over the achievability and impact of the Biodiversity and Climate Change Action Plan. These included ways forward in achieving net-zero housing borough-wide, progressing sustainable integrated transport, solar energy generation investment, local energy action plans, and biodiversity enhancements.
- 2.3 The largest emission sources in the borough are from domestic electricity and gas consumption which accounts for nearly one third (32%) of total CO₂e emissions in Maidstone Borough (216ktCO₂e in 2021), and transportation which accounts for 52% of total CO₂e emission in Maidstone Borough (354ktCO₂e in 2021).
- 2.4 The focus and priorities of the Biodiversity and Climate Change Strategy has changed to areas where reducing the largest impacts of the Borough's carbon emissions can be made.
 - I. Net Zero Housing - Progress with looking at how the Council can improve the condition of domestic homes, looking at gaps and how we add value through the potential new energy officer role, while also looking at the Council's own buildings and growing housing stock.
 - II. Sustainable Integrated Transport - To focus on 'future focused transport innovation workshop' for Councillors to develop a shared vision, expand awareness of innovative transportation solutions, enabling long-term sustainable transport planning, and building political commitment for environmentally friendly transportation, with preliminary work to bring data/inputs from a variety of stakeholder views (including young people) to the workshop for consideration.
 - III. Develop a 'Parking and Borough wide EV strategy' - to explore partnerships, provisions for on street infrastructure, that align with national climate goals, reduce range anxiety and stimulate the EV market, and look for opportunity to combine it with the town centre lighting strategy to include on street EV chargers.
 - IV. Renewable Energy - to maximising the renewable energy generation on MBC estate.
 - V. Create a Planning policy framework for solar farms in the local plan - creating zoning for renewable energy generation for longer term policy and allocated land as part of the local plan review process.
- 2.5 A summary of progress for the five areas are outlined in this report.

MBC Decarbonisation

2.6 The Council has set an ambitious net zero by 2030 with substantial financial commitment already set aside. As outline in [Appendix 2](#) of the July 2023 Action Plan Update report, the most substantive impact the Council can directly have on reducing Carbon Emissions are of its own operations, buildings, fleet, and contracts.

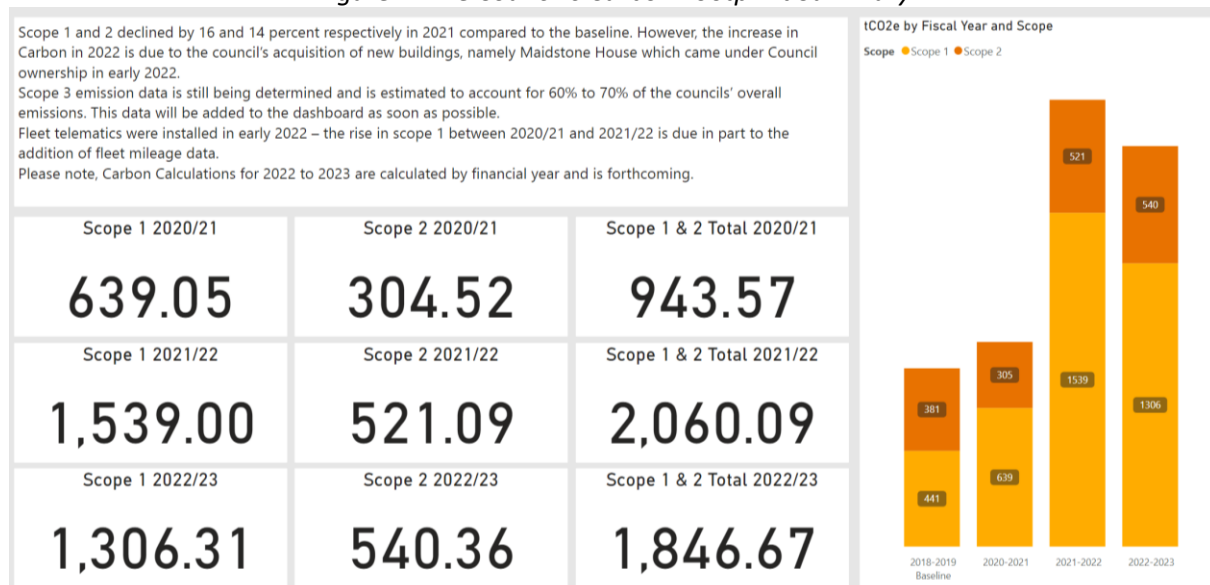
Carbon Footprint

2.7 The Carbon Footprint of the council’s buildings and fleet is updated twice a year using automated energy data by Laser Energy. The Council’s dashboard is used to calculate MBC’s scope 1 and 2 emissions (Reporting on scope 3 emissions is still under investigation). This process helps to identify priority building upgrades and fleet replacement priorities, enabling officers to accurately monitor progress/changes in carbon emissions of the Council. The dashboard also shows the Boroughs historic emissions by sector, which support officers on Borough wide priorities in keeping with the National Government’s 2050 Net Zero commitment.

2.8 The Council’s total CO2 emissions for scope 1 and scope 2 have decreased overall by 10.4% when comparing financial year 2021/22 to 2022/23. Scope 1 decreased by 15.1% and scope 2 increased by 3.7%. In both years, the largest source of scope 1 emissions is from the Maidstone Leisure Centre, accounting for 51.1% off total emissions. The second largest cause of emissions is Maidstone House (17.6%).

2.9 The emissions produced from our Depot’s fleet/vehicles was not available for tracking until January 2022, therefore data is missing for the most part of FY 2021/22. However, in 2022/23, the largest cause of emissions was the heavy-duty waste collection vehicles used for our Commercial Waste service.

Figure 1: The Council’s Carbon Footprint Summary



Public Sector Decarbonisation Scheme Application

- 2.10 Officers have committed considerable time to preparing and submitting large scale bids for public sector funding to decarbonise the Council's estate as it is in the direct control of the Council.
- 2.11 In November officers submitted a largescale bid for Phase 3c of the Public Sector Decarbonisation Scheme (PSDS) for £3,126,536 to retrofit Maidstone House. Included in the bid were provisions for developing detailed designs, upgrading the heating system, replacing the glazing, fully insulating the building, upgrading all the lights to LED, and installing Solar PV on the Link business terrace roof. The preparation of this bid included a complex and technical set of documents and schematics, energy saving calculations, costing and quotes evidence, project management programme, and risks register. The submission of the bid is a first come first serve organised by [Salix](#), where applicants need to submit a bid as soon as the portal opens to be in for a chance to be considered. Officers were able to submit the application in under 4 minutes and are currently replying to technical queries and developing the project programme with Salix. Members will be notified should we be successful with the grant application.

Fleet Decarbonisation

- 2.12 The Depot has undergone substantial upgrades to ensure it has the capacity to transition to an electric fleet in line with a direct aspect in the Council's control to reduce emissions from the fleet. The electricity capacity of the Depot was increased by 277kVA by connecting to a nearby substation with minimal ground works needed. The increased capacity has enabled the installation of an additional x10 EV chargers in October 2023, bringing the total to 31 plug in charging points installed at the Depot.
- 2.13 There is now sufficient capacity to charge the growing number of EVs on site for the medium term, which currently stands at 11 EVs with 2 more ordered for 2024, out of a total of 65 vehicles in the fleet (replacement vehicles are selected as per the [Green Fleet Strategy](#)).

Domestic Housing Net Zero

- 2.14 Domestic electricity and gas consumption accounts for nearly one third (32%) of total emissions (216ktCO₂e in 2021). The UK government's aim is to have 600,000 heat pumps a year being installed by 2028, just 55,000 were installed in the UK in 2022. In regard to Action 2.1 to "Explore grants schemes for residents, landlords and housing associations, for retrofitting insulation, and low carbon heating systems," Officers have now completed a net zero scenario for existing housing across the borough, using Parity Projects software. The scenario can be used to develop a cost-effective retrofit programme that aligns with the Borough's carbon reduction targets and gives the Council pathways for every property in the borough to identify the lowest cost route to Net Zero.
- 2.15 The domestic housing net zero scenario shows an average mean cost of £23,400 per house for achieving net zero across the borough, and a mean of £7,800 per house to achieve a minimum Standard Assessment Procedure (SAP) C rating. These findings can be used to target specify parts of the borough for investment, or heat pump prioritisation, and can be assessed in terms of low-income and priority areas. Officers will use the scenario data

to develop strategies, identify energy-efficient retrofitting opportunities, and create strategic areas to support Net Zero domestic housing across the borough, seek partnerships, and open up opportunities for large scale funding to support residents reduce their utility costs.

Transportation Net Zero

2.16 Across Kent, Carbon emissions are generally maintaining a downward trend in terms of tonnes of CO₂ per capita. Across North Kent transport emissions comprise the largest component (39%) of emissions followed by domestic (29%). Across the borough of Maidstone, carbon emissions have steadily decreased from 1044ktCO₂ in 2005 to 677ktCO₂ in 2021. Carbon emissions from transport in Maidstone have showed a slower rate of decline, reducing from 442ktCO₂ in 2005 to 354ktCO₂ in 2021.

2.17 In respect to Action 1.5 to “Deliver an Electric Vehicle (EV) Strategy for the borough that provides sufficient EV charging infrastructure” there are currently 66 public charge points in Maidstone and 27 of these are 50 kWh devices. On a per population basis, Dartford has the highest rate of provision in North Kent with 73.6 EV charge points per 100,000 people, whilst Maidstone has 37.3 EV charge points per 100,000 people. Plug-in vehicle ownership is steadily increasing in Maidstone. The zero-emission vehicle mandate requires 80% of new cars and 70% of new vans sold in England to be zero emission by 2030, increasing to 100% by 2035. Maidstone is expected to require 1,377 public EV charge point sockets by 2030 and 2,735 by 2035 to meet the increase in demand from zero emission vehicle users.

2.18 In respect to Action 1.1 to “Update the Integrated Transport Strategy, and work towards a Local Cycling and Walking Infrastructure Plan” Kent County Council (KCC) is currently consulting on the Kent Cycling & Walking Infrastructure Plan (KCWIP). The KCWIP is part of the Government’s Local Cycling & Walking Infrastructure Plan process. It has a 10-year timeframe but is a ‘living document’ subject to regular review. At present Maidstone Borough Council is preparing for the development of its own LCWIP to cover the Borough. This will be complementary to the KCWIP when it is developed and support the delivery of the active travel actions in Maidstone’s Biodiversity and Climate Change Action Plan.

2.19 The Quality Bus Partnerships has been replaced with Local Bus Focus Groups. Establishing a new Local Bus Focus Group as outlined in the KCC structure within the BSIP, would align with Action 1.8 to “Actively participate in Quality Bus Partnership and ensure that the borough’s infrastructure is bus friendly” as well as supporting several actions in the plan to reduce borough carbon emissions and pollution, while supporting public transportation.

Other Achievements in the Action Plan

Climate Emergency UK Scorecard of the implementation of MBC’s Action Plan

2.20 In October 2023, Maidstone Borough Council was [scored joint 35th place out of 186 Councils](#), and 3rd in Kent on the implementation of our Action Plan. Climate Emergency UK (CEUK) has assessed all UK Councils on the

actions they've taken towards net zero. This is a second phase update on CEUKs 2021 scoring of [Councils Plans](#). Scores across the country were low with the district average score of 29% with Maidstone scoring 35%.

2.21 In summary, MBC has been recognised for its actions and has scored well relatively to other authorities, however several actions were inaccurately scored or missed by CEUK and the full breadth of MBC progress is not completely captured by this scoring. For more information please see CEUK's [Press Release](#). Officers will take these scores on board as part of prioritising aspects of the Action Plan that scored poorly.

Maidstone's Eco Hub

2.22 The Eco Hub hosted 14 events and talks to raise awareness and create positive behaviour change on climate action, energy efficiency, sustainable living, biodiversity loss, and the cost-of-living crisis, and partnered with over 24 local sustainable businesses, community groups, and charities.

2.23 1,926 visitors came into the Eco Hub over 17 opening days, with an average of 113 users per day. This is a 121% increase in users of the Eco Hub in 2023 when compared to the 2022 pilot project.

2.24 In partnership with The Mall Maidstone, Officer's entered Maidstone's Eco Hub for the '[best local authority/private sector partnership](#)' Revo award, and Maidstone's Eco Hub is one of three projects that was shortlisted for this national award.

2.25 Officers in the climate change team also worked with the communications team, waste team, and welfare officers to run a community support roadshow which visited three locations in the Borough to help residents with the cost-of-living crisis.

Solar Projects

2.26 Officers have identified seven potential solar PV projects on Council buildings to maximise the renewable energy generated on these buildings for direct use by the Council cutting utility bills and reducing the Council's carbon emissions with a relatively fast payback period for investment (outline in Appendix 2 of the July 2023 Action Plan Update report). Progress on these projects includes:

- Submission of the PSDS bid to include provision for a 16 kWp solar PV array to be installed on the Link Building business terrace roof, combined with green roof. Pending success of bid.
- Preplanning advice to install a 122kWp solar PV canopy over the Mote Park Car Park to be private wired and used to reduce costs of the Leisure Centre. Pending Preplanning advice.
- Investigation into doubling the existing 60 kWp array on the Parkwood Depot roof top to private wire for use of the depot, charge the growing number of Electric Vehicles in the fleet. Pending Investment / Council Decision.
- Lockmeadow Leisure Complex has the largest capacity of MBC properties for solar PV instillation of 995 kWp over 4 roof locations. Pending Council Decision.

LED light upgrades

2.27 Upgrading to LED lighting can have a substantial decrease in utility costs and generally have a very fast payback period. Several MBC buildings have now been upgraded to fully LED lighting, including:

- The Depot's lights have all been replaced in November 2023 to LEDs.
- Maidstone House Lights have all been replaced with LEDs during the summer 2023.
- The Crematorium Chapel lights have all been replaced with LED lights in Autumn 2023.
- The Elephant House Cob Tree, all the lights have been replaced with LEDs.

2.28 Parking Services remain committed to 100% LED lighting in MBC car parks by the end of 2025. Lamps are being replaced with LED lights as and when they require replacement.

Tree Planting and Rewilding

2.29 Officers are continuing to seek partnerships for tree planting and rewilding projects. In Autumn 2022 and spring 2023 the Council' planted 5,800 trees as part of several partnerships with landowners and Parish Councils ([details here](#)). This planting season, officers have identified a number of potential projects and partners with an estimated 6,000 trees to be planted in Spring 2024. Officers are also supporting the preparation for mandatory 10% Biodiversity Net Gain (BNG) which came into law in January 2024, to find alternative funding for continued tree planting and rewilding projects.

The Rural England Prosperity Fund

2.30 Climate Officers have led the organisation and distribution of the Rural England Prosperity Fund. MBC was allocated £539,728 to spend between April 2023 and March 2025 to be awarded to projects for rural communities across the borough. Officers supported applicants and supported the panel with technical inputs. Phase 1 of the funding saw grants awarded as listed below:

- Staplehurst Free Church (SFC) which received £45,000.
- Teston Parish Council which received- £45,000.
- Hollingbourne Parish Council - phase 1 funding £22,466 / phase 2 funding allocation of £16,906.
- Boxley Parish Council - phase 1 funding £22,466 / phase 2 funding allocation of £32,532.

2.31 Officers are now in the process of rolling out the second phase of funding, open on Monday 27th of November to Monday 22nd of January 2024, and supported applicants through a free Introductory webinar held on Wednesday 6 December to highlight key information, provide details of phase one's successful projects, and answer any questions, as well as through the [Sustainable Business Directory](#) that showcases an array of eco-businesses to support upgrades and retrofits.

3. AVAILABLE OPTIONS

- 3.1 That Cabinet continue to receive these updates every six months and are recommended to note updates on implementation to ensure ongoing progress towards tackling net zero borough wide.
 - 3.2 The Cabinet could ask to receive an update more or less frequently. However, this is not recommended as less frequently wouldn't offer the oversight and more regular updates wouldn't allow sufficient time for substantial work to be undertaken.
-

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 That Cabinet note the strategic considerations for tackling net zero borough wide and action plan updates shown at **Appendix 1**.
-

5. RISK

- 5.1 Responding to the climate emergency is a key corporate risk. Ongoing monitoring of the delivery of the Action plan is a key mitigation as the annual review of the action plan is ensures continued accountability.
 - 5.2 Understanding the costs associated with achieving net-zero and allocate resources effectively, prioritise initiatives, putting appropriate capacity to seek funding, and set realistic targets and timelines.
-

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 The Policy and Resources Committee adopted the Biodiversity and Climate Change Action Plan on 21st October 2020. Progress has been regularly reported to Policy Advisory Committees and the Cabinet, with the outcome of the consideration of this report to be reported to the Cabinet ahead of the meeting.
-

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 Continue to update the implementation of the Action Plan, monitor progress, and updates to members.
-

8. REPORT APPENDICES

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

- **Appendix 1:** Biodiversity and Climate Change Action Plan Implementation Status

Biodiversity and Climate Change *Successes*

Placed Joint
35th
186 Councils

on the implementation of our Action Plan
by Climate Emergency UK and
placed second in Kent



Carbon reduction in scope
1 and 2 emissions from
2021/22-2022/23



Largely due to a reduction
in emissions from the
Leisure centre.



of our fleet upgraded to EV's

54

Officers and elected members
carbon literacy trained
with 3 more training days
booked for early 2024



50%

Climate change newsletter
subscribers doubled in 2023



31

Plug in charging points
installed at the depot



65%

Maidstone residents installing solar panels
on their property through the 2023 Solar Together
Scheme compared with the 2022 scheme.



500

Eco Bags given to
Maidstone residents

Our main offices,
Maidstone House,
the Depot,
and the Crematorium
upgraded to fully LED



4 Community organisations provided funding
for carbon reduction projects through the
Rural England Prosperity Fund,
with an expected eight more organisations
to be awarded funding in 2024

6,000

Trees to be planted
in winter 2023/24



£3,126,536

of funding bid for to retrofit Maidstone House



Action	Portfolio Holder and PAC	Responsible Officer(s)	February 2024 Update	Key Performance Indicator	Likely Start Date	Likely Completion Date	Progress
Active Travel and Green Transportation							
<p>Action 1.1 Update the Integrated Transport Strategy, and work towards a Local Cycling and Walking Infrastructure Plan to prioritise walking, cycling, public transport, and electric vehicles.</p>	<p>Councillor Paul Cooper</p> <p>Planning, Infrastructure, And Economic Development Policy Advisory Committee</p>	<p>Alison Broom</p> <p>William Cornall</p> <p>Rob Jarman</p> <p>Karen Britton</p> <p>Mark Egerton</p> <p>Tom Gilbert</p>	<p>Business as usual. In September 2023 a report was taken to PIED PAC (06/09/23) on the Council’s response to the KCC Consultation on Local Transport Plan 5. It stated that a review of the Integrated Transport Strategy should be commenced and cover the period to 2050. No timeframe to commence this work was given.</p> <p>Funding has been secured for the development of a Local Cycling and Walking Infrastructure Plan (LCWIP) for the Borough and the work is currently out for tender. If the tender is successful this work aims for completion in July 24.</p> <p>Fundamental review of the ITS will be undertaken upon completion of the Local Plan Review.</p>	NA	Early 24	Across timeline to 2030	On track
<p>Action 1.2 Deliver policies that enable infrastructure for:</p> <ul style="list-style-type: none"> • Low carbon transportation, • Active travel, and that • Facilitates high quality public transport connectivity in new developments and existing communities. 	<p>Councillor Paul Cooper</p> <p>Planning, Infrastructure, And Economic Development Policy Advisory Committee</p>	<p>Alison Broom</p> <p>William Cornall</p> <p>Rob Jarman</p> <p>Karen Britton</p> <p>Mark Egerton</p> <p>Tom Gilbert</p>	<p>From Authority Monitoring report 2022-23:</p> <p>Indicator M48: Projects remain on track to be delivered within the broad time periods identified within the Infrastructure Delivery Plan. In total 18% of the actions within the ITS have been rated as red in terms of delivery, with the remainder being 27% amber and 55% green. This has meant there has been a minor increase in red actions due to worsening delivery in the past year. This is felt to be a temporary anomaly caused by changes in Government policy around public transport areas, such as buses, and general low recovery in bus patronage following the Covid-19 pandemic. It is the ambition of the Council to undertake a full review of the Integrated Transport Strategy following the Local Plan Review. Partial updates have been proposed as part of the Local Plan Review.</p> <p>Officers are working with KCC and have installed a total of 42 anti-idling signs in Maidstone town centre, targeting problem zones in the AQA and near schools.</p>	Percentage change of low carbon transportation, active travel, and public transport	2017	Across timeline to 2030	On track

Action	Portfolio Holder and PAC	Responsible Officer(s)	February 2024 Update	Key Performance Indicator	Likely Start Date	Likely Completion Date	Progress
Action 1.3 Identify low carbon transportation, active travel, and public transport indicators that align with strategic planning and monitor implementation of sustainable transport policies.	Councillor Paul Cooper Planning, Infrastructure, And Economic Development Policy Advisory Committee	Alison Broom William Cornall Rob Jarman Karen Britton Mark Egerton Tom Gilbert	See response to Action 1.2.	Percentage change of low carbon transportation, active travel, and public transport	2017	Across timeline to 2030	On track
Action 1.4 Deliver Policy that ensures sustainable travel, such as bike racks, pool cars, electric vehicle charging, active travel, is integrated into all Maidstone Borough Council construction of new buildings (offices, housing, leisure facilities) and building acquisitions.	Councillor John Perry Corporate Services Policy Advisory Committee	Mark Green Katie Exon	Officers are investigating standardising policy for MBC developments to incorporate where possible, sustainable travel initiatives.	NA	2024	Across timeline to 2030	On track
Action 1.5 Deliver an Electric Vehicle (EV) Strategy for the borough that provides sufficient EV charging infrastructure to support the transition to EVs and reduces range anxiety, with consideration of changing and new emerging technologies.	Councillor Paul Cooper Planning, Infrastructure, And Economic Development Policy Advisory Committee	Jen Stevens	Waiting for KCCs review and guidance before starting development of Maidstone Borough EV Strategy, which is expected to be delivered later in 2024. EV public charge points have increased slowly compared to national average in Maidstone. 37 devices in Oct 2019 to 66 devices in January 2023 below the 55.7 average for England. This is 37.3 Devices per 100,000 people in Maidstone compared to Folkestone and Hythe have 106.3, Dartford have 73.6, and Dover have 70.3 Devices per 100,000 people.	Total devices in Maidstone: 66 Devices per 100,000 people: 37.3 below the 55.7 average for England	Late 2024	2025	On track

Action	Portfolio Holder and PAC	Responsible Officer(s)	February 2024 Update	Key Performance Indicator	Likely Start Date	Likely Completion Date	Progress
				Total 50kWh or rapid devices: 27			
53 Action 1.6 Facilitate a move to electric taxis by providing nine rapid charge points in total by 2025, and twelve rapid charge points by 2030.	Councillor Paul Cooper Planning, Infrastructure, And Economic Development Policy Advisory Committee And Councillor Claudine Russell Communities, Leisure and Arts Policy Advisory Committee	John Littlemore Lorraine Neale	Officers are working with KCC to look at the feasibility of installing a further 2 rapid charging points at Sittingbourne Road car park. Investigation with Swarco is ongoing to look at cost electrical connection work to see if the location is within budget. If the project goes ahead the legal agreement will be the same terms as with the Pudding Lane chargers. It is also suggested that one of the 2 bays served by the charger is open for general public access, and one is reserved for taxis. If Sittingbourne Road car park chargers are installed this would bring total to 4 of required 9 by 2024.	Number of Electric Vehicle Charging Points Installed	2023	9 by 2025 12 by 2030	On track
Action 1.7 Work with the taxi trade to find solutions to licencing that will encourage gradual business led shift to EVs' and promote greener accreditation and campaigns to support taxi trade to move to EVs.	Councillor Paul Cooper Planning, Infrastructure, And Economic Development Policy Advisory Committee And	John Littlemore Lorraine Neale	This is a joint Kent project and Kent Taxi Licencing meetings continue to be held every quarter. Officers are supporting KCC with developing district net zero plans in terms of target/deadlines/progress for taxis in relation to EVs. Solutions under investigation, include: <ul style="list-style-type: none"> • A switch that all new taxis licenced should be Euro 6 compliant, need to follow government guidance so that drivers are subject to changes in requirement at the same time by all licensing offices, so drivers don't switch where they licence. • Requirement for new and reregistered taxi must be euro 6 compliant. • Green taxi scheme for modest incentive, 	Number of EV taxi	2023	Across timeline to 2030	On track

Action	Portfolio Holder and PAC	Responsible Officer(s)	February 2024 Update	Key Performance Indicator	Likely Start Date	Likely Completion Date	Progress
	Councillor Claudine Russell Communities, Leisure and Arts Policy Advisory Committee						
54 Action 1.8 Actively participate in Quality Bus Partnership and ensure that the borough's infrastructure is bus friendly.	Councillor Paul Cooper Planning, Infrastructure, And Economic Development Policy Advisory Committee	Tom Gilbert Duncan Haynes	<p>The Council has been informed that KCC are no longer supporting Quality Bus Partnerships and are promoting the development by Boroughs of Local Bus Focus Groups.</p> <p>The Council is actively investigating the development of a successor organisation to the Quality Bus Partnership with a decision to be taken by members in the new year the 'Maidstone Local Bus Focus Group' report going to PIEDPAC 29-1-2024.</p> <p>The air quality action plan has now been agreed by cabinet – Environmental Health officers and William Cornall are due to meet the area manager for Arriva to discuss the makeup of the Arriva fleet which has improved recently and the potential to ensure that the least polluting buses are routed on upper stone street (the AQMA).</p> <p>This Action will be updated when a way forward is determined.</p>	Improvement in Borough Air Quality	n/a	Across timeline to 2030	Action to be revised
Decarbonising and Insulating Homes and Buildings							
Action 2.1 Explore grants schemes for residents, landlords and housing associations, for retrofitting insulation, and low carbon heating systems.	Councillor Lottie Parfitt-Reid Housing, Health and Environment Policy	John Littlemore Philip Jennings	<p>The Home Upgrade Grant phase 2 grant funding agreement has been signed by all relevant parties. The grant is being advertised (targeted advertising first before being opened to wider advertising to relevant wards in the early 2024.</p> <p>Meetings have progressed with Eon to partner to promote and administer ECO Flex (Energy Companies Obligation) to increase ECO's eligibility criteria. The grant provides low carbon heating and insulation measures.</p>	Number of residents with EPC rating improvements of A-C from D-G	2023	Across timeline to 2030	On track

Action	Portfolio Holder and PAC	Responsible Officer(s)	February 2024 Update	Key Performance Indicator	Likely Start Date	Likely Completion Date	Progress
	Advisory Committee And Councillor Claudine Russell Communities, Leisure and Arts Policy Advisory Committee		There was a delay in the HUG2 grant funding agreement being signed by partners, therefore the roll-out of the scheme has been delayed. This will result in a delay of getting works completed at eligible properties in Spring 2024. Further work is required to partner with Eon and make the Council's ECO Flex statement of intent ready for implementation. This should be ready for advertising to households in early 2024.				
Action 2.2 Enforce Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015.	Councillor Lottie Parfitt-Reid Housing, Health and Environment Policy Advisory Committee	John Littlemore Philip Jennings	Enforcement of the regulations have progressed well with over 650 rented properties improved from EPC F and G to A-E. Landlords may apply for exemptions for their properties. (33 properties have been exempted). A small number are now in the process of either being improved or the landlord being fined. Further Energy Performance Certificates are entered on the database monthly, and these must be checked further. The Landlord forum will also be used to disseminate information to landlords. The Council's Accommodation Standards Policy will be amended in the New Year so that only dwellings with an EPC of A to C (D in exceptional circumstances) will be used to place homeless households.	As above	2023	Across timeline to 2030	On track
Generating Renewable Energy							
Action 3.1 Ensure Sustainability DPD as part of larger Development Plan requires on-site renewables on all types of	Councillor Paul Cooper Planning, Infrastructure,	Rob Jarman Karen Britton	The Planning Team are leading on the development of the Design and Sustainability Development Plan Documents. The timeframe and details for this action are dependent on the completion of these documents.	Percentage of onsite renewable energy generation in	2022	Adoption expected 2025	On track

Action	Portfolio Holder and PAC	Responsible Officer(s)	February 2024 Update	Key Performance Indicator	Likely Start Date	Likely Completion Date	Progress
new developments and identify indicators that align with strategic planning and monitor implementation.	And Economic Development Policy Advisory Committee	Mark Egerton Thom Hoang	The latest DPD version included the following draft policies which meets this action: <ul style="list-style-type: none"> - D&S DPD SB1: Sustainable Design and Construction Overarching Requirements - D&S DPD SB2: Minimising Greenhouse Gas emissions in New Development - D&S DPD SB3: Passive Design of Buildings <p>There is no further update at this stage.</p>	new developments 10% adopted standard			
Reducing Waste							
Action 4.1 Investigate recycling strategies in the Town centre.	Councillor Patrik Garten Housing, Health and Environment Policy Advisory Committee	Jen Stevens John Edwards	Clear bags are ordered and we hope to start segregating recycling from litter at the start of February. This will be through litter picking rather than litter bins at this stage.	NA	2024	Across timeline to 2030	On track
Action 4.2 Ensure MBC offices and buildings have recycling facilities.	Councillor Patrik Garten Housing, Health and Environment Policy Advisory Committee	Mark Green Katie Exon	Maidstone House internal waste team cannot provide any other recycling, other than paper and card. Officers have asked managing agents (Fidum) to source an alternative provider and provide us with a cost for provision of bins and disposal. They plan to furnish us with these costs by March, we have asked for 2 options – one for the entire building and one for the areas only occupied by MBC, this is in respect of MH only. Once we have received the costs, we can look at the viability of rolling this out to other buildings – Town hall, museum etc.	Increase in office recycling and reduction in waste	2024	Across timeline to 2030	Delayed due to existing contract term
Adapting to Climate Change							
Action 5.1 Deliver policy as part of design and sustainability DPD and future Development Plan evolution for long term climate change adaptation in new developments to flooding, heatwaves, and	Councillor Paul Cooper Planning, Infrastructure, And Economic Development Policy	Rob Jarman Mark Egerton Thom Hoang	The latest DPD version included a set of draft policies which meet this action. There is no further update at this stage.	NA	2022	2025	On track

Action	Portfolio Holder and PAC	Responsible Officer(s)	February 2024 Update	Key Performance Indicator	Likely Start Date	Likely Completion Date	Progress
drought and ensure longer term climate impacts are being considered as part of planning and policy decisions. Identify indicators that align with strategic planning and monitor implementation.	Advisory Committee						
57 Action 5.2 Identify actions to mitigate climate change in existing developments.	Councillor Lottie Parfitt-Reid Housing, Health and Environment Policy Advisory Committee	James Wilderspin Gemma Bailey	Officers have identified seven potential solar PV projects on Council buildings to maximise the renewable energy generated on these buildings for direct use by the Council cutting utility bills and reducing the Council's carbon emissions. A business case to invest in a solar farm has been presented to Cabinet. Officers continue to investigate nature-based solutions projects and tree planting opportunities, to reduce flooding and urban heat islands. Shared heat network solutions continue to be investigated with third parties for Maidstone Town Centre.	NA	2023	Across timeline to 2030	On track
Action 5.3 Conduct Borough Climate Impact Assessment and (i) Identify natural flood management (nature-based solutions and sustainable urban drainage), (ii) Build local communities' resilience, (iii) Support business continuity management, and	Councillor John Perry Corporate Services Policy Advisory Committee And Councillor Claudine Russell Communities, Leisure and Arts Policy	James Wilderspin Gemma Bailey	Officers continue to seek partnerships on tree planting and nature-based solutions with private landowners of flood elevation efforts. Communications and projects such as the Maidstone Eco Hub comprise climate adaptation information and awareness raising of climate impacts to raise awareness throughout the community and local businesses. Officers are investigating Local Energy Action Plans (LEAPs) which are strategic documents developed by local authorities and other relevant stakeholders to outline their approach to sustainable energy management and the transition to low-carbon, renewable energy sources at the local level. Costing approximate £120k for a full LAEP. Due to the size of Kent, it would need to be sub-divided into 2-3 LAEP areas and Districts are being encouraged to work together to develop LEAPs. Folkestone are currently	NA	2023	Across timeline to 2030	On track

Action	Portfolio Holder and PAC	Responsible Officer(s)	February 2024 Update	Key Performance Indicator	Likely Start Date	Likely Completion Date	Progress
(iv) Priorities and strengthen power and water supply and other critical infrastructure ensuring more resilient communities.	Advisory Committee		undergoing a pilot and planning to share their experience developing a LEAP. Swale are likely to be interested partnership with Maidstone.				
Enhancing and Increasing Biodiversity							
58 Action 6.1 Monitor Biodiversity Net Gain (BNG) to adopted 20% standard.	Councillor Paul Cooper Planning, Infrastructure, And Economic Development Policy Advisory Committee	Mark Egerton Thom Hoang	Within the emerging LPR, Policy LPRSP14A (Natural Environment) contains a requirement for 20% BNG subject to other considerations. Once adopted, this requirement regarding the 20% BNG will be monitored.	Percentage of planning applications meeting Biodiversity Net Gain 20% adopted standard	2024	Across timeline to 2030	Not yet due
Action 6.2 Ensure sustainable urban drainage schemes (SuDS) maximise biodiversity potential.	Councillor Paul Cooper Planning, Infrastructure, And Economic Development Policy Advisory Committee	Mark Egerton Thom Hoang	Within the emerging LPR, Policy LPRSP14C (Climate Change) contains a requirement for SUDS provision. The draft Policy ON5 (Sustainable Drainage Systems) in the emerging D&S DPD goes further and contains requirements to maximise biodiversity potential of SUDS.	Percentage of planning applications meeting Biodiversity Net Gain 20% adopted standard	2024	Across timeline to 2030	Not yet due
Action 6.3 Develop Supplementary Planning Documents for Garden community and other strategic development sites that ensure are exemplar for biodiversity and deliver semi natural open space.	Councillor Paul Cooper Planning, Infrastructure, And Economic Development Policy	Mark Egerton Thom Hoang	This work will take place following the adoption of the Local Plan Review. It is intended that SPDs are produced for the key strategic development sites once the LPR is adopted.	NA	2024	Across timeline to 2030	Not yet due

Action	Portfolio Holder and PAC	Responsible Officer(s)	February 2024 Update	Key Performance Indicator	Likely Start Date	Likely Completion Date	Progress
	Advisory Committee						
59 Action 6.4 Enhance and expand wetland coverage across the Borough to support nutrient neutrality, flood prevention, and enhance biodiversity.	Councillor David Burton And Councillor Paul Cooper Planning, Infrastructure, And Economic Development Policy Advisory Committee And Councillor Patrik Garten Housing, Health and Environment Policy Advisory Committee	Mark Green Rob Jarman James Wilderspin	Officers are preparing to go out to tender for specialist expansion and desilting of several MBC wetland and pond areas (see July report for further details). Works in parks and on MBC land is planned to commence in autumn 2024. Officers are working with South East Rivers Trust (SERT) to identify funding, and partners with Ashford Council to expand the " Bring back the Beult " project to introduce wide scale water retention and nature based solutions to the Upper Medway catchment. Senior officers have met with SERT and further meetings are to be held with Alsford Council to determine project and funding scope.	Water quality	2022	2025	In progress
Action 6.5 Implement a Nature Recovery Strategy, linking habitat restoration and creation to improve flood protection and water quality.	Councillor Paul Cooper Planning, Infrastructure, And Economic Development Policy Advisory Committee	Rob Jarman James Wilderspin	The LNRS is being developed as part of the MS4N (Making Space for Nature) initiative which government has funded KCC to deliver. The current timeframe is that the LNRS will be developed by December 2024, with the required consultation with neighbouring authorities and public consultation taking place in 2025. Officers are working with KCC and other districts to agree priorities for nature's recovery, map the most valuable existing areas for nature, map specific proposals for	NA	2025	Across the timeline to 2030	Not yet due

Action	Portfolio Holder and PAC	Responsible Officer(s)	February 2024 Update	Key Performance Indicator	Likely Start Date	Likely Completion Date	Progress
			<p>creating or improving habitat for nature and wider environmental goals, and identify locations where the creation or improvement of habitat is most likely to provide the greatest benefit for nature and the wider environment.</p> <p>As part of this officers are investigating supporting the delivery of mandatory Biodiversity Net Gain (BNG) which came into law in January 2024, by identifying where delivery under this new policy will have the most impact.</p> <p>A BNG working group comes together each month at MBC, and is currently developing plans and a business case for MBC offsite provision in the borough.</p>				
<p>Action 6.6 Work with local farms and landowners to deliver landscape scale biodiversity initiatives Nature Recovery Strategy – including reconnection of habitats, floodplain restoration, reduced chemical inputs and reintroduction of lost native species.</p>	<p>Councillor Paul Cooper</p> <p>Planning, Infrastructure, And Economic Development Policy Advisory Committee</p> <p>And</p> <p>Councillor Claudine Russell</p> <p>Communities, Leisure and Arts Policy Advisory Committee</p>	<p>Rob Jarman</p> <p>James Wilderspin</p> <p>Gemma Bailey</p>		NA	2025	Across the timeline to 2030	Not yet due
<p>Action 6.7 Increase borough canopy cover expanding ancient forests and reconnecting of</p>	<p>Councillor David Burton</p>	<p>James Wilderspin</p> <p>Rob Jarman</p>	<p>Officers continue to work closely with Medway Valley Countryside Partnership (MVCP) and investigated 5 large scale tree planning projects in autumn 2023. Two projects are going forward in spring 2024, one is in continuation at</p>	<p>Number of Trees planted / area of land rewilded</p>	2022	Across timeline to 2030	On track

Action	Portfolio Holder and PAC	Responsible Officer(s)	February 2024 Update	Key Performance Indicator	Likely Start Date	Likely Completion Date	Progress
existing woodland including urban woods, and greening town centres.	Communities, Leisure and Arts Policy Advisory Committee		<p>Nettlestead Yalding on the Angling Societies land planting a further 1000 trees in addition to the thousand planted last winter along the river side. As well as a second project in partnership with a local vineyard to plant 5000 trees.</p> <p>Since 2019, Kent County Council has an ambition that the county's tree cover will be extended by 1.5 million, establishing one new tree for every resident living in the county. By 2050, Kent will have an average tree canopy cover of 19%, the target recommended by the Committee on Climate Change. Collectively Kent Districts are succeeding in planting 50,000 to 60000 every year.</p> <p>Oct 2022 to Mar 2023: 49369 planted Oct 2023 to Mar 2024: 60777 trees planned</p>				
Action 6.8 Review Maidstone Borough Council non-operational land to assess potential for enhancing biodiversity including allowing community groups to take responsibility for management.	Councillor John Perry Corporate Services Policy Advisory Committee	James Wilderspin	Officers continue to investigate the viability of biodiversity enhancing projects on MBC land. Two previously identified sites are being considered for BNG offsite provision and an assessment in collaboration with Kent Wildlife Trust will be undertaken in spring 2024 to develop the projects and align with mandatory BNG.	NA	2022	Across timeline to 2030	On track
Making our Estate Carbon Neutral							
Action 7.1 Deliver Maidstone Borough Council 2030 Net Zero Commitment, by: (i) Decarbonising the councils' buildings through low carbon heating, LEDs, insulation and smart controls,	Councillor John Perry Corporate Services Policy Advisory Committee And	James Wilderspin Mark Green Katie Exon Darren Guess	<p>16% of the MBC fleet have now been upgrade to EV's (11 of 65 vehicles total), with a further x2 EVs on order for 2024. There are now a total of 31 plug in charging points installed at the depot.</p> <p>4 buildings have been fully upgraded to LEDs.</p> <p>Preplanning advise is currently being sought for a solar canopy car port project in Mote Park Car Park, to be private wired to the leisure centre to reduce its operational costs and carbon emissions.</p>	Percentage Change of Carbon Emissions from MBC Buildings, Fleet, Contracts (ie Scope 1, 2)	2022	2030	On track

Action	Portfolio Holder and PAC	Responsible Officer(s)	February 2024 Update	Key Performance Indicator	Likely Start Date	Likely Completion Date	Progress
(ii) decarbonising the council's fleet to fully EV, (iii) investing in renewable energy generation, (iv) incorporating energy saving principles into office strategies, and (v) supporting staff to shift to electric/ultra-low emission vehicles, public transportation and more flexible working.	Councillor Claudine Russell Communities, Leisure and Arts Policy Advisory Committee		On November 7 th 2023, officers submitted a largescale bid for Phase 3c of the Public Sector Decarbonisation Scheme (PSDS) for £3,126,536 to retrofit Maidstone House. Included in the bid were provisions for developing detailed designs, upgrading the heating system, replacing the glazing, fully insulating the building, upgrading all the lights to LED, and installing Solar PV on the Link business terrace roof. The preparation of this bid included a complex and technical set of documents and schematics, energy saving calculations, costing and quotes evidence, project management programme, and risks register. The submission of the bid is a first come first serve organised by Salix, where applicants need to submit a bid as soon as the portal opens to be in for a chance to be considered. On the 7 th of November, officers were able to submit the application in under 4 minutes and are currently waiting to be notified if the bid is successful.				
Action 7.2 Measure the Council's carbon footprint each year and report findings to relevant committees and the public.	Councillor David Burton And Councillor John Perry Corporate Services Policy Advisory Committee	James Wilderspin Katie Exon	There has been a 10% carbon reduction in scope 1 and 2 emissions between 2021/22 and 2022/23.	Carbon Footprint Dashboard Percentage Change of Carbon Emissions from MBC Buildings, Fleet, Contracts (ie Scope 1, 2 and 3)	2022	Across timeline to 2023	On track
Action 7.3 Purchase 100% renewable energy for our buildings and operations where we control the supply (market dependant with maximum 10% offset) and investigate Public	Councillor John Perry Corporate Services Policy	Mark green James Wilderspin Katie Exon	As stated in the July update REGO rates continue to rise for costs for renewable. (Please see July 2023 report for further detail of REGO schemes). In the meantime, alternative approaches are being explored. Officers have identified seven potential solar PV projects on Council buildings to maximise the renewable energy	NA	2022	Across timeline to 2023	Delayed due to finding alternative to REGO

Action	Portfolio Holder and PAC	Responsible Officer(s)	February 2024 Update	Key Performance Indicator	Likely Start Date	Likely Completion Date	Progress
Energy Partnership Power Purchase Agreement (PEPPPA).	Advisory Committee		generated on these buildings for direct use by the Council cutting utility bills and reducing the Council's carbon emissions with a relatively fast payback period for investment (outline in Appendix 2 of the July 2023 Action Plan Update report).				
Action 7.4 Identify temporary accommodation assets eligible for insulation and low carbon heating upgrades under funding schemes and arrange installation. Provide top up funding for any measures not fully funded to ensure all homes let by MBC as temporary accommodation are energy efficient and EPC rating improved to requirement.	Councillor Lottie Parfitt-Reid Housing, Health and Environment Policy Advisory Committee	William Cornall John Littlemore	When the Council buys and refurbishes homes to utilise for Temporary Accommodation, we stipulate that they must be refurbished to an Energy Performance Certificate rating of C. Unfortunately, the social housing decarbonisation grant does not appear to be available for temporary accommodation. Something overlooked by DUHLC, something the Council has lobbied on. The Council is also currently undertaking a comprehensive refurbishment of Granada House, comprising 20 apartments, with monies from the Local Authority Housing Fund. Granada House was previously a Private Rented Sector asset that is being converted to affordable housing with a comprehensive specification that will deliver a high EPC rating and there is an ongoing commitment to explore the deployment of solar PV on the roof too. AHP technology will start going into our 1,000 affordable homes programme to meet the Future Homes Standard (FHS) via Building Regulations.	NA	2023	Across the timeline to 2030	Delayed due to lack of grant
Action 7.5 Improve data management on all property including leased buildings and prioritise decarbonisation actions and improve EPC ratings.	Councillor John Perry Corporate Services Policy Advisory Committee And	Katie Exon James Wilderspin	Officers continue to improve Data Management for MBC key buildings, and work with Laser Energy and Fidums to monitor consumption. Officers are still working to improve leased data management, particularly for the temporary housing stock.	Percentage change/reduction in Utility costs/KWh for Gas, Electricity, Water usage at leased assets.	2023	Across the timeline to 2030	On track

Action	Portfolio Holder and PAC	Responsible Officer(s)	February 2024 Update	Key Performance Indicator	Likely Start Date	Likely Completion Date	Progress
	Councillor Claudine Russell Communities, Leisure and Arts Policy Advisory Committee						
Action 7.6 Deliver 100% LED lighting in MBC carparks.	Councillor Paul Cooper Planning, Infrastructure, And Economic Development Policy Advisory Committee	Jeff Kitson	Parking Services remain committed to 100% LED lighting in MBC car parks by the end of 2025. Lamps are being replaced with LED lights as and when they require replacement.	NA	2022	2025	On track

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Communications and Engagement Strategy

Action 8.1 Support residents (including adults, women, youths and children, faith groups, minority groups, and marginalised groups), partners, and wider stakeholders (Parish councils, farmers, and landowners) to understand the changes they can make to reduce and prepare for climate change. Including: <ul style="list-style-type: none"> Supporting residents to reduce their individual carbon footprints, upskilling and green job creation, buying local, conserve water, and with 	Councillor Claudine Russell Communities, Leisure and Arts Policy Advisory Committee	Gemma Bailey Julie Maddocks	A second Eco Hub was run in Summer 2023, a pop-up, walk-in community information centre for residents to access information and see real world solutions to help them become more sustainable. The hub opened for six weeks, throughout the summer holidays, in a unit in The Mall Maidstone. There were 1,926 visitors to the Eco Hub, a 121% increase in users when compared to the 2022 project. 24 local sustainable businesses, charities, and community groups partnered with MBC and shared information, resources, leaflets, and demonstration models of their products, as well as holding events and workshops in the Eco Hub. Visitors commented on how good it was to see MBC acting on the climate crisis and are hopeful that this initiative raised the profile of MBC's action on climate change and biodiversity loss. Overall, the project was a huge success, and the Eco Hub was one of just three projects shortlisted in The Revo's for the best local authority/ private sector partnership Revo award. This award recognises a Local Authority initiative that has had a	NA	2022	Across the timeline to 2030	On track
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Action	Portfolio Holder and PAC	Responsible Officer(s)	February 2024 Update	Key Performance Indicator	Likely Start Date	Likely Completion Date	Progress
<p>sustainable lifestyles and Eatwell guidance.</p> <ul style="list-style-type: none"> Promote schemes which help residents, landlords and housing associations reduce energy bills and decarbonise their buildings e.g. retrofitting grants and the government domestic and non-domestic renewable heat incentive programme. Support and encourage residents, businesses and the third sector to install renewable energy generation or develop community energy projects, by providing information and promoting grants, shared investment, and savings schemes. Encourage residents to separate food and recyclables, use appropriate bins, compost at home, avoid contamination and reduce waste production through promoting the circular economy strategy. Support residents, schools and community groups with biodiversity improvement and protection, promoting relevant schemes, such as tree planting and after care, and encouraging them to enhance 			<p>major impact on the town centre experience for its residents and users.</p> <p>Solar Together scheme phase 3 started in 2023 and will finish in early 2024. The scheme was split into two auctions, spring, and autumn. The spring scheme has so far delivered 768 installations across Kent (68 in Maidstone), however this number will rise once all customers who have accepted their quote receive their install. The autumn scheme closed for registration at the beginning of November, therefore installs are still being completed, but phase 3 of Solar Together Kent looks to be the most successful to date. Final figures for Solar Together phase 3 and expected carbon savings will be available for the next update. There is likely to be a phase 4 of Solar together in 2024. Solar Together has the potential to bring in profit for the Council, with other local authorities seeing profits of as much as £12,000 after three years of the project. Phase one of Solar Together in Maidstone was not very successful with low take up. The officer managing the programme for this phase no longer works for MBC and there was no handover, therefore it is difficult to understand the issues in this phase. Phases two and three have been profitable for MBC with phase 3 likely to be the most successful as there has been a primary officer within MBC monitoring progress throughout. With a better understanding of data and tracking of progress, phase 4 could be the most successful phase for MBC to date.</p> <p>In 2023 we were allocated £539,728 to spend between 2023 and 2025 on capital interventions in our rural communities as part of the Rural England Prosperity Fund (REPF). The REPF in Maidstone aims to support rural communities to modernise and improve their assets to provide multiuse spaces that improve health, wellbeing, reduce rural loneliness, while having a positive impact on the local environment, contribute towards net zero, support the local rural economy, and promote community cohesion. In phase one of the REPF £134,932 was awarded</p>				

Action	Portfolio Holder and PAC	Responsible Officer(s)	February 2024 Update	Key Performance Indicator	Likely Start Date	Likely Completion Date	Progress
biodiversity in their gardens and grounds.			<p>to four organisations for improvements to their facilities including the installation of solar panels, heat pumps and double glazing. Phase two of the scheme opened for applications in December 2023 and will support more projects than phase one with £404,796 of funding available.</p> <p>At the end of 2023 officers purchased the carbon literacy for local authority's toolkit. This not only enables climate change officers to train MBC staff and elected members, but also enables us to deliver training to parish councils. In 2024 carbon literacy training will be offered to parish councils in the borough of Maidstone. This programme will help to improve the knowledge of climate change in parish councils and enable more action in the community.</p> <p>The climate change newsletter now has 4,650 subscribers. The newsletter continues to share information on upcoming funding, grants, sustainable initiatives, relevant events and MBC's climate change initiatives.</p>				
<p>99</p> <p>Action 8.2 Provide staff awareness information of biodiversity and climate change at induction and provide job specific sustainability training to each service area.</p>	<p>Councillor David Burton</p> <p>Communities, Leisure and Arts Policy Advisory Committee</p>	Gemma Bailey	<p>The carbon Literacy for local authority's toolkit has been purchased by MBC, allowing officers to continue training MBC staff for the next three years. The aim is for all staff who attend training to complete action pledges and become certified as carbon literate. To ensure all staff can attend training, the course will continue to be run both online and in person. In person training will also be introduced at the depot in 2024.</p> <p>46 officers have been trained to date and 41 have completed their pledges to become certified as carbon literate. We now have a good understanding of the programme and the different ways we can roll it out to officers, therefore in 2024 we will aim to train 100 officers through the carbon literacy programme and aim for at least 85% of attendees to complete their pledges and become certified as carbon literate.</p>	Number of Staff carbon literate accredited	2022	Across the timeline to 2030	On track

Action	Portfolio Holder and PAC	Responsible Officer(s)	February 2024 Update	Key Performance Indicator	Likely Start Date	Likely Completion Date	Progress
Action 8.3 Enable local businesses to reduce their carbon footprint by providing information on funding opportunities, carbon calculators, localised supply chains and travel plans that promote active travel and public transport, and support businesses to use the Kent Prepare website to raise awareness of how to prepare for flooding.	Councillor David Burton And Councillor Claudine Russell Communities, Leisure and Arts Policy Advisory Committee	Julie Maddocks Chris Inwood Gemma Bailey	Economic Development continue to feature a 'green tip' in every monthly Business E-newsletter and promote relevant business support schemes and grants when made available. Achieved a 71% increase in business newsletter sign ups since 2021 to 7,000 with an average 41.5% average monthly open rate. Promoted The Eco Hub pop-up information centre August/September 2023 to local businesses. The climate change website now includes a page for businesses, providing resources, links, and information to assist businesses in improving their sustainability.	NA	2022	Across the timeline to 2030	On track
Sustainable Decision-Making Processes and Governance							
Action 9.1 Provide briefings and training for councillors and our managers on carbon, climate change, and biodiversity to create a culture change and ensure climate change and biodiversity are integrated into decision making.	Councillor David Burton Communities, Leisure and Arts Policy Advisory Committee	Gemma Bailey	Carbon Literacy Training was delivered to a group of eight elected members in October and four have gone on to complete their action pledges to become certified as carbon literate. This training was delivered by an APSE trainer who specialises in Carbon Literacy for elected members. The next carbon literacy training day for elected members will be held in February on a Saturday, to allow elected members who work during the week to attend. The carbon literacy for local authority's toolkit purchased at the end of 2023 licences officers to deliver training to elected members, therefore moving forward carbon literacy training for elected members will be delivered by MBC officers. In 2024 we will aim to train a further 15 elected members.	Number of Councillor carbon literate accredited	2023	Across the timeline to 2030	On track
Action 9.2 Ensure service plans consider biodiversity and climate change and monitor with performance indicators, so that managers plan their	Councillor John Perry Corporate Services Policy	Carly Benville Anna Collier	Next refresh and update of the Carbon dashboard is planned in 2024. 24/25 KPIs are in the process of being developed and brought to members in Jan/Feb 2024 PACs.	NA	2023	Across the timeline to 2030	On track

Action	Portfolio Holder and PAC	Responsible Officer(s)	February 2024 Update	Key Performance Indicator	Likely Start Date	Likely Completion Date	Progress
services to ensure opportunities for enhancing biodiversity and mitigating and adapting to climate change are taken.	Advisory Committee	James Wilderspin	The next round of service planning is in earl 2024. Refresh of dashboard will next be by 31 January 2024. New KPIs will be in place and agreed for 1st April 2024.				
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.	Councillor John Perry Corporate Services Policy Advisory Committee	Mark Green Adrian Lovegrove	Officers are currently developing SV measures that are suitable for MBC. Updated Sustainability framework to be shared with WLT in February 2024, there has been a short delay due to agenda timetables.	NA	2023	2024	Short delay due to agenda timetables
Action 9.4 Establish criteria for investment in climate change and biodiversity and invest to save schemes (e.g. 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.	Councillor David Burton And Councillor John Perry Corporate Services Policy Advisory Committee	James Wilderspin	Officers have developed a business case for solar investment, and to maximise solar PV on MBC owned assets to take advantage of immediate opportunity. Officers are also supporting heat network policy development and feasibility in Maidstone.	NA	Due to start in late 2024	2025	Not due yet

Action	Portfolio Holder and PAC	Responsible Officer(s)	February 2024 Update	Key Performance Indicator	Likely Start Date	Likely Completion Date	Progress
Action 9.5 Deliver corporate policy and sustainable procurement approach to reduce (Scope 3) MBC carbon footprint from contracts and services and ensure a 'carbon cost' is part of procurement and decision making.	Councillor John Perry Corporate Services Policy Advisory Committee	Dan Hutchins Adrian Lovegrove James Wilderspin	Please see Action 9.3 update. Officers will also investigate how to calculate scope 3 emissions with suppliers and contracts in 2024.	Carbon footprint dashboard	Due to start in late 2024	2025	On track

Agenda Item 18

CABINET

7 February 2024

Medium Term Financial Strategy and Budget Proposals 2024/25

Timetable	
Meeting	Date
Corporate Services Policy Advisory Committee	5 February 2024
Cabinet	7 February 2024
Council	21 February 2024

Will this be a Key Decision?	Yes
Urgency	Not applicable
Final Decision-Maker	Council
Lead Head of Service/Lead Director	Mark Green, Director of Finance, Resources and Business Improvement
Lead Officer and Report Author	Adrian Lovegrove, Head of Finance
Classification	Public
Wards affected	All

Executive Summary

This report represents the final stage in the consideration of the budget for 2024/25. It brings together revenue and capital budget proposals for 2024/25, including a proposed level of Council Tax, so that a balanced budget may be recommended to Council on 21st February 2024. The budget proposals are consistent with the Medium Term Financial Strategy approved by Cabinet on 20th September 2023 and individual revenue and capital budget proposals have been considered by the relevant Policy Advisory Committees and Overview and Scrutiny Committee.

The report also deals with the proposed capital programme 2024/25 to 2033/34, the Treasury Management Strategy and associated strategies and the Council's level of reserves.

This report recommends that the Cabinet:

1. Notes the outcomes of consideration of budget proposals by the Policy Advisory Committees;
2. Agrees the Budget Growth and Savings Proposals set out in Appendix A;

3. Agrees that £198,000 of the unringfenced government grant described in paragraphs 2.5 and 2.6 of the report be used for one-off support to financial inclusion and food larder services;
4. Agrees that maximum use is of made of other residual one-off funding from other relevant council budgets to further sustain financial inclusion and food larder services, the position to be kept under review so that the Council can respond to changes in circumstances and future funding opportunities;
5. Agrees that the balance of the unringfenced government grant described in paragraphs 2.5 and 2.6 of the report be transferred to the Housing Investment Fund, to be used to subsidise the Council's Affordable Housing programme;
6. Agrees the updated Strategic Revenue Projection set out in Appendix B;
7. Agrees a £8.46 annual increase in Band D Council Tax for 2024/25 for recommendation to Council;
8. Agrees the Revised Estimates for 2023/24 and the Budget Estimates for 2024/25 set out in Appendix C for recommendation to Council;
9. Agrees the Capital Programme set out at Appendix D for recommendation to Council;
10. Agrees the Treasury Management Strategy, Investment Strategy and Capital Strategy set out in Appendix E for recommendation to Council;
11. Notes that the projected level of General Fund balances in Appendix F exceeds the agreed minimum level of £4 million;
12. Agrees the updated Medium Term Financial Strategy set out in Appendix G;
13. Recommends to Council the appropriate matters for decision to set a balanced budget for 2024/25 and the necessary level of Council Tax in accordance with the Local Government Finance Act 1992 and the Localism Act 2011 including the decisions made above.
14. Recommends that Council implement with effect from 1 April 2024 the measures in the Regeneration and Levelling-up Act to reduce the period before charging a Council Tax premium on empty property from two years to one and to charge a Council Tax premium on second homes.

Medium Term Financial Strategy and Budget Proposals

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The Medium Term Financial Strategy (MTFS) and the budget are a re-statement in financial terms of the priorities set out in the strategic plan. They reflect the Council's decisions on the allocation of resources to all objectives of the strategic plan.	Section 151 Officer & Finance Team
Cross Cutting Objectives	The MTFS and the budget support the cross-cutting objectives in the same way that they support the Council's strategic priorities.	Section 151 Officer & Finance Team
Risk Management	This has been addressed in section 5 of the report.	Section 151 Officer & Finance Team
Financial	The budget strategy and the MTFS impact upon all activities of the Council. The future availability of resources to address specific issues is planned through this process. It is important that the committee gives consideration to the strategic financial consequences of the recommendations in this report.	Section 151 Officer & Finance Team
Staffing	The process of developing the budget strategy will identify the level of resources available for staffing over the medium term.	Section 151 Officer & Finance Team
Legal	<p>Under Section 151 of the Local Government Act 1972 (LGA 1972) the Section 151 Officer has statutory duties in relation to the financial administration and stewardship of the authority, including securing effective arrangements for treasury management. The legal implications are detailed within the body of the report which is compliant with statutory and legal regulations such as the CIPFA Code of Practice on Treasury Management in Local Authorities.</p> <p>The Council is required to set a council tax by the 11 March in any year and has a statutory obligation to set a balanced budget. The budget requirements and basic amount of Council Tax must be calculated in accordance</p>	Team Leader (Contentious and Corporate Governance)

	<p>with the requirements of sections 31A and 31B to the Local Government Finance Act 1992 (as amended by sections 73-79 of the Localism Act 2011).</p> <p>The Council is required to determine whether the basic amount of council tax is excessive as prescribed in regulations - section 52ZB of the 1992 Act as inserted under Schedule 5 to the Localism Act 2011. The Council is required to hold a referendum of all registered electors in the borough if the prescribed requirements regarding whether the increase is excessive are met.</p> <p>Approval of the budget is a matter reserved for full Council upon recommendation by the Cabinet.</p>	
Privacy and Data Protection	Privacy and Data Protection is considered as part of the development of new budget proposals. There are no specific implications arising from this report.	Policy and Information Team
Equalities	The MFTS report scopes the possible impact of the Council's future financial position on service delivery. When a policy, service or function is developed, changed or reviewed, an evidence-based equalities impact assessment will be undertaken. Should an impact be identified appropriate mitigations will be sought.	Equalities and Communities Officer
Public Health	The resources to achieve the Council's objectives are allocated through the development of the Medium Term Financial Strategy.	Public Health Officer
Crime and Disorder	The resources to achieve the Council's objectives are allocated through the development of the Medium Term Financial Strategy.	Section 151 Officer & Finance Team
Procurement	The resources to achieve the Council's objectives are allocated through the development of the Medium Term Financial Strategy.	Section 151 Officer & Finance Team
Biodiversity and Climate Change	The resources to achieve the Council's objectives are allocated through the development of the Medium Term Financial Strategy.	Biodiversity and Climate Change Manager

2. INTRODUCTION AND BACKGROUND

2.1 This section sets out revenue and capital budget proposals for 2024/25 as follows:

- Background
- Local Government Finance Settlement
- Feedback from Policy Advisory Committees and Overview and Scrutiny Committee on budget proposals
- Updates to budget proposals
- Capital Programme
- Treasury Management Strategy
- Balances / Earmarked Reserves
- Medium Term Financial Strategy

Background

2.2 The framework for the annual budget setting process is set out in the Medium Term Financial Strategy (MTFS). The MTFS 2024/25 – 2028/29 was considered by this Policy Advisory Committee on 11 September 2023 and subsequently approved by the Cabinet at its meeting on 20 September 2023.

2.3 The core MTFS scenario (Scenario 4) assumed that, even after increasing the Council Tax by the maximum possible within the referendum threshold, there would still be a budget gap of £ £925,000 in 2024/25, mainly owing to the impact of inflation on the Council’s costs, with a steadily increasing budget gap in subsequent years.

2.4 Following consideration of budget savings proposals and other developments, as detailed in the table at paragraph 2.34, it is now possible to recommend a balanced budget, provided that the savings proposals are adopted and Council Tax is increased up to the referendum threshold of 3%. However, the longer term position remains challenging, and further work will be needed to address this the budget gaps forecast for future years.

Local Government Finance Settlement

2.5 Separately from ongoing income from Council Tax and Business Rates, the Local Government Finance Settlement announced on 18 December 2023 confirmed the following unringfenced government grants:

	2024/25
	£000
New Homes Bonus	1,492
Funding Guarantee	3,329
Total	4,821

Although New Homes Bonus has reduced from £1.9 million in 2023/24 to £1.5 million in 2024/25, this is compensated for by an increase in the Funding Guarantee. The Funding Guarantee is intended to ensure that all councils see a minimum increase in Core Spending Power of 3%, before any increase in Council Tax. The Funding Guarantee has been a feature of the Local Government Finance Settlement for the past two years, but no commitment

has been made that it will continue and so it must be treated as one-off funding.

- 2.6 A further announcement was made by the Secretary of State for Levelling Up, Housing and Communities on 24 January 2024, in which it was stated that there would be a further increase of 1% in Core Spending Power. Individual local authority allocations have not been announced yet, but to the extent that the effect of this announcement will be to increase the Funding Guarantee, it is proposed that recommendations in this report relating to the Funding Guarantee will apply to any extra funding received.
- 2.7 One-off funding provides additional resources which it is appropriate for the Council to invest in order to deliver its strategic objectives. Details of relevant budget proposals are set out below.

Deprivation and Health Inequalities

- 2.8 The Council has been successful in securing funding from third parties for services to address financial inclusion and health inequalities including the food larders for the last two years, principally from the government's Household Support Fund, (allocated by the Department for Work and Pensions to Kent County Council who then passport an allocation to district councils) and from the West Kent Health and Care Partnership (health inequalities funding stream). Implementing these services is consistent with MBC's Strategic Plan particularly our cross-cutting objectives of tackling deprivation and reducing health inequalities.
- 2.9 At the time of writing the government has made no commitment to continue the Household Support Fund. Furthermore, the Council has been advised that the funding stream that has established food larders via the West Kent Health and Care Partnership will be redirected by the Integrated Care Board.
- 2.10 It is proposed that the Council supports continuation of financial inclusion services and the food larders by making an allocation of £198,000 from the Funding Guarantee provided by government for 2024/25. This would enable short term continuation of the council's welfare offer and food larders. It is further proposed that residual one-off funding from other relevant council budgets is maximised to further sustain these services. The position will be kept under review so that MBC can respond to changes in circumstances and future funding opportunities.

Housing Investment Fund

- 2.11 The Council has had a longstanding policy of deploying New Homes Bonus and Funding Guarantee to support the capital programme. This will help the Council to implement its ambitious programme, including new developments at Corben's Yard, Britannia House, Maidstone East and Springfield Library, whilst minimising external borrowing and containing pressure on the revenue budget.
- 2.12 In the Autumn of 2021, the Leader of the Council announced his ambition for the council to build 1,000 affordable homes in the shortest period possible. This will require external borrowing on a scale not previously undertaken by the Council. In order to ensure the availability of funds for the first phase of

this programme at a guaranteed cost, the Council has committed to forward borrowing of £80 million, to be drawn down between 2024 to 2026. Any such borrowing must meet the Prudential Code requirement to be sustainable and affordable.

- 2.13 The provision of affordable housing involves an inherent requirement for subsidy, as the level of borrowing required could not be sustained by affordable rents alone. It is anticipated that some of this subsidy will be met through external grant, but there will be a residual requirement for the Council to provide a subsidy, which has been estimated as £50,000 per unit.
- 2.14 Accordingly, it is envisaged that the balance of the 2024/25 unringfenced government grants referenced in paragraphs 2.5 and 2.6 will be transferred to the Housing Investment Fund. This is consistent with previous decisions of the Council and with the Medium Term Financial Strategy, which has been considered regularly by the Policy Advisory Committees and the Cabinet throughout the last 12 months.

Feedback from Policy Advisory Committees and Overview and Scrutiny Committee on Budget Proposals

- 2.15 Corporate Services Policy Advisory Committee (11 September 2023)

The revenue budget proposals for services within the remit of the Committee were approved, with the exception of the two growth items relating to biodiversity and climate change, which would need further review by the Committee in conjunction with a further report on the Biodiversity and Climate Change Action Plan. Following further review, these growth proposals have now been included in the final budget proposals.

There was no other substantive feedback from the Policy Advisory Committees or the Overview and Scrutiny Committee.

Updates to Budget Proposals

Council Tax

- 2.16 The Cabinet agreed at its meeting on 17 January 2024 that the Council Tax Base for 2024/25 would be 68,263.55. The agreed Council Tax Base will yield total Council Tax income of £19,997,807 if Band D Council Tax is increased by 3% (£8.46). This is marginally more than the original MTFS assumption of £19.967 million.
- 2.17 Assuming the maximum potential increases in precepts from other organisations, the overall level of Band D Council Tax would be as follows:

	% change from last year	£
Kent County Council	5.0	1,610.82
Maidstone Borough Council	3.0	292.95
Kent Police and Crime Commissioner	5.4	256.15
Kent Fire and Rescue Service	3.0	89.91
ANNUAL CHARGE FOR 2024/25	4.7	£2,249.83

- 2.18 The Council Tax base report to the Cabinet on 24 January 2024 projected a deficit of £301,992 as at 31 March 2024, which will be debited to the Funding for Future Collection Fund Deficits Reserve in 2024/25.
- 2.19 Within the Council Tax base, allowance has been made for the Council Tax that may currently be collected on empty homes and second properties. With effect from 1 April 2024 the Regeneration and Levelling-Up Act 2023 will allow Councils to collect further Council Tax on such properties.
- 2.20 Currently, if a property has been unoccupied and unfurnished for 2 years but less than 5 years, then a 100% council tax premium can be applied to the property. The Act provides for this 2-year period to be shortened to 1 year. This will encourage owners to bring properties back into use so they are not left empty for extended periods.
- 2.21 So far as second homes are concerned, it will become possible to charge a council tax premium on second homes. Second homes are already liable for Council Tax, but the Act allows councils to apply a 100% council tax premium on second homes. This would mean an owner of a second home in the borough would pay double the normal council tax charge.
- 2.22 Approval is sought to implement these changes with effect from 1 April 2024.

Business Rates

- 2.23 The Business Rates income estimate for 2024/25 is based on the recently completed NNDR1 return that has to be provided to the Department for Levelling Up Housing and Communities each January.
- 2.24 The government's Settlement Funding Assessment, ie the notional amount that the government calculates as due to the Council, after payments to preceptors and the government's tariff, excluding any growth, is £4.456 million, as set out in the Provisional Local Government Finance Settlement. This includes an element for inflation, which at the relevant date was 6.4% per annum. Together with inflation on business rates growth, this is worth an additional £643,000 compared with the amount anticipated in the MTFS.
- 2.25 The NNDR1 return indicates that, as in previous years, business rates will be higher than the baseline, owing to growth in excess of inflation over the years since the baseline was set in 2013/14.
- 2.26 Kent County Council and eight of the Kent districts continue to pool their business rates growth, which has the effect of reducing the levy on business rates growth that would otherwise be payable to central government. As previously agreed by Council, Maidstone's 30% share of the saving on the levy is ringfenced for investment in the Council's economic development strategy. A further 30% represents a Growth Fund, which it has been agreed with Kent County Council will be split 50:50 for initiatives at Maidstone East. Neither of these amounts are reflected in the Strategic Revenue Projection, as they have been earmarked for specific purposes.

2.27 The NNDR1 indicates that there will be a deficit of £85,812 on the NNDR element of the collection fund as at 31 March 2024, which will be debited to the Funding for Future Collection Fund Deficits Reserve.

Fees and Charges

2.28 The level of fees and charges made by each Service Area was considered by Policy Advisory Committees and the Cabinet at their meetings in December 2023. As part of these decisions, it was agreed that there would be no increase in parking fees and there would be no charges for bin replacements. This has created additional pressures of £250,000 and £100,000 which have been reflected in the updated Strategic Revenue Projection at Appendix B.

Inflation

2.29 For the purpose of the draft Medium Term Financial Strategy presented to the Cabinet in September 2023, it was assumed that the cost services would increase by 5% for the rate of inflation was assumed. The detailed budget proposals in the SRP at Appendix 2 now include line-by-line estimates for individual categories of expenditure. In some cases the assumption is for a higher increase, eg where contract prices are linked to inflation indices.

2.30 The assumption in relation to pay costs in the Medium Term Financial Strategy is a 5% increase in the pay envelope, representing 5% for basic pay and 1% to allow for increments awarded as staff move up the spine points on their pay grade. Under the Constitution, responsibility for undertaking negotiations and consultation with staff through their trade unions on all matters relating to employment lies with the Chief Cabinet as the Head of Paid Service. These matters include the annual pay settlement, as the Council is not part of any national pay agreements.

2.31 An additional £1 million contingency for excess inflation was included in the strategic revenue projections when the Council set a budget for 2022/23, and was retained in 2023/24, given the increasing rate of inflation at the time. The rate of inflation now appears to be on a downward trajectory and it is therefore proposed that this contingency be removed from the budget for 2024/25.

Revenue costs of capital programme

2.32 A review of the budget provision for the revenue costs of the capital programme, ie financing costs and Minimum Revenue Provision, in light of the 10-year capital programme proposals, has led to an increase of £30,000 as compared with initial projections. It will increase further in subsequent years in line with the expansion of the capital programme.

Updated savings proposals

2.33 There have been some changes in the savings proposals since the September meeting following further developments, as follows.

- Assuming that the numbers in temporary accommodation remain at the current levels, an additional provision of £250,000 is required (in addition

to the existing growth of £200,000, which is net of £400,000 savings from accommodating families in our own stock.

- The budget includes provision for income of £125,000 from new commercial property acquisitions. None have been made so far in 2023/24, so this income needs to be removed from the budget. The corresponding borrowing costs have been included within the amendment to revenue costs of the capital programme (see above).
- Additional savings of £9,000 are expected from the proposed expansion of the Revenues and Benefits shared service
- Savings of £25,000 and £50,000 respectively have been deferred by one year in Payroll Services and Transformation
- A restructure of the major projects team within Planning Services has allowed a saving of £86,000 to be made.

Summary

2.34 In summary, the impact of the above changes to the Strategic Revenue Projection for 2024/25, as compared with the position shown in the scenario 4 within the Medium Term Financial Strategy agreed by the Cabinet on 20 September 2023, is as follows:

	£000
Budget Gap as presented to Cabinet September 2023	-925
Funding	
CT funding assumptions - increase in property base (CTB)	31
BR funding assumptions - inflationary increase	643
Pressures	
Fees and charges shortfall - including £250k re no parking fee increase	-180
Refuse bins - new pressure from policy decision	-100
Change to cost inflation	106
Increased cost from Capital Programme Revenue Costs	-30
Savings	
New Savings - original figure	902
Temporary Accommodation - additional growth	-250
Commercial Property - reduced saving as no acquisitions likely in 23/24	-125
Revenues and Benefits - additional savings from expanded shared service	9
Savings deferred by one year (Payroll Services and Transformation)	-75
Major projects saving	86
Budget Surplus	92

It is recommended that the budget surplus be carried forward to 2025/26 to offset the budget gap anticipated in future years.

- 2.35 The updated Strategic Revenue Projections indicate that there will be a budget gap in 2025/26. The likely impact of a business rates reset and the implementation of fair funding means that a still larger deficit is projected in 2026/27, and this deficit will increase over the remaining term of the MTFS.

Revenue Estimates ('Budget Book')

- 2.36 Attached at Appendix C is a summary of the revenue budget for 2024/25, based on the assumptions above. The summary shows the Original Estimate 2023/24 as approved by Council in February 2023; the Revised Estimate 2023/24 calculated as part of the budget development work completed this year; and the Estimate for 2024/25 based upon the details set out in this report. The Estimate for 2024/25 is analysed between gross expenditure, income and net expenditure, so that Members may see clearly how income generated by the Council contributes towards expenditure budgets.
- 2.37 Appendix C presents the Committee with the budget structured in line with the relevant Policy Advisory Committees and separately structured in line with the strategic priorities set out in the Strategic Plan.
- 2.38 The Revised Estimate 2023/24 shown in Appendix C totals £25.777 million. This figure is net of all income with the exception of the use of balances and the council tax requirement.
- 2.39 The Estimate for 2024/25 shown in Appendix C totals £27.278 million. This incorporates all the items discussed above. The figure is net of all income with the exception of Council Tax and Business Rates income. It excludes precepts.

Capital Programme

- 2.40 A draft Capital Programme was reported to the Cabinet at its meeting on 24 January 2024. The Capital Programme totals £434 million over ten years. Details are set out Appendix D.
- 2.41 It should be noted that the capital programme sets an overall framework for spending, and specific approval is required for individual schemes within the programme. Accordingly, for example, the balance between private rented sector housing and affordable housing within the capital programme may alter from that shown in Appendix D.

Treasury Management Strategy

- 2.42 The framework for funding the capital programme and the Council's activities generally is set out in the Treasury Management Strategy. The Council has adopted CIPFA's Code of Practice for Treasury Management in Public Services, which requires the Council to produce three linked strategy documents: a Treasury Management Strategy, an Investment Strategy and a Capital Strategy. These are included as Appendix E and have already been

considered by the Audit, Governance and Standards Committee at its meeting on 15th January 2024.

2.43 In summary, the Treasury Management Strategy envisages that the capital programme will be funded by borrowing, as permitted subject to the guidance set out in the Prudential Code. The proposals set out in this report indicate a need for up to £327 million of prudential borrowing over the lifetime of the capital programme. The revenue costs of this borrowing are reflected in the Strategic Revenue Projections.

Balances / Earmarked Reserves

2.44 Attached at Appendix F is a statement of general fund balances and details of earmarked reserves. The earmarked reserves incorporate a capital reserve that includes all of the retained New Homes Bonus and other revenue support to the capital programme available from previous years.

2.45 Unallocated General fund balances are estimated to remain at around the current level of around £15 million. In considering the level of reserves that should be maintained the Committee should consider the minimum below which the Committee cannot approve the use of balances without agreement by the Council. It was agreed by Council at its meeting on 22 February 2023 that the minimum level of balances be increased to £4 million and no change is proposed to this amount.

2.46 It can be seen that the level of reserves is comfortably in excess of the minimum level of £4 million. However, they still only represent around three months' worth of service expenditure, so are not excessive.

Medium Term Financial Strategy

2.47 Attached as Appendix G is the Medium Term Financial Strategy, updated to reflect the latest position as described in this report.

2.48 The financial projection that complements the Medium Term Financial Strategy is the Strategic Revenue Projection given at Appendix B. The financial projection considers the need for growth and savings over the period of the Medium Term Financial Strategy and incorporates assumptions about inflation and changes in local and national pressures.

2.49 The financial projection that complements the Capital Medium Term Financial Strategy Statement is the capital programme given at Appendix D.

2.50 Amendments to the Strategy may be recommended by the Policy Advisory Committee. The Strategy may require amendment following the Cabinet's consideration of this report or following consideration by Council on 21st February 2024. The final versions will be published as part of the budget documents on the Council's website following the Council meeting.

3 AVAILABLE OPTIONS

- 3.1 **Option 1:** To recommend a budget as set out in this report, including the proposed increase in Council Tax.

The Council is statutorily required to set a balanced budget in time for the new financial year and in time for council tax billing to be achieved. This option allows this requirement to be met.

- 3.2 **Option 2:** To make recommendations for amendments to the budget as set out in this report, including the proposed increase in Council Tax.

The Council is statutorily required to set a balanced budget in time for the new financial year and in time for council tax billing to be achieved. Option 1 allows this requirement to be met.

4 PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 Option 1. This ensures a balanced budget, avoids the need to make further savings above and beyond those already considered by the Policy Advisory Committees and maximises the resources available for the 1,000 Affordable Homes programme.
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5 RISKS

- 5.1 The Council's finances are subject to a high degree of risk and uncertainty. The draft MTFS includes an evaluation of the Council's financial resilience, from which it can be seen that it has adequate, but not excessive, reserves and is positioned well to manage the financial challenges that it faces.
- 5.2 In order to address risk on an ongoing basis in a structured way and to ensure that appropriate mitigations are developed, the Council has developed a budget risk register. This seeks to capture all known budget risks and to present them in a readily comprehensible way. The budget risk register is updated regularly and is reviewed by the Audit, Governance and Standards Committee at each of its meetings.
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6 CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 The Cabinet received an initial report on the MTFS at its meeting on 26 July 2023 and has subsequently received further reports on the development of the budget for 2024/25.
- 6.2 A Residents' Survey was carried out in Autumn 2023 to obtain their views on the issues to be considered when setting a budget. The findings were reported to Policy Advisory Committees and the Cabinet in December 2023.
- 6.3 Detailed budget proposals were considered by the Policy Advisory Committees and the Overview and Scrutiny Committee. The outcomes of this consultation are set out in this report at paragraph 2.15. Any further

comments from the Corporate Services Policy Advisory Committee's consideration of this report on the 5 February 2024, will be reported to the Cabinet ahead of its meeting.

7 NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

7.1 The timetable for setting the budget for 2024/25 is set out below.

<i>Date</i>	<i>Meeting</i>	<i>Action</i>
7 February 2024	Cabinet	Agree 2024/25 budget proposals for recommendation to Council
21 February 2024	Council	Approve 2024/25 budget

8 REPORT APPENDICES

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

- Appendix A: Budget Savings Proposals 2024/25 to 2028/29
- Appendix B: Strategic Revenue Projection 2024/25 to 2028/29
- Appendix C: Revised Estimates for 2023/24 and Draft Budget Estimates for 2024/25
- Appendix D: Capital Programme 2024/25 to 2033/34
- Appendix E: Treasury Management Strategy, Investment Strategy and Capital Strategy
- Appendix F: Statement of General Fund Balances and Earmarked Reserves
- Appendix G: Updated Medium Term Financial Strategy 2024/25 to 2028/29

9 BACKGROUND PAPERS

There are no background papers.

Corporate Services

Service	Proposal	24/25	25/26	26/27	27/28	28/29	Total
		£000	£000	£000	£000	£000	£000
Existing Savings							
Corporate Property	Property Investment Strategy	-125	-125	-125	-125	-125	-625
Housing	New Maidstone Property Holdings developments	-228					-228
Elections	Whole council elections	-60					-60
Corporate Property	Office accommodation savings	-55					-55
Transformation	Automation of transactional services	-50					-50
Corporate Property	Service improvements	-25					-25
HR	Deleting HR adviser post		-18				-18
Finance	Review of structure	-15					-15
MKS ICT	Efficiency improvements			-14			-14
Transformation	Review of print and post including handling and processing cheques	-10					-10
Finance	Investment income - reversal of earlier saving		50				50
	Sub-total	-568	-93	-139	-125	-125	- 1,050

New Savings							
Finance	Additional interest income	-350	350				0
Mid Kent Services	Automated data handling for Council Tax	-40	-15				-55
Mid Kent Services	Shared Revenues and Benefits service with Swale	-39		-73			-112
Mid Kent Services	Transfer Risk Management to Emergency Planning	-29					-29
Corporate Property	Asset Management Plan for commercial property	-29					-29
Corporate Property	Saving in Heather House running costs	-27					-27
Mid Kent Services	Payroll service external income		-25				-25
Emergency Planning	Emergency Planning partnership	-20					-20
Mid Kent Services	Internal audit - Efficiency savings	-19					-19
Mid Kent Services	ICT software savings	-8					-8
Biodiversity & Climate Change	Additional post to support property decarbonisation	49					49
Biodiversity & Climate Change	Revenue budget to support eco initiatives	30					30
Corporate Property	New saving from Property Investment - reduction due to limited options in market.	125					125
Transformation	Automation of transactional services	50	-50				0
	Sub-total	-307	260	-73	0	0	-120
OVERALL CHANGE IN BUDGET (£000)		-875	167	-212	-125	-125	-1,170

Negative figures shown above represent a reduction in expenditure budgets, or increased income targets.

Communities, Leisure and Arts

Service	Proposal	23/24	24/25	25/26	26/27	27/28	Total
		£000	£000	£000	£000	£000	£000
Museum	Museum business rates saving	-35					-35
Strategy, Insight and Governance	Sell internal printing services externally	-5	-5				-10
OVERALL CHANGE IN BUDGET (£000)		-40	-5	0	0	0	-45

Negative figures shown above represent a reduction in expenditure budgets, or increased income targets.

Housing, Health and Environment

Service	Proposal	24/25	25/26	26/27	27/28	28/29	Total
		£000	£000	£000	£000	£000	£000
Existing Savings							
Garden Waste	Changes to charging arrangements	-80		-80			-160
	Sub-total	-80	0	-80	0	0	-160
New Savings							
Environment and Public Realm	Withdrawal from Kent Resource Partnership	-10					-10
Environment and Public Realm	Disposal of PC at Mid Kent Shopping Centre	-8					-8
Housing	Housing grant maximisation	-150					-150
Housing	Reduce landlord incentive budget	-35					-35
Community Safety	Remove surplus budgets	-11					-11
	Sub-total	-214	0	0	0	0	-214
OVERALL CHANGE IN BUDGET (£000)		-294	0	-80	0	0	-374

Negative figures shown above represent a reduction in expenditure budgets, or increased income targets.

Planning, Infrastructure and Economic Development

Service	Proposal	24/25	25/26	26/27	27/28	28/29	Total
		£000	£000	£000	£000	£000	£000
Existing Savings							
Land Charges	Migration of land charges register to HM Land Registry	-30	63				33
Land Charges	Staff reduction	-13					-13
MK Planning Support	Process improvement and automation		-15				-15
	Sub-total	-43	48	0	0	0	5
New Savings							
Spatial Planning and Economic Development	Additional contribution from Business Rates Pool	-150					-150
Parking	Delete residual Park and Ride site costs	-100					-100
Development Management	Additional CIL recharge for administration	-50					-50
Planning	Removal of planning post related to major projects.	-86					-86
Parking	Sandling Road Car Park running costs (one year only)	-50	50				0
	Sub-total	-436	50	0	0	0	-386
OVERALL CHANGE IN BUDGET (£000)		-479	98	0	0	0	-381

Negative figures shown above represent a reduction in expenditure budgets, or increased income targets.

REVENUE ESTIMATE 2024/25 to 2028/29
STRATEGIC REVENUE PROJECTION - SCENARIO 4

2023/24 £000		2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000
19,107	COUNCIL TAX	19,998	21,100	22,178	23,313	24,511
	BUSINESS RATES					
4,186	RETAINED BUSINESS RATES	4,456	4,545	4,454	4,365	4,278
2,453	BUSINESS RATES GROWTH	2,824	2,881	2,823	2,767	2,711
0	CHANGES TO LOCAL GOVERNMENT FUNDING (LEVELING UP)	0	0	-818	-818	-818
	COLLECTION FUND ADJUSTMENT					
616	COLLECTION FUND ADJUSTMENT (COUNCIL TAX)	302	0	0	0	0
-2,501	COLLECTION FUND ADJUSTMENT (BUSINESS RATES)	86	0	0	0	0
1,916	COLLECTION FUND SMOOTHING	-388	0	0	0	0
25,777	RESOURCE - COUNCIL TAX AND BUSINESS RATES	27,278	28,526	28,637	29,627	30,682
26,212	OTHER INCOME	26,212	27,190	28,505	29,925	31,230
	FORECAST CHANGE IN INCOME	978	1,315	1,420	1,305	3,034
26,212	RESOURCES - OTHER INCOME	27,190	28,505	29,925	31,230	34,264
51,990	TOTAL RESOURCES AVAILABLE	54,468	57,031	58,563	60,857	64,945
51,202	CURRENT BUDGET / PROJECTED SPEND	51,990	54,633	57,286	59,512	61,245
	INFLATION & CONTRACT INCREASES					
	PAY, NI & INFLATION INCREASES	2,643	2,653	2,226	1,733	1,186
787	BUDGET SURPLUS / (GAP) - BEFORE PRESSURE AND SAVINGS	-165	-255	-949	-387	2,515
	SERVICE PRESSURES					
-541	PENSION DEFICIT FUNDING REDUCTION	25	26	26	26	26
1,057	ONE OFF PROVISION - WASTE CONTRACTS	143	0	0	0	0
0	REFUSE BINS – REPLACEMENT OF BROKEN BINS	100	0	0	0	0
600	TEMPORARY ACCOMMODATION	450	-250	-100	0	0
152	VACANT PROPERTIES	0	-152	0	0	0
50	MEMBERS ALLOWANCES	0	0	0	0	0
135	EXTERNAL AUDIT FEES	0	0	0	0	0
0	REVENUE COSTS OF CAPITAL PROGRAMME	963	3,777	3,690	2,877	2,580
50	GENERAL GROWTH PROVISION	50	50	50	50	50
0	INFLATIONARY CONTINGENCY	-1,000	0	0	0	50
0	PRESSURES FUNDED BY NHB/FUNDING GUARANTEE	700	0	0	0	0
1,504	TOTAL SERVICE PRESSURES	1,431	3,451	3,666	2,953	2,656
52,706	TOTAL PREDICTED REQUIREMENT	56,064	60,737	63,177	64,198	65,087
-716	BUDGET SURPLUS / GAP (-VE)	-1,596	-3,706	-4,615	-3,341	-142
690	NEW AND AMENDED SAVINGS / GROWTH (-VE)	1,688	-260	292	125	125
-27	SURPLUS / DEFICIT (-VE)	92	-3,967	-4,323	-3,216	-17

MAIDSTONE BOROUGH COUNCIL REVENUE ESTIMATES
REVISED ESTIMATE 2023/24 AND ESTIMATE 2024/25
POLICY ADVISORY COMMITTEE SUMMARY

Policy Advisory Committee	Original Estimate 2023/24	Revised Estimate 2023/24	Estimate 2024/25
	£	£	£
Corporate Services	8,347,960	8,482,040	8,094,750
Planning, Infrastructure & Economic Development	372,870	553,030	-132,630
Housing, Health & Environment	11,074,860	11,255,030	12,484,990
Communities, Leisure & Arts	1,320,210	1,400,580	1,309,530
	21,115,900	21,690,680	21,756,640
Transfers to Reserves	4,661,220	4,086,440	5,520,960
Net Revenue Expenditure	25,777,120	25,777,120	27,277,600

CORPORATE SERVICES POLICY ADVISORY COMMITTEE

Cost Centre/Service	Original Approved Estimate 2023/243 £	Revised Estimate 2023/24 £	Estimate 2024/25 (Expenditure) £	Estimate 2024/25 (Income) £	Estimate 2024/25 £
Contingency	1,096,140	1,338,420	538,610		538,610
Unapportionable Central Overheads	961,570	949,630	977,110		977,110
Non Service Related Government Grants	-4,661,220	-4,661,220		-4,820,960	-4,820,960
Appropriation Account	1,861,790	1,892,230	1,861,790		1,861,790
Pensions Fund Appropriation	0	0	0		0
Balances, Pensions & Appropriation	-741,720	-480,940	3,377,510	-4,820,960	-1,443,450
Street Naming & Numbering	-73,350	-73,350		-73,350	-73,350
Building Control	-73,350	-73,350	0	-73,350	-73,350
Sandling Road Site	30,150	4,900	228,810	-223,130	5,680
Business Support	30,150	4,900	228,810	-223,130	5,680
Council Tax Collection	66,180	67,780	122,900	-49,850	73,050
Council Tax Collection - Non Pooled	-376,060	-331,280	118,880	-466,730	-347,850
Council Tax Benefits Administration	-164,320	-139,920	31,770	-170,180	-138,410
NNDR Collection	1,810	1,810	3,790	-1,640	2,150
NNDR Collection - Non Pooled	-240,410	-230,410	57,670	-256,490	-198,820
MBC- BID	740	740	19,830	-19,030	800
Registration Of Electors	68,640	68,410	79,470	-2,640	76,830
Elections	164,260	164,380	120,500	-480	120,020
External Interest Payable & MRP	2,202,550	2,202,550	3,165,550		3,165,550
Interest & Investment Income	-150,000	-150,000		-500,000	-500,000
Central Services to the Public	1,573,390	1,654,060	3,720,360	-1,467,040	2,253,320
Palace Gatehouse	-7,270	7,730	5,270	0	5,270
Archbishops Palace	3,120	-1,900	42,800	0	42,800
Parkwood Industrial Estate	-301,400	-313,680	6,920	-322,770	-315,850
Industrial Starter Units	-18,400	-41,290	27,720	-67,600	-39,880
Parkwood Equilibrium Units	-93,180	-135,390	58,880	-190,550	-131,670
Sundry Corporate Properties	-179,810	7,010	60,380	-226,070	-165,690
Phoenix Park Units	-229,600	-239,060	26,020	-263,460	-237,440
Granada House - Commercial	-99,380	-91,640	89,930	-178,160	-88,230
MPH Residential Properties	-857,250	-876,490	147,690	-1,244,950	-1,097,260
Heronden Road Units	-158,920	-209,680	13,580	-222,300	-208,720
Boxmend Industrial Estate	-104,600	-117,630	12,800	-129,560	-116,760
Wren Industrial Estate	-108,220	-134,620	66,130	-200,610	-134,480
Commercial Investments	-2,154,910	-2,146,640	558,120	-3,046,030	-2,487,910
Corporate Projects	0	930	76,390	-75,940	450
Corporate Management	825,540	460,660	560,120		560,120
Corporate Management	825,540	461,590	636,510	-75,940	560,570
Democratic Services Section	286,320	289,100	310,030	-1,810	308,220
Mayoral & Civic Services Section	125,080	125,920	131,280		131,280
Chief Executive	197,850	194,770	201,830		201,830
Biodiversity & Climate Change	99,280	102,810	155,720		155,720
Director of Strategy Governance and Insight	131,680	134,300	134,300		134,300
Electoral Registration Section	94,050	94,780	103,930	-3,510	100,420
Director of Finance, Resources & Business Imp	148,270	145,030	156,120	-5,130	150,990
Accountancy Section	885,740	896,150	953,050	-25,440	927,610
Director of Regeneration & Place	156,480	153,240	159,530		159,530
Procurement Section	118,830	118,830	139,500	-14,730	124,770
Property & Projects Section	363,850	472,210	504,020	-6,270	497,750
Corporate Support Section	314,560	319,940	334,240		334,240
Improvement Section	252,200	253,630	290,470	-28,680	261,790
Executive Support Section	98,970	99,750	103,940		103,940
Emergency Planning & Resilience	134,180	169,460	176,890	-20,000	156,890
Head of Property and Leisure	115,790	117,620	124,210		124,210
Facilities Section	257,250	157,590	165,390		165,390
Town Centre Services Manager	0	65,630	70,350		70,350
Salary Slippage 1PR	-253,970	-279,140	-317,430		-317,430
Corporate Support Services	3,526,410	3,631,620	3,897,370	-105,570	3,791,800
Civic Occasions	46,030	46,520	48,710		48,710
Members Allowances	455,540	455,540	477,970		477,970
Members Facilities	18,300	18,430	19,370		19,370
Democratic Representation	519,870	520,490	546,050	0	546,050
Emergency Centre	23,680	23,560	24,580		24,580
Emergency Planning	23,680	23,560	24,580	0	24,580
Drainage	34,070	34,070	35,780		35,780
Climate change	7,050	14,050	37,400		37,400
Flood Defences & Land Drainage	41,120	48,120	73,180	0	73,180
Housing Benefits Administration	-314,880	-285,980	87,670	-370,500	-282,830
Housing Benefit Administration	-314,880	-285,980	87,670	-370,500	-282,830
General Fund Residential Properties	-55,920	-53,200	12,670	-65,740	-53,070
Housing Strategy	-55,920	-53,200	12,670	-65,740	-53,070
Upper Medway Internal Drainage Board	134,390	134,390	138,430		138,430
Levies	134,390	134,390	138,430	0	138,430
Maidstone House - Landlord	-413,080	-140,150	1,420,490	-1,596,870	-176,380
Town Hall	126,570	109,060	121,410	-1,500	119,910
South Maidstone Depot	177,360	224,900	189,100		189,100
The Link	49,590	60,420	349,650	-281,240	68,410
Maidstone House - MBC Tenant	683,000	480,440	576,120	-92,650	483,470

CORPORATE SERVICES POLICY ADVISORY COMMITTEE

Cost Centre/Service	Original Approved Estimate 2023/243 £	Revised Estimate 2023/24 £	Estimate 2024/25 (Expenditure) £	Estimate 2024/25 (Income) £	Estimate 2024/25 £
Museum Buildings	268,380	278,000	244,760	-1,230	243,530
Office Accommodation	891,820	1,012,670	2,901,530	-1,973,490	928,040
Maintenance of Closed Churchyards	11,030	6,030	7,910		7,910
Open Spaces	11,030	6,030	7,910	0	7,910
Rent Allowances	-114,070	-114,070	28,432,000	-28,546,070	-114,070
Non HRA Rent Rebates	-8,760	-8,760	1,426,050	-1,434,810	-8,760
Discretionary Housing Payments	0	0	231,980	-231,980	0
Rent Rebates	-122,830	-122,830	30,090,030	-30,212,860	-122,830
Revenues Section	570,350	530,820	929,730	-407,880	521,850
Benefits Section	553,610	512,030	830,350	-313,720	516,630
Fraud Section	40,990	45,910	271,270	-222,120	49,150
Mid Kent Audit Partnership	219,690	220,570	712,650	-540,180	172,470
Legal Services Section	659,430	659,430	771,160	-128,530	642,630
Mid Kent ICT Services	608,850	620,570	1,817,230	-1,146,260	670,970
GIS Section	129,130	130,440	228,840	-91,560	137,280
Director of Mid Kent Services	48,940	45,980	150,310	-99,820	50,490
Mid Kent HR Services Section	418,410	422,820	720,210	-281,400	438,810
MBC HR Services Section	177,450	103,220	189,070	-2,350	186,720
Head of Revenues & Benefits	84,400	64,630	81,190	-33,100	48,090
Revenues & Benefits Business Support	117,100	156,050	253,090	-102,150	150,940
Dartford HR Services Section	-15,740	-16,040	66,810	-83,510	-16,700
IT Support for Revenues and Benefits	27,390	0	0	0	0
I.T. Operational Services	664,490	664,490	689,720		689,720
Central Telephones	16,290	16,290	17,100		17,100
Shared Services	4,320,780	4,177,210	7,728,730	-3,452,580	4,276,150
Apprentices Programme	54,180	73,700	55,870		55,870
Internal Printing	-920	-920	58,800	-61,920	-3,120
Debt Recovery Service	-19,430	-19,410	959,700	-980,000	-20,300
Debt Recovery MBC Profit Share	-120,440	-83,030		-79,970	-79,970
Trading Accounts	-86,610	-29,660	1,074,370	-1,121,890	-47,520
Corporate Services	8,347,960	8,482,040	55,103,830	-47,009,080	8,094,750

CORPORATE SERVICES POLICY ADVISORY COMMITTEE - SUBJECTIVE ANALYSIS

Subjective Analysis	Original Approved Estimate 2023/24 £	Revised Estimate 2023/24 £	Estimate 2024/25 £
Agency & Contractor	863,670	863,670	906,860
Allowances	453,760	453,760	476,450
Benefits	31,268,120	30,090,030	30,090,030
Employee Direct	9,364,690	9,816,710	10,211,390
Employee Other	1,625,100	1,135,240	1,128,570
Equipment & Furniture	1,060,110	901,730	875,830
Fees & Charges	-1,175,760	-1,074,730	-1,167,850
General Insurances	15,140	15,140	16,710
Grants & Contributions Paid	2,304,090	2,330,920	3,277,150
Grants & Contributions Received	-40,314,840	-39,201,960	-39,241,970
Income Other	-1,432,960	-1,647,360	-2,006,220
Information & Communications	1,890	1,820	1,900
Leasing & Capital Charges	1,861,790	1,892,230	1,861,790
Premises Other	1,022,990	1,203,830	1,048,220
Printing & Stationery	107,250	107,020	111,770
Professional Services	944,990	1,113,450	1,092,390
Rent	-3,753,920	-4,356,270	-4,593,040
Repairs & Maintenance	795,390	988,460	969,870
Security & Protection	37,210	182,510	191,660
Subsistence & Training	190,770	119,350	200,200
Supplies & Services Other	2,004,650	2,384,160	1,442,670
Utilities	989,100	1,063,430	1,101,530
Vehicle & Transport	114,730	98,900	98,840
Corporate Services	8,347,960	8,482,040	8,094,750

PLANNING, INFRASTRUCTURE & ECONOMIC DEVELOPMENT POLICY ADVISORY COMMITTEE

Cost Centre/Service	Original Approved Estimate 2023/24 £	Revised Estimate 2023/24 £	Estimate 2024/25 (Expenditure) £	Estimate 2024/25 (Income) £	Estimate 2024/25 £
Building Regulations Chargeable	-394,790	-394,790	8,140	-442,540	-434,400
Building Control	-1,040	-1,040		-1,090	-1,090
Building Control	-395,830	-395,830	8,140	-443,630	-435,490
Innovation Centre	-35,590	-61,150	447,450	-500,370	-52,920
Business Support & Enterprise	0	22,690	5,730		5,730
Business Terrace - Incubator Units	99,480	100,110	162,770	-62,850	99,920
Business Terrace - 1st Floor MH	-10,840	-37,450	211,740	-245,480	-33,740
Business Support	53,050	24,200	827,690	-808,700	18,990
Land Charges	-263,370	-262,280	25,440	-286,900	-261,460
Central Services to the Public	-263,370	-262,280	25,440	-286,900	-261,460
Spatial Policy Planning Section	345,670	489,280	263,490		263,490
Head of Planning and Development	118,920	116,380	121,080		121,080
Building Surveying Section	511,880	520,720	545,740		545,740
Economic Development Section	77,920	31,850	18,000	-15,330	2,670
Heritage Landscape and Design Section	347,780	350,760	369,180		369,180
Innovation Centre Section	213,130	220,680	296,870	-60,490	236,380
CIL Management Section	11,570	12,470	112,540	-147,250	-34,710
Development Management Section - Majors	314,060	240,680	247,470		247,470
Development Management Section - Others	1,144,950	1,158,930	1,225,670		1,225,670
Head of Spatial Planning and Economic Develop	115,540	111,960	116,730		116,730
Parking Services Section	404,380	410,380	581,980	-148,630	433,350
Salary Slippage 2SPI	-175,280	-175,280	-202,550		-202,550
Corporate Support Services	3,430,520	3,488,810	3,696,200	-371,700	3,324,500
Development Control Advice	-292,700	-292,700		-344,200	-344,200
Development Control Appeals	138,450	138,450	145,370		145,370
Development Control Majors	-557,030	-557,030	23,870	-654,740	-630,870
Development Control - Other	-771,760	-774,580	6,980	-856,220	-849,240
Development Control Enforcement	74,800	74,800	78,540		78,540
Development Control	-1,408,240	-1,411,060	254,760	-1,855,160	-1,600,400
Economic Dev - Promotion & Marketing	2,300	108,400	6,090	-3,500	2,590
Economic Development	2,300	108,400	6,090	-3,500	2,590
Environment Improvements	7,310	42,660	8,090		8,090
Name Plates & Notices	20,420	20,420	21,450		21,450
Network & Traffic Management	27,730	63,080	29,540	0	29,540
On Street Parking	-314,030	-307,680	498,440	-783,270	-284,830
Residents Parking	-195,910	-197,300	67,890	-261,280	-193,390
Pay & Display Car Parks	-1,328,660	-1,334,580	603,920	-1,949,630	-1,345,710
Non Paying Car Parks	15,290	15,290	16,070	-10	16,060
Off Street Parking - Enforcement	-87,890	-92,850	193,030	-276,690	-83,660
Mote Park Pay & Display	-194,010	-194,190	35,500	-228,500	-193,000
Sandling Road Car Park	-670	-740	4,420	-55,160	-50,740
Parking Services	-2,105,880	-2,112,050	1,419,270	-3,554,540	-2,135,270
Planning Policy	520,750	549,470	525,540		525,540
Neighbourhood Planning	-20,000	-20,000		-20,000	-20,000
Conservation	-11,390	-11,390	4,340	-15,600	-11,260
Planning Policy	489,360	518,080	529,880	-35,600	494,280
Park & Ride	109,040	101,690	0		0
Other Transport Services	-2,900	-5,150	32,490	-36,110	-3,620
Public Transport	106,140	96,540	32,490	-36,110	-3,620
Mid Kent Planning Support Service	349,860	356,140	616,930	-234,530	382,400
Mid Kent Local Land Charges Section	87,230	79,000	191,910	-140,600	51,310
Shared Services	437,090	435,140	808,840	-375,130	433,710
Planning, Infrastructure & Economic Development	372,870	553,030	7,638,340	-7,770,970	-132,630

**PLANNING, INFRASTRUCTURE & ECONOMIC DEVELOPMENT POLICY ADVISORY
COMMITTEE - SUBJECTIVE ANALYSIS**

Subjective Analysis	Original Approved Estimate 2023/24 £	Revised Estimate 2023/24 £	Estimate 2024/25 £
Agency & Contractor	580,790	574,310	603,040
Employee Direct	4,312,990	4,358,380	4,529,820
Employee Other	-137,430	-49,660	-404,570
Equipment & Furniture	103,890	104,220	109,150
Fees & Charges	-5,747,350	-5,780,170	-6,063,570
General Insurances	20,590	18,960	20,140
Grants & Contributions Paid	21,360	62,950	22,360
Grants & Contributions Received	-813,480	-671,420	-686,470
Income Other	-379,610	-301,940	-365,240
Information & Communications	41,160	41,160	43,220
Premises Other	685,090	645,230	583,340
Printing & Stationery	27,310	26,330	27,640
Professional Services	943,420	982,804	983,520
Rent	-520,520	-650,990	-655,690
Repairs & Maintenance	440,580	435,460	448,650
Security & Protection	87,100	100,870	91,460
Subsistence & Training	7,700	20,190	7,960
Supplies & Services Other	478,060	392,576	324,550
Utilities	161,210	181,620	185,790
Vehicle & Transport	60,010	62,150	62,270
Planning, Infrastructure & Economic Development	372,870	553,030	-132,630

HOUSING, HEALTH & ENVIRONMENT POLICY ADVISORY COMMITTEE

Cost Centre/Service	Original Approved Estimate 2023/24 £	Revised Estimate 2023/24 £	Estimate 2024/25 (Expenditure) £	Estimate 2024/25 (Income) £	Estimate 2024/25 £
Cemetery	-23,560	-20,720	236,110	-243,080	-6,970
National Assistance Act	-430	-430	2,430	-2,880	-450
Crematorium	-966,480	-963,350	644,620	-1,578,700	-934,080
Bereavement Services	-990,470	-984,500	883,160	-1,824,660	-941,500
Social Inclusion	0	0	0	0	0
Community Development	0	0	0	0	0
Community Safety	32,590	32,590	34,230	0	34,230
PCC Grant - Building Safer Communities	0	0	34,390	-34,390	0
C C T V	37,450	38,230	39,780		39,780
Community Safety	70,040	70,820	108,400	-34,390	74,010
Head of Environment and Public Realm	120,320	117,850	122,700		122,700
Bereavement Services Section	315,510	307,890	324,850		324,850
Community Partnerships & Resilience Section	539,840	546,320	560,220		560,220
Licensing Section	124,740	125,750	131,090		131,090
Environmental Protection Section	294,430	294,430	309,150		309,150
Food and Safety Section	288,460	288,460	302,880		302,880
Depot Services Section	922,480	948,950	1,009,380	-38,520	970,860
New Business & Housing Development	119,760	202,570	393,180	-176,000	217,180
Head of Housing & Community Services	118,370	116,030	120,490		120,490
Homechoice Section	235,440	239,190	365,920	-117,740	248,180
Housing Advice Section	318,020	243,760	1,051,850	-797,310	254,540
Housing Standards Team	290,330	294,640	334,330	-23,360	310,970
Housing Management	243,770	337,490	572,970	-224,800	348,170
Homelessness Outreach	48,270	78,320	557,550	-477,390	80,160
Accommodation Resource Team	0	41,830	178,990	-131,680	47,310
Housing and Inclusion	0	1,750	200,960	-199,780	1,180
Salary Slippage 3CHE	-439,110	-439,110	-401,420		-401,420
Corporate Support Services	3,540,630	3,746,120	6,135,090	-2,186,580	3,948,510
Dwellings rents (gross) Affordable	0	-42,000		-42,000	-42,000
Insurance Costs Paid By The Landlord	0	710	1,680		1,680
Homeless Temporary Accommodation	910,280	910,280	2,214,790	-920,470	1,294,320
Homelessness Prevention	186,820	182,480	156,550	0	156,550
Aylesbury House	49,890	30,990	105,290	-69,140	36,150
Magnolia House	2,200	44,350	99,390	-50,240	49,150
St Martins House	680	5,180	18,290	-12,240	6,050
Marsham Street	71,260	38,130	165,880	-115,500	50,380
Sundry Temporary Accommodation (TA) Properties	-8,180	22,970	80,830	-50,700	30,130
2 Bed Property - Temporary Accommodation	-26,200	-24,710	120,350	-137,760	-17,410
3 Bed Property - Temporary Accommodation	-64,400	-55,820	107,570	-155,760	-48,190
4 bed Property - Temporary Accommodation	9,610	-14,390	55,520	-66,140	-10,620
1 Bed Property- Temporary Accommodation	-2,970	17,350	32,880	-13,730	19,150
Trinity	31,240	-12,360	218,270	-220,000	-1,730
Chillington House	-4,740	-1,560	12,550	-16,250	-3,700
276 Willington Street	0	10,290	10,830	0	10,830
St Pauls Vicarage	0	4,340	0	0	0
Homelessness	1,155,490	1,116,230	3,400,670	-1,869,930	1,530,740
Housing Register & Allocations	14,790	14,790	15,530		15,530
Housing Advice	14,790	14,790	15,530	0	15,530
Strategic Housing Role	12,440	12,440	13,060		13,060
Housing Strategy	12,440	12,440	13,060	0	13,060
Parks & Open Spaces	995,060	982,570	1,217,590	-181,950	1,035,640
Playground Maintenance & Improvements	151,570	150,610	159,070		159,070
Parks Pavilions	48,180	32,530	34,010	-10	34,000
Mote Park	286,500	337,190	379,740	-17,410	362,330
Allotments	14,390	14,450	15,390		15,390
Open Spaces	1,495,700	1,517,350	1,805,800	-199,370	1,606,430
Marden Caravan Site (Stilebridge Lane)	20,440	-21,690	10,720	-31,860	-21,140
Ulcombe Caravan Site (Water Lane)	7,020	7,100	51,600	-42,000	9,600
Other Council Properties	27,460	-14,590	62,320	-73,860	-11,540
Private Sector Renewal	-46,950	-46,950	3,200	-50,000	-46,800
HMO Licensing	-20,380	-20,380		-33,270	-33,270
Private Sector Housing Renewal	-67,330	-67,330	3,200	-83,270	-80,070
Lettable Halls	-3,620	-3,510	8,370	-12,020	-3,650
Community Halls	52,780	53,090	48,040	-18,560	29,480
Recreation & Sport	49,160	49,580	56,410	-30,580	25,830
Recycling Collection	1,937,410	1,846,260	3,801,960	-1,688,990	2,112,970
Recycling	1,937,410	1,846,260	3,801,960	-1,688,990	2,112,970
Licences	-4,810	3,470	26,800	-23,160	3,640
Licensing Statutory	-63,330	-63,330	89,330	-155,840	-66,510
Licensing Non Chargeable	8,520	8,520	8,950		8,950
Animal Licensing	0	-8,280		-8,690	-8,690

HOUSING, HEALTH & ENVIRONMENT POLICY ADVISORY COMMITTEE

Cost Centre/Service	Original Approved Estimate 2023/243 £	Revised Estimate 2023/24 £	Estimate 2024/25 (Expenditure) £	Estimate 2024/25 (Income) £	Estimate 2024/25 £
Dog Control	30,340	30,340	35,960	-3,900	32,060
Health Improvement Programme	5,640	5,640	5,920		5,920
Pollution Control - General	10,130	16,460	26,100	-14,870	11,230
Contaminated Land	-2,840	-2,840	1,220	-4,000	-2,780
Waste Crime	-1,000	3,880	33,070	-28,130	4,940
Food Hygiene	9,700	9,700	13,940	-3,570	10,370
Sampling	3,830	3,830	4,020		4,020
Occupational Health & Safety	-7,550	-7,550		-11,380	-11,380
Infectious Disease Control	1,390	1,370	1,540		1,540
Noise Control	1,280	1,290	1,360		1,360
Pest Control	-11,840	-11,840	160	-12,000	-11,840
Public Conveniences	319,770	273,530	229,520		229,520
Licensing - Hackney & Private Hire	-67,000	-67,000	83,010	-153,360	-70,350
Regulatory Services	232,230	197,190	560,900	-418,900	142,000
Street Cleansing	1,267,350	1,312,540	1,410,840	-44,390	1,366,450
Street Cleansing	1,267,350	1,312,540	1,410,840	-44,390	1,366,450
Commercial Waste Services	-52,340	-44,600	237,630	-276,250	-38,620
Trade Waste	-52,340	-44,600	237,630	-276,250	-38,620
Fleet Workshop & Management	250,820	250,430	261,820		261,820
MBS Support Crew	-53,600	-43,930	98,030	-147,420	-49,390
Trading Accounts	197,220	206,500	359,850	-147,420	212,430
Household Waste Collection	2,185,080	2,276,230	2,706,830	-198,070	2,508,760
Waste Collection	2,185,080	2,276,230	2,706,830	-198,070	2,508,760
Housing, Health & Environment	11,074,860	11,255,030	21,561,650	-9,076,660	12,484,990

HOUSING, HEALTH & ENVIRONMENT POLICY ADVISORY COMMITTEE - SUBJECTIVE ANALYSIS

Subjective Analysis	Original Approved Estimate 2023/24 £	Revised Estimate 2023/24 £	Estimate 2024/25 £
Agency & Contractor	6,897,330	6,826,530	7,309,470
Employee Direct	7,114,450	7,727,760	8,012,570
Employee Other	171,640	166,560	85,740
Equipment & Furniture	584,090	589,620	603,600
Fees & Charges	-3,427,280	-3,401,270	-3,554,160
General Insurances	16,760	14,380	15,400
Grants & Contributions Paid	33,080	105,010	23,100
Grants & Contributions Received	-1,819,850	-3,607,910	-2,206,450
Income Other	-1,650,110	-1,696,170	-1,555,030
Information & Communications	44,310	31,260	45,570
Premises Other	558,940	598,890	648,080
Printing & Stationery	19,160	24,860	23,410
Professional Services	1,369,410	2,271,750	2,538,170
Rent	-1,003,780	-1,770,430	-1,761,020
Repairs & Maintenance	802,670	789,110	817,800
Security & Protection	68,290	65,200	68,460
Subsistence & Training	110	41,500	120
Supplies & Services Other	579,530	1,717,970	542,310
Utilities	311,420	357,420	424,620
Vehicle & Transport	404,690	402,990	403,230
Housing, Health & Environment	11,074,860	11,255,030	12,484,990

COMMUNITIES, LEISURE & ARTS POLICY ADVISORY COMMITTEE

Cost Centre/Service	Original Approved Estimate 2023/243 £	Revised Estimate 2023/24 £	Estimate 2024/25 (Expenditure) £	Estimate 2024/25 (Income) £	Estimate 2024/25 £
Grants	165,950	165,950	170,930		170,930
Delegated Grants	2,140	2,140	2,200		2,200
Parish Services	144,490	139,410	143,720		143,720
Central Services to the Public	312,580	307,500	316,850	0	316,850
Lockmeadow	242,530	242,530	418,790	-164,130	254,660
Lockmeadow Complex	-1,452,480	-1,521,450	1,357,740	-2,862,050	-1,504,310
Commercial Investments	-1,209,950	-1,278,920	1,776,530	-3,026,180	-1,249,650
Performance & Development	47,520	117,370	49,910		49,910
Press & Public Relations	4,660	4,660	4,890	0	4,890
Corporate Management	52,180	122,030	54,800	0	54,800
Leisure Services Section	68,300	70,570	114,860	-41,720	73,140
Cultural Services Section	406,070	337,320	351,040		351,040
Visitor Economy Section	96,140	134,060	103,670		103,670
Market Section	94,880	97,320	101,430		101,430
Communications Section	256,080	261,220	271,030	-460	270,570
Policy & Information Section	512,010	553,820	537,530	0	537,530
Customer Services Section	730,150	734,450	775,930		775,930
Salary Slippage 4ERL	-43,250	-43,250	-104,660		-104,660
Corporate Support Services	2,120,380	2,145,510	2,150,830	-42,180	2,108,650
Cultural Development Arts	71,880	70,130	73,620	0	73,620
Museum	19,790	25,100	105,240	-76,690	28,550
Carriage Museum	4,310	6,620	9,030	-1,600	7,430
Museum-Grant Funded Activities	0	10	0	0	0
Hazlitt Arts Centre	330,710	334,820	353,360		353,360
Festivals and Events	-26,220	13,800	5,570	0	5,570
Culture & Heritage	400,470	450,480	546,820	-78,290	468,530
Market	26,030	26,940	139,410	-112,040	27,370
Economic Development	26,030	26,940	139,410	-112,040	27,370
Mote Park Adventure Zone	-72,230	-76,500	5,700	-86,000	-80,300
Mote Park Cafe	-63,930	-65,260	11,740	-75,630	-63,890
Parks & Open Spaces Leisure Activities	-1,600	-1,600		-1,600	-1,600
Mote Park Leisure Activities	-19,690	-43,030	0	-43,030	-43,030
Open Spaces	-157,450	-186,390	17,440	-206,260	-188,820
Leisure Centre	-186,380	-140,740	40,310	-220,500	-180,190
Cobtree Golf Course	-35,000	-35,000		-36,750	-36,750
Recreation & Sport	-221,380	-175,740	40,310	-257,250	-216,940
Tourism	19,630	11,450	37,750	-25,620	12,130
Museum Shop	-22,280	-22,280	12,890	-36,280	-23,390
Tourism	-2,650	-10,830	50,640	-61,900	-11,260
Communities, Leisure & Arts	1,320,210	1,400,580	5,093,630	-3,784,100	1,309,530

**COMMUNITIES, LEISURE & ARTS POLICY ADVISORY COMMITTEE -
SUBJECTIVE ANALYSIS**

Subjective Analysis	Original Approved Estimate 2023/24 £	Revised Estimate 2023/24 £	Estimate 2024/25 £
Agency & Contractor	295,740	312,340	317,090
Employee Direct	2,144,560	2,224,170	2,106,970
Employee Other	-26,600	-9,260	-21,380
Equipment & Furniture	17,050	17,760	17,570
Fees & Charges	-143,690	-191,810	-180,790
General Insurances	38,470	38,570	40,500
Grants & Contributions Paid	334,010	405,820	340,470
Grants & Contributions Received	0	-316,360	0
Income Other	-1,600,850	-1,731,700	-1,756,680
Information & Communications	48,870	54,390	51,320
Premises Other	349,020	335,780	358,090
Printing & Stationery	4,120	37,420	7,400
Professional Services	1,014,770	1,310,380	1,191,790
Rent	-1,820,440	-1,837,840	-1,846,630
Repairs & Maintenance	388,730	408,670	428,440
Security & Protection	5,800	9,190	6,090
Subsistence & Training	740	5,430	780
Supplies & Services Other	247,280	290,450	207,730
Utilities	10,590	30,650	34,240
Vehicle & Transport	12,040	6,530	6,530
Communities, Leisure & Arts	1,320,210	1,400,580	1,309,530

MAIDSTONE BOROUGH COUNCIL REVENUE ESTIMATES**REVISED ESTIMATE 2023/24 AND ESTIMATE 2024/25****PRIORITY SUMMARY**

Priority	Original Estimate 2023/24	Revised Estimate 2023/24	Estimate 2024/25
	£	£	£
Safe, Clean and Green	9,096,850	9,232,160	10,012,560
Homes and Communities	1,678,090	1,676,330	1,924,750
Thriving Place	1,409,110	1,481,690	1,305,850
Embracing Growth and Enabling Infrastructure	12,860	157,870	-380,790
Central and Democratic	8,918,990	9,142,630	8,894,270
	21,115,900	21,690,680	21,756,640
Transfers to Reserves	4,661,220	4,086,440	5,520,960
Net Revenue Expenditure	25,777,120	25,777,120	27,277,600

SAFE, CLEAN & GREEN

Cost Centre/Service	Original Approved Estimate 2023/24 £	Revised Estimate 2023/24 £	Estimate 2024/25 (Expenditure) £	Estimate 2024/25 (Income) £	Estimate 2024/25 £
Cemetery	-23,560	-20,720	236,110	-243,080	-6,970
National Assistance Act	-430	-430	2,430	-2,880	-450
Crematorium	-966,480	-963,350	644,620	-1,578,700	-934,080
Bereavement Services	-990,470	-984,500	883,160	-1,824,660	-941,500
Community Safety	32,590	32,590	34,230	0	34,230
PCC Grant - Building Safer Communities	0	0	34,390	-34,390	0
C C T V	37,450	38,230	39,780		39,780
Community Safety	70,040	70,820	108,400	-34,390	74,010
Head of Environment and Public Realm	120,320	117,850	122,700		122,700
Bereavement Services Section	315,510	307,890	324,850		324,850
Community Partnerships & Resilience Section	539,840	546,320	560,220		560,220
Licensing Section	124,740	125,750	131,090		131,090
Environmental Protection Section	294,430	294,430	309,150		309,150
Food and Safety Section	288,460	288,460	302,880		302,880
Depot Services Section	922,480	948,950	1,009,380	-38,520	970,860
New Business & Housing Development	119,760	202,570	393,180	-176,000	217,180
Corporate Support Services	2,725,540	2,832,220	3,153,450	-214,520	2,938,930
Drainage	34,070	34,070	35,780		35,780
Climate change	7,050	14,050	37,400		37,400
Flood Defences & Land Drainage	41,120	48,120	73,180	0	73,180
Upper Medway Internal Drainage Board	134,390	134,390	138,430		138,430
Levies	134,390	134,390	138,430	0	138,430
Mote Park Adventure Zone	-72,230	-76,500	5,700	-86,000	-80,300
Parks & Open Spaces	995,060	982,570	1,217,590	-181,950	1,035,640
Playground Maintenance & Improvements	151,570	150,610	159,070		159,070
Parks Pavilions	48,180	32,530	34,010	-10	34,000
Mote Park	286,500	337,190	379,740	-17,410	362,330
Mote Park Cafe	-63,930	-65,260	11,740	-75,630	-63,890
Parks & Open Spaces Leisure Activities	-1,600	-1,600		-1,600	-1,600
Mote Park Leisure Activities	-19,690	-43,030	0	-43,030	-43,030
Allotments	14,390	14,450	15,390		15,390
Maintenance of Closed Churchyards	11,030	6,030	7,910		7,910
Open Spaces	1,349,280	1,336,990	1,831,150	-405,630	1,425,520
Recycling Collection	1,937,410	1,846,260	3,801,960	-1,688,990	2,112,970
Recycling	1,937,410	1,846,260	3,801,960	-1,688,990	2,112,970
Licences	-4,810	3,470	26,800	-23,160	3,640
Licensing Statutory	-63,330	-63,330	89,330	-155,840	-66,510
Licensing Non Chargeable	8,520	8,520	8,950		8,950
Animal Licensing	0	-8,280		-8,690	-8,690
Dog Control	30,340	30,340	35,960	-3,900	32,060
Health Improvement Programme	5,640	5,640	5,920		5,920
Pollution Control - General	10,130	16,460	26,100	-14,870	11,230
Contaminated Land	-2,840	-2,840	1,220	-4,000	-2,780
Waste Crime	-1,000	3,880	33,070	-28,130	4,940
Food Hygiene	9,700	9,700	13,940	-3,570	10,370
Sampling	3,830	3,830	4,020		4,020
Occupational Health & Safety	-7,550	-7,550		-11,380	-11,380
Infectious Disease Control	1,390	1,370	1,540		1,540
Noise Control	1,280	1,290	1,360		1,360
Pest Control	-11,840	-11,840	160	-12,000	-11,840
Public Conveniences	319,770	273,530	229,520		229,520
Licensing - Hackney & Private Hire	-67,000	-67,000	83,010	-153,360	-70,350
Regulatory Services	232,230	197,190	560,900	-418,900	142,000
Street Cleansing	1,267,350	1,312,540	1,410,840	-44,390	1,366,450
Street Cleansing	1,267,350	1,312,540	1,410,840	-44,390	1,366,450
Commercial Waste Services	-52,340	-44,600	237,630	-276,250	-38,620
Trade Waste	-52,340	-44,600	237,630	-276,250	-38,620
Fleet Workshop & Management	250,820	250,430	261,820		261,820
MBS Support Crew	-53,600	-43,930	98,030	-147,420	-49,390
Trading Accounts	197,220	206,500	359,850	-147,420	212,430
Household Waste Collection	2,185,080	2,276,230	2,706,830	-198,070	2,508,760
Waste Collection	2,185,080	2,276,230	2,706,830	-198,070	2,508,760
Safe, Clean & Green	9,096,850	9,232,160	15,265,780	-5,253,220	10,012,560

SAFE, CLEAN & GREEN - SUBJECTIVE ANALYSIS

Subjective Analysis	Original Approved Estimate 2023/24 £	Revised Estimate 2023/24 £	Estimate 2024/25 £
Agency & Contractor	6,897,330	6,843,130	7,309,470
Employee Direct	4,629,170	4,866,690	5,112,510
Employee Other	106,450	53,030	40,700
Equipment & Furniture	511,770	512,820	527,640
Fees & Charges	-3,354,330	-3,368,260	-3,491,660
General Insurances	26,000	19,780	21,100
Grants & Contributions Paid	25,440	23,920	15,070
Grants & Contributions Received	-31,880	-317,970	-34,390
Income Other	-1,739,840	-1,816,360	-1,697,080
Information & Communications	27,910	26,990	28,350
Premises Other	273,600	287,590	303,080
Printing & Stationery	17,420	23,420	21,580
Professional Services	250,760	496,990	265,210
Rent	-27,950	-28,690	-30,090
Repairs & Maintenance	466,030	437,150	457,210
Security & Protection	8,210	8,210	8,620
Subsistence & Training	110	25,300	120
Supplies & Services Other	361,950	456,670	409,820
Utilities	286,670	309,970	372,810
Vehicle & Transport	362,030	371,780	372,490
Safe, Clean & Green	9,096,850	9,232,160	10,012,560

HOMES & COMMUNITIES

Cost Centre/Service	Original Approved Estimate 2023/24 £	Revised Estimate 2023/24 £	Estimate 2024/25 (Expenditure) £	Estimate 2024/25 (Income) £	Estimate 2024/25 £
Grants	165,950	165,950	170,930		170,930
Delegated Grants	2,140		2,200		2,200
Parish Services	144,490	139,410	143,720		143,720
Central Services to the Public	312,580	307,500	316,850	0	316,850
MPH Residential Properties	-857,250	-876,490	147,690	-1,244,950	-1,097,260
Commercial Investments	-857,250	-876,490	147,690	-1,244,950	-1,097,260
Social Inclusion	0	0	0	0	0
Community Development	0	0	0	0	0
Homechoice Section	235,440	239,190	365,920	-117,740	248,180
Housing Advice Section	318,020	243,760	1,051,850	-797,310	254,540
Housing Standards Team	290,330	294,640	334,330	-23,360	310,970
Housing Management	243,770	337,490	572,970	-224,800	348,170
Homelessness Outreach	48,270	78,320	557,550	-477,390	80,160
Accommodation Resource Team	0	41,830	178,990	-131,680	47,310
Housing and Inclusion	0	1,750	200,960	-199,780	1,180
Corporate Support Services	1,135,830	1,236,980	3,262,570	-1,972,060	1,290,510
Dwellings rents (gross) Affordable	0	-42,000		-42,000	-42,000
Insurance Costs Paid By The Landlord	0	710	1,680		1,680
Homeless Temporary Accommodation	910,280	910,280	2,214,790	-920,470	1,294,320
Homelessness Prevention	186,820	182,480	156,550	0	156,550
Aylesbury House	49,890	30,990	105,290	-69,140	36,150
Magnolia House	2,200	44,350	99,390	-50,240	49,150
St Martins House	680	5,180	18,290	-12,240	6,050
Marsham Street	71,260	38,130	165,880	-115,500	50,380
Sundry Temporary Accommodation (TA) Properties	-8,180	22,970	80,830	-50,700	30,130
2 Bed Property - Temporary Accommodation	-26,200	-24,710	120,350	-137,760	-17,410
3 Bed Property - Temporary Accommodation	-64,400	-55,820	107,570	-155,760	-48,190
4 bed Property - Temporary Accommodation	9,610	-14,390	55,520	-66,140	-10,620
1 Bed Property- Temporary Accommodation	-2,970	17,350	32,880	-13,730	19,150
Trinity	31,240	-12,360	218,270	-220,000	-1,730
Chillington House	-4,740	-1,560	12,550	-16,250	-3,700
276 Willington Street	0	10,290	10,830	0	10,830
St Pauls Vicarage	0	4,340	0	0	0
Homelessness	1,155,490	1,116,230	3,400,670	-1,869,930	1,530,740
Housing Register & Allocations	14,790	14,790	15,530		15,530
Housing Advice	14,790	14,790	15,530	0	15,530
General Fund Residential Properties	-55,920	-53,200	12,670	-65,740	-53,070
Strategic Housing Role	12,440	12,440	13,060		13,060
Housing Strategy	-43,480	-40,760	25,730	-65,740	-40,010
Marden Caravan Site (Stilebridge Lane)	20,440	-21,690	10,720	-31,860	-21,140
Ulcombe Caravan Site (Water Lane)	7,020	7,100	51,600	-42,000	9,600
Other Council Properties	27,460	-14,590	62,320	-73,860	-11,540
Private Sector Renewal	-46,950	-46,950	3,200	-50,000	-46,800
HMO Licensing	-20,380	-20,380		-33,270	-33,270
Private Sector Housing Renewal	-67,330	-67,330	3,200	-83,270	-80,070
Public Health - Obesity	0	0	0	0	0
Public Health - Misc Services	0	0	0	0	0
Public Health	0	0	0	0	0
Homes & Communities	1,678,090	1,676,330	7,234,560	-5,309,810	1,924,750

HOMES & COMMUNITIES - SUBJECTIVE ANALYSIS

Subjective Analysis	Original Approved Estimate 2023/24 £	Revised Estimate 2023/24 £	Estimate 2024/25 £
Employee Direct	2,820,050	3,197,450	3,194,200
Employee Other	44,940	94,180	25,260
Equipment & Furniture	63,670	76,650	68,970
Fees & Charges	-94,240	-94,240	-107,130
General Insurances	150	0	0
Grants & Contributions Paid	319,740	388,110	324,370
Grants & Contributions Received	-1,787,970	-3,289,940	-2,172,060
Income Other	-48,920	-18,460	-3,540
Information & Communication	16,400	4,270	17,220
Premises Other	298,140	353,980	392,740
Printing & Stationery	1,740	1,940	1,830
Professional Services	1,119,910	1,777,220	2,275,560
Rent	-1,910,040	-2,807,440	-3,027,080
Repairs & Maintenance	383,830	440,670	460,170
Security & Protection	60,080	58,290	61,220
Subsistence & Training	0	16,000	0
Supplies & Services Other	217,450	1,278,310	206,340
Utilities	132,480	170,110	177,920
Vehicle & Transport	40,680	29,230	28,760
Homes & Communities	1,678,090	1,676,330	1,924,750

THRIVING PLACE

Cost Centre/Service	Original Approved Estimate 2023/24 £	Revised Estimate 2023/24 £	Estimate 2024/25 (Expenditure) £	Estimate 2024/25 (Income) £	Estimate 2024/25 £
Sandling Road Site	30,150	4,900	228,810	-223,130	5,680
Innovation Centre	-35,590	-61,150	447,450	-500,370	-52,920
Business Support & Enterprise	0	22,690	5,730		5,730
Business Terrace - Incubator Units	99,480	100,110	162,770	-62,850	99,920
Business Terrace - 1st Floor MH	-10,840	-37,450	211,740	-245,480	-33,740
Business Support	83,200	29,100	1,056,500	-1,031,830	24,670
Leisure Services Section	68,300	70,570	114,860	-41,720	73,140
Cultural Services Section	406,070	337,320	351,040		351,040
Visitor Economy Section	96,140	134,060	103,670		103,670
Economic Development Section	77,920	31,850	18,000	-15,330	2,670
Market Section	94,880	97,320	101,430		101,430
Innovation Centre Section	213,130	220,680	296,870	-60,490	236,380
Head of Spatial Planning and Economic Develop	115,540	111,960	116,730		116,730
Corporate Support Services	1,071,980	1,003,760	1,102,600	-117,540	985,060
Cultural Development Arts	71,880	70,130	73,620	0	73,620
Museum	19,790	25,100	105,240	-76,690	28,550
Carriage Museum	4,310	6,620	9,030	-1,600	7,430
Museum-Grant Funded Activities	0	10	0	0	0
Hazlitt Arts Centre	330,710	334,820	353,360		353,360
Festivals and Events	-26,220	13,800	5,570	0	5,570
Culture & Heritage	400,470	450,480	546,820	-78,290	468,530
Market	26,030	26,940	139,410	-112,040	27,370
Economic Dev - Promotion & Marketing	2,300	108,400	6,090	-3,500	2,590
Economic Development	28,330	135,340	145,500	-115,540	29,960
Lettable Halls	-3,620	-3,510	8,370	-12,020	-3,650
Community Halls	52,780	53,090	48,040	-18,560	29,480
Leisure Centre	-186,380	-140,740	40,310	-220,500	-180,190
Cobtree Golf Course	-35,000	-35,000		-36,750	-36,750
Recreation & Sport	-172,220	-126,160	96,720	-287,830	-191,110
Tourism	19,630	11,450	37,750	-25,620	12,130
Museum Shop	-22,280	-22,280	12,890	-36,280	-23,390
Tourism	-2,650	-10,830	50,640	-61,900	-11,260
Thriving Place	1,409,110	1,481,690	2,998,780	-1,692,930	1,305,850

THRIVING PLACE - SUBJECTIVE ANALYSIS

Subjective Analysis	Original Approved Estimate 2023/24 £	Revised Estimate 2023/24 £	Estimate 2024/25 £
Agency & Contractor	344,120	353,120	377,350
Employee Direct	1,110,710	1,112,360	1,031,190
Employee Other	-95,540	-112,520	-113,440
Equipment & Furniture	36,460	37,170	37,950
Fees & Charges	-125,900	-134,080	-139,660
General Insurances	32,310	37,120	39,470
Grants & Contributions Paid	17,980	102,010	19,980
Grants & Contributions Received	-285,820	-372,230	-151,190
Income Other	-472,960	-566,830	-593,560
Information & Communications	70,840	71,360	74,390
Premises Other	458,180	411,110	426,020
Printing & Stationery	12,400	13,630	13,930
Professional Services	163,190	379,560	182,430
Rent	-548,640	-796,530	-808,520
Repairs & Maintenance	276,270	309,470	323,910
Security & Protection	3,940	151,330	155,340
Subsistence & Training	5,300	18,900	5,560
Supplies & Services Other	226,720	272,710	221,250
Utilities	168,150	188,140	197,560
Vehicle & Transport	11,400	5,890	5,890
Thriving Place	1,409,110	1,481,690	1,305,850

EMBRACING GROWTH & ENABLING INFRASTRUCTURE

Cost Centre/Service	Original Approved Estimate 2023/24 £	Revised Estimate 2023/24 £	Estimate 2024/25 (Expenditure) £	Estimate 2024/25 (Income) £	Estimate 2024/25 £
Building Regulations Chargeable	-394,790	-394,790	8,140	-442,540	-434,400
Building Control	-1,040	-1,040		-1,090	-1,090
Street Naming & Numbering	-73,350	-73,350		-73,350	-73,350
Building Control	-469,180	-469,180	8,140	-516,980	-508,840
Land Charges	-263,370	-262,280	25,440	-286,900	-261,460
Central Services to the Public	-263,370	-262,280	25,440	-286,900	-261,460
Spatial Policy Planning Section	345,670	489,280	263,490		263,490
Head of Planning and Development	118,920	116,380	121,080		121,080
Building Surveying Section	511,880	520,720	545,740		545,740
Heritage Landscape and Design Section	347,780	350,760	369,180		369,180
CIL Management Section	11,570	12,470	112,540	-147,250	-34,710
Development Management Section – Majors	314,060	240,680	247,470		247,470
Development Management Section – Others	1,144,950	1,158,930	1,225,670		1,225,670
Parking Services Section	404,380	410,380	581,980	-148,630	433,350
Corporate Support Services	3,199,210	3,299,600	3,467,150	-295,880	3,171,270
Development Control Advice	-292,700	-292,700		-344,200	-344,200
Development Control Appeals	138,450	138,450	145,370		145,370
Development Control Majors	-557,030	-557,030	23,870	-654,740	-630,870
Development Control - Other	-771,760	-774,580	6,980	-856,220	-849,240
Development Control Enforcement	74,800	74,800	78,540		78,540
Development Control	-1,408,240	-1,411,060	254,760	-1,855,160	-1,600,400
Environment Improvements	7,310	42,660	8,090		8,090
Name Plates & Notices	20,420	20,420	21,450		21,450
Network & Traffic Management	27,730	63,080	29,540	0	29,540
On Street Parking	-314,030	-307,680	498,440	-783,270	-284,830
Residents Parking	-195,910	-197,300	67,890	-261,280	-193,390
Pay & Display Car Parks	-1,328,660	-1,334,580	603,920	-1,949,630	-1,345,710
Non Paying Car Parks	15,290	15,290	16,070	-10	16,060
Off Street Parking - Enforcement	-87,890	-92,850	193,030	-276,690	-83,660
Mote Park Pay & Display	-194,010	-194,190	35,500	-228,500	-193,000
Sandling Road Car Park	-670	-740	4,420	-55,160	-50,740
Parking Services	-2,105,880	-2,112,050	1,419,270	-3,554,540	-2,135,270
Planning Policy	520,750	549,470	525,540		525,540
Neighbourhood Planning	-20,000	-20,000		-20,000	-20,000
Conservation	-11,390	-11,390	4,340	-15,600	-11,260
Planning Policy	489,360	518,080	529,880	-35,600	494,280
Park & Ride	109,040	101,690	0		0
Other Transport Services	-2,900	-5,150	32,490	-36,110	-3,620
Public Transport	106,140	96,540	32,490	-36,110	-3,620
Mid Kent Planning Support Service	349,860	356,140	616,930	-234,530	382,400
Mid Kent Local Land Charges Section	87,230	79,000	191,910	-140,600	51,310
Shared Services	437,090	435,140	808,840	-375,130	433,710
Embracing Growth & Enabling Infrastructure	12,860	157,870	6,575,510	-6,956,300	-380,790

EMBRACING GROWTH & ENABLING INFRASTRUCTURE - SUBJECTIVE ANALYSIS

Subjective Analysis	Original Approved Estimate 2023/24 £	Revised Estimate 2023/24 £	Estimate 2024/25 £
Agency & Contractor	532,410	516,930	542,780
Employee Direct	4,095,580	4,190,020	4,399,390
Employee Other	-62,460	28,970	-326,060
Equipment & Furniture	88,270	88,600	92,750
Fees & Charges	-5,817,200	-5,850,020	-6,133,420
General Insurances	17,240	15,010	15,470
Grants & Contributions Paid	20,470	54,920	21,430
Grants & Contributions Received	-527,660	-535,550	-535,280
Income Other	-322,980	-228,000	-287,590
Information & Communications	200	200	210
Premises Other	354,940	336,070	268,770
Printing & Stationery	17,130	16,150	16,950
Professional Services	791,450	748,704	839,410
Rent	-7,400	-10	-10
Repairs & Maintenance	255,610	243,760	243,160
Security & Protection	83,160	96,930	87,320
Subsistence & Training	2,820	4,610	2,840
Supplies & Services Other	400,280	295,456	237,050
Utilities	32,200	74,180	72,980
Vehicle & Transport	58,800	60,940	61,060
Embracing Growth & Enabling Infrastructure	12,860	157,870	-380,790

CENTRAL & DEMOCRATIC

Cost Centre/Service	Original Approved Estimate 2023/24 £	Revised Estimate 2023/24 £	Estimate 2024/25 (Expenditure) £	Estimate 2024/25 (Income) £	Estimate 2024/25 £
Contingency	1,096,140	1,338,420	538,610		538,610
Unapportionable Central Overheads	961,570	949,630	977,110		977,110
Non Service Related Government Grants	-4,661,220	-4,661,220		-4,820,960	-4,820,960
Appropriation Account	1,861,790	1,892,230	1,861,790		1,861,790
Pensions Fund Appropriation	0	0	0		0
Balances, Pensions & Appropriation	-741,720	-480,940	3,377,510	-4,820,960	-1,443,450
Council Tax Collection	66,180	67,780	122,900	-49,850	73,050
Council Tax Collection - Non Pooled	-376,060	-331,280	118,880	-466,730	-347,850
Council Tax Benefits Administration	-164,320	-139,920	31,770	-170,180	-138,410
NNDR Collection	1,810	1,810	3,790	-1,640	2,150
NNDR Collection - Non Pooled	-240,410	-230,410	57,670	-256,490	-198,820
MBC- BID	740	740	19,830	-19,030	800
Registration Of Electors	68,640	68,410	79,470	-2,640	76,830
Elections	164,260	164,380	120,500	-480	120,020
External Interest Payable & MRP	2,202,550	2,202,550	3,165,550		3,165,550
Interest & Investment Income	-150,000	-150,000		-500,000	-500,000
Central Services to the Public	1,573,390	1,654,060	3,720,360	-1,467,040	2,253,320
Lockmeadow	242,530	242,530	418,790	-164,130	254,660
Lockmeadow Complex	-1,452,480	-1,521,450	1,357,740	-2,862,050	-1,504,310
Palace Gatehouse	-7,270	7,730	5,270	0	5,270
Archbishops Palace	3,120	-1,900	42,800	0	42,800
Parkwood Industrial Estate	-301,400	-313,680	6,920	-322,770	-315,850
Industrial Starter Units	-18,400	-41,290	27,720	-67,600	-39,880
Parkwood Equilibrium Units	-93,180	-135,390	58,880	-190,550	-131,670
Sundry Corporate Properties	-179,810	7,010	60,380	-226,070	-165,690
Phoenix Park Units	-229,600	-239,060	26,020	-263,460	-237,440
Granada House - Commercial	-99,380	-91,640	89,930	-178,160	-88,230
Heronend Road Units	-158,920	-209,680	13,580	-222,300	-208,720
Boxmend Industrial Estate	-104,600	-117,630	12,800	-129,560	-116,760
Wren Industrial Estate	-108,220	-134,620	66,130	-200,610	-134,480
Commercial Investments	-2,507,610	-2,549,070	2,186,960	-4,827,260	-2,640,300
Performance & Development	47,520	117,370	49,910		49,910
Corporate Projects	0	930	76,390	-75,940	450
Press & Public Relations	4,660	4,660	4,890	0	4,890
Corporate Management	825,540	460,660	560,120		560,120
Corporate Management	877,720	583,620	691,310	-75,940	615,370
Democratic Services Section	286,320	289,100	310,030	-1,810	308,220
Mayoral & Civic Services Section	125,080	125,920	131,280		131,280
Chief Executive	197,850	194,770	201,830		201,830
Communications Section	256,080	261,220	271,030	-460	270,570
Policy & Information Section	512,010	553,820	537,530	0	537,530
Biodiversity & Climate Change	99,280	102,810	155,720		155,720
Director of Strategy Governance and Inspi	131,680	134,300	134,300		134,300
Electoral Registration Section	94,050	94,780	103,930	-3,510	100,420
Head of Housing & Community Services	118,370	116,030	120,490		120,490
Director of Finance, Resources & Business	148,270	145,030	156,120	-5,130	150,990
Accountancy Section	885,740	896,150	953,050	-25,440	927,610
Director of Regeneration & Place	156,480	153,240	159,530		159,530
Procurement Section	118,830	118,830	139,500	-14,730	124,770
Property & Projects Section	363,850	472,210	504,020	-6,270	497,750
Corporate Support Section	314,560	319,940	334,240		334,240
Improvement Section	252,200	253,630	290,470	-28,680	261,790
Executive Support Section	98,970	99,750	103,940		103,940
Customer Services Section	730,150	734,450	775,930		775,930
Emergency Planning & Resilience	134,180	169,460	176,890	-20,000	156,890
Head of Property and Leisure	115,790	117,620	124,210		124,210
Facilities Section	257,250	157,590	165,390		165,390
Town Centre Services Manager	0	65,630	70,350		70,350
Salary Slippage 1COS	-253,970	-279,140	-317,430		-317,430
Salary Slippage 2SPI	-175,280	-175,280	-202,550		-202,550
Salary Slippage 3CHE	-439,110	-439,110	-401,420		-401,420
Salary Slippage 4ERL	-43,250	-43,250	-104,660		-104,660
Corporate Support Services	4,485,380	4,639,500	4,893,720	-106,030	4,787,690
Civic Occasions	46,030	46,520	48,710		48,710
Members Allowances	455,540	455,540	477,970		477,970
Members Facilities	18,300	18,430	19,370		19,370
Democratic Representation	519,870	520,490	546,050	0	546,050
Emergency Centre	23,680	23,560	24,580		24,580
Emergency Planning	23,680	23,560	24,580	0	24,580
Housing Benefits Administration	-314,880	-285,980	87,670	-370,500	-282,830
Housing Benefit Administration	-314,880	-285,980	87,670	-370,500	-282,830
Maidstone House - Landlord	-413,080	-140,150	1,420,490	-1,596,870	-176,380
Town Hall	126,570	109,060	121,410	-1,500	119,910
South Maidstone Depot	177,360	224,900	189,100		189,100
The Link	49,590	60,420	349,650	-281,240	68,410
Maidstone House - MBC Tenant	683,000	480,440	576,120	-92,650	483,470
Museum Buildings	268,380	278,000	244,760	-1,230	243,530
Office Accommodation	891,820	1,012,670	2,901,530	-1,973,490	928,040
Rent Allowances	-114,070	-114,070	28,432,000	-28,546,070	-114,070
Non HRA Rent Rebates	-8,760	-8,760	1,426,050	-1,434,810	-8,760
Discretionary Housing Payments	0	0	231,980	-231,980	0
Rent Rebates	-122,830	-122,830	30,090,030	-30,212,860	-122,830
Revenues Section	570,350	530,820	929,730	-407,880	521,850
Benefits Section	553,610	512,030	830,350	-313,720	516,630
Fraud Section	40,990	45,910	271,270	-222,120	49,150

CENTRAL & DEMOCRATIC

Cost Centre/Service	Original Approved Estimate 2023/24 £	Revised Estimate 2023/24 £	Estimate 2024/25 (Expenditure) £	Estimate 2024/25 (Income) £	Estimate 2024/25 £
Mid Kent Audit Partnership	219,690	220,570	712,650	-540,180	172,470
Legal Services Section	659,430	659,430	771,160	-128,530	642,630
Mid Kent ICT Services	608,850	620,570	1,817,230	-1,146,260	670,970
GIS Section	129,130	130,440	228,840	-91,560	137,280
Director of Mid Kent Services	48,940	45,980	150,310	-99,820	50,490
Mid Kent HR Services Section	418,410	422,820	720,210	-281,400	438,810
MBC HR Services Section	177,450	103,220	189,070	-2,350	186,720
Head of Revenues & Benefits	84,400	64,630	81,190	-33,100	48,090
Revenues & Benefits Business Support	117,100	156,050	253,090	-102,150	150,940
Dartford HR Services Section	-15,740	-16,040	66,810	-83,510	-16,700
IT Support for Revenues and Benefits	27,390	0	0	0	0
I.T. Operational Services	664,490	664,490	689,720		689,720
Central Telephones	16,290	16,290	17,100		17,100
Shared Services	4,320,780	4,177,210	7,728,730	-3,452,580	4,276,150
Apprentices Programme	54,180	73,700	55,870		55,870
Internal Printing	-920	-920	58,800	-61,920	-3,120
Debt Recovery Service	-19,430	-19,410	959,700	-980,000	-20,300
Debt Recovery MBC Profit Share	-120,440	-83,030		-79,970	-79,970
Trading Accounts	-86,610	-29,660	1,074,370	-1,121,890	-47,520
Central & Democratic	8,918,990	9,142,630	57,322,820	-48,428,550	8,894,270

CENTRAL & DEMOCRATIC - SUBJECTIVE ANALYSIS

Subjective Analysis	Original Approved Estimate 2023/24 £	Revised Estimate 2023/24 £	Estimate 2024/25 £
Agency & Contractor	863,670	863,670	906,860
Allowances	453,760	453,760	476,450
Benefits	31,268,120	30,090,030	30,090,030
Employee Direct	10,281,180	10,760,500	11,123,460
Employee Other	1,639,320	1,179,220	1,161,900
Equipment & Furniture	1,064,970	898,090	878,840
Fees & Charges	-1,102,410	-1,001,380	-1,094,500
General Insurances	15,260	15,140	16,710
Grants & Contributions Paid	2,308,910	2,335,740	3,282,230
Grants & Contributions Received	-40,314,840	-39,281,960	-39,241,970
Income Other	-2,478,830	-2,747,520	-3,101,400
Information & Communications	20,880	25,810	21,840
Leasing & Capital Charges	1,861,790	1,892,230	1,861,790
Premises Other	1,231,180	1,394,980	1,247,120
Printing & Stationery	109,150	140,490	115,930
Professional Services	1,947,280	2,275,910	2,243,260
Rent	-4,604,630	-4,982,860	-4,990,680
Repairs & Maintenance	1,045,630	1,190,650	1,180,310
Security & Protection	43,010	43,010	45,170
Subsistence & Training	191,090	121,660	200,540
Supplies & Services Other	2,103,120	2,482,010	1,442,800
Utilities	852,820	890,720	924,910
Vehicle & Transport	118,560	102,730	102,670
Central & Democratic	8,918,990	9,142,630	8,894,270

Draft Capital Programme 2024/25 to 2033/34

	2024/25	2025/26	2026/27	2027/28	2028/29	5 Year Total	2029/30	2030/31	2031/32	2032/33	2033/34	10 Year Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Housing, Health & Environment												
Private Rented Sector Housing (Gross cost)	21,065	31,879	25,574	12,370	7,274	98,161	1,656					99,817
1,000 Homes Affordable Housing Programme (Gross cost)	31,096	42,722	25,921	13,908	14,995	128,643	10,251	4,711	5,487	4,026	2,576	155,693
Temporary Accommodation	20,000					20,000						20,000
Other Property - Community and Commercial	1,809	1,089	663	143	100	3,804						3,804
Housing - Disabled Facilities Grants Funding	800	800	800	800	800	4,000	800	800	800	800	800	8,000
Street Scene Investment	50	50	50	50	50	250	50	50	50	50	50	500
Flood Action Plan	200	150				350						350
Continued Improvements to Play Areas	50	60	70	80	80	340	80	80	80	80	80	740
Parks Improvements	260	70	80	90	100	600	100	100	100	100	100	1,100
Parks Improvements - Infrastructure Maintenance	200	200	200	200	200	1,000	200	200	200	200	200	2,000
Grounds Maintenance Machinery Replacement Programme	100	110	105	123	42	480	75	75	75	75	75	855
Waste Crime Team - Additional Resources	20	10	10			40						40
Open Spaces - Section 106 funded works	400	400	400	400	400	2,000	400	400	400	400	400	4,000
Improvements to Cemetery	120					120						120
Purchase of New Waste Collection Vehicles								6,380				6,380
Total	76,170	77,540	53,873	28,163	24,041	259,787	13,612	12,796	7,192	5,731	4,281	303,398
Communities, Leisure & Arts												
Museum Development Plan	180					180						180
Leisure Provision	2,250					2,250						2,250
New Leisure Centre	500	500	2,000	15,000	29,000	47,000	13,000					60,000
Mote Park Kiosk Refurbishment & Extension	250					250						250
Total	3,180	500	2,000	15,000	29,000	49,680	13,000					62,680

	2024/25	2025/26	2026/27	2027/28	2028/29	5 Year Total	2029/30	2030/31	2031/32	2032/33	2033/34	10 Year Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Corporate Services												
Asset Management / Corporate Property	1,695	175	175	175	175	2,395	175	175	175	175	175	3,270
Corporate Property Acquisitions	2,500	2,500	2,500	2,500	2,500	12,500	2,500	2,500	2,500	2,500	2,500	25,000
Kent Medical Campus - Innovation Centre	350					350						350
Lockmeadow Ongoing Investment	100	100	100	100	100	500	100	100	100	100	100	1,000
Garden Community	1,187	630	83	82		1,982						1,982
Infrastructure Delivery	1,000	1,000	1,000	1,000	1,000	5,000	1,000	1,000	1,000	1,000	1,000	10,000
Other Property Works	800	200				1,000						1,000
Carbon Reduction to Maidstone B.C. Estate	5,542	2,616	2,493	1,641	1,075	13,367	300	300	300	300	300	14,867
Parkwood Property Investment to meet EPC targets	785	440				1,225						1,225
Feasibility Studies	50	50	50	50	50	250	50	50	50	50	50	500
Digital Projects	30	30	30	30	30	150	30	30	30	30	30	300
Software / PC Replacement	200	200	200	200	200	1,000	200	200	200	200	200	2,000
Maidstone House Works	400	100	100	100	100	800						800
Leeds Langley preliminary costs					1,000	1,000						1,000
Fleet Vehicle Replacement Programme	478	470	200	300	300	1,748	300	300	300	300	300	3,248
Total	15,116	8,511	6,931	6,178	6,530	43,267	4,655	4,655	4,655	4,655	4,655	66,542
Planning, Infrastructure & Economic Development												
Public Realm & Greening relating to the Town Centre	1,000					1,000						1,000
Medway Street Car Park	195					195						195
Total	1,195					1,195						1,195
TOTAL	95,661	86,551	62,803	49,342	59,571	353,928	31,267	17,451	11,847	10,386	8,936	433,814

MAIDSTONE BOROUGH COUNCIL CAPITAL STRATEGY 2024/25

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1. INTRODUCTION

- 1.1. CIPFA's Prudential Code, which governs the Council's capital investment and borrowing, requires councils to have a Capital Strategy. This document should provide a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services, along with a description of how associated risk is managed and the implications for future financial sustainability.
- 1.2. Accordingly, the Capital Strategy articulates in a single place a number of strategies and policies that the Council already addresses elsewhere: it is an overarching document linking the Strategic Plan, the Medium-Term Financial Strategy, the Treasury Management Strategy and the Asset Management Plan.
- 1.3. The strategy focuses upon the long-term ambition of the Council for its local area, residents and business, and is aligned with the Strategic Plan in this regard. It is not purely a financial document but a whole organisation approach setting out how investment will support the delivery of the Council's strategic goals.

2. CAPITAL EXPENDITURE AND LINKS TO OTHER CORPORATE STRATEGIES

Strategic Plan

- 2.1. Capital expenditure at Maidstone Borough Council plays a vital part in the Council's Strategic Plan, since long term investment is required to deliver many of the objectives of the plan.
- 2.2. The current Strategic Plan went through a thorough process of discussion and refinement over the period June – October 2018 and was approved by Council on 12 December 2018. It sets out four objectives, as follows:
 - Embracing Growth and Enabling Infrastructure.
 - Homes and Communities.
 - A Thriving Place.
 - Safe, Clean and Green.

The ways in which capital expenditure can support these priorities are described below.

Embracing Growth and Enabling Infrastructure

- 2.3. The Council has a vital role in leading and shaping our borough as it grows. This means being proactive in policy and master planning for key sites in the borough, and where appropriate, investing directly ourselves.
- 2.4. Separate objectives, set out below, address specifically the development of new housing, and other investments intended to make Maidstone a thriving place. In order to enable these developments to take place, investment in infrastructure will be needed. In general, infrastructure schemes are funded from the benefits gained from the development. To address any potential funding gap, the Council will enable infrastructure spending, to the extent that it meets our strategic priorities.

Home and Communities

- 2.5. The Strategic Plan seeks to make Maidstone a place where people love to live and can afford to live. This means a range of different types of homes, including affordable housing.
- 2.6. We aim, and are required by law, to address homelessness and rough sleeping. The Council has invested in temporary accommodation for homeless families, thereby ensuring a good standard of accommodation and providing a more cost-effective solution than is offered by the private sector.

A Thriving Place

- 2.7. The Strategic Plan seeks to make Maidstone a borough that is open for business, attractive for visitors and is an enjoyable and prosperous place to live for our residents. This can be achieved through investment in the County town and rural service centres.
- 2.8. There are a number of ways in which the Council will take the lead, including working with partners and through direct investment ourselves. The Council has a successful track record of acquiring property within the borough to support wider regeneration objectives. These acquisitions both generate a return that supports the viability of the investment and contribute to making Maidstone a thriving place. We will continue to seek good quality investment opportunities which deliver value and support our strategic goals.
- 2.9. Where appropriate, we will seek to achieve the necessary scale of investment by identifying joint venture partners. The amount available for direct investment by Maidstone Council is governed by the overall size of the capital programme, but we will adopt a flexible approach within this constraint in order to take advantage of investment opportunities that meet our criteria.

Safe, Clean and Green

- 2.10. The Council seeks to protect and where possible enhance our environment and to make sure our parks, green spaces, streets and public areas are of a high quality.

Capital Programme Proposals

- 2.11. Capital Programme proposals have been developed based on the principles set out above and reflect the strategic priorities agreed by Council when it set the current Strategic Plan. The Capital Programme 2024/25 to 2033/34 sets out the recommended programme for schemes which were programmed within the existing capital programme together with new schemes that it is now proposed to include within the capital programme. Details of some of the larger schemes are set out below.

Private Rented Sector Housing Programme - £99.8 million

This encompasses a number of schemes that are in the process of being identified and brought forward, where PRS housing will form part of a mix of tenures alongside Affordable Housing. This covers projects such as Maidstone East and Springfield library, but at this stage in the main are not contractually committed. These will be the subject of separate committee reports at the point a decision to proceed or not is required. All these PRS assets will be owned by the Council but leased (on a long-term basis) upon completion to Maidstone Property Holdings Limited to manage.

1,000 Homes Affordable Housing Programme - £155.7 million

In the Autumn of 2021, The Leader of the Council announced his ambition to build 1,000 affordable homes in the shortest period possible. A

development strategy setting out how this ambition can best be achieved was agreed by Policy & Resources Committee on 19th January 2022. It is likely that the whole programme will take ten years to deliver. The programme is likely to provide only Affordable Rented homes that will be let at 80% of market rent, capped at the Local Housing Allowance. The expenditure shown includes grant receipts from the likes of Homes England that will be necessary to deliver the programme. Assumptions have been made around the level of funding that could be received and this is dealt with in the funding section of this report. During 2023/24 a number of sites were identified and they are schemes that are now being actively developed.

Temporary Accommodation - £20.0 million

The Council has a programme to acquire housing on the open market for temporary accommodation, as it is more cost-effective to use our own property for this purpose and enables delivery of a revenue saving. It is proposed to buy further units in 2024/25 to help deal with the rising numbers of people who are being made homeless because of the current economic crisis.

Commercial and Community Developments £3.8m

The New Business and Housing Development team are in the process of preparing and submitting a planning application for the sites including Maidstone East, St Faiths Community Centre and Heather House Community Centre.

Disabled Facilities Grants - £8.0 million

The Council works with Kent County Council Social Services to deliver adaptations and facilities to enable disabled people to remain at home. This element of the capital programme therefore has a directly beneficial impact for individual local residents. Assistance under this budget is not funded by the Council but is funded from the Department of Health Better Care Fund (BCF) as a specific capital grant.

Parks Improvements - £1.1 million

This is an annual budget to allow for any works that are identified in the parks to be undertaken to improve the standard of the facilities for the public when they visit the parks.

Parks & Open Spaces Infrastructure Maintenance – £2.0 million

Ongoing investment in the infrastructure of the parks will enable the revenue budgets to remain focused on delivering the more regular maintenance such as shrub bed pruning, grass cutting, weeding etc and on ensuring the parks are safe and functional for residents and visitors. Poor maintenance of the parks infrastructure will also impact on the parks revenue budgets due to insurance claims or having to close sections of pathway.

Section 106 Funded Works Open Spaces – £4.0 million

This reflects open spaces capital projects that are funded by S.106 contributions. These works have been taking place for a number of years, but it is considered appropriate that the programme reflects this to show the total forecast capital expenditure.

Purchase of New Waste Collection Vehicles - £6.4 million

Funding is allocated within the Capital Programme for the purchase of the waste collection fleet that forms part of the new contract for Refuse Collection due to commence in March 2024. Replacement of the fleet is envisaged seven year later when the fleet acquired in March 2024 has reached the end of its useful life.

Existing Leisure Centre – Capital Improvements £2.2 million

Cabinet considered proposals for minor capital improvements to the Leisure Centre at its meeting on 8 February 2023. The purpose was to reduce costs and generate increased revenue over the likely extension period of the existing contract. This was agreed by Cabinet and built into the capital programme for 2023/24. As this work has been dependent on decisions about extension of the contract, it has not started as yet, and the majority of the expenditure is now likely to slip to 2024/25.

New Leisure Centre - £60.0 million

The Council is committed to providing leisure services that are accessible to all the borough's residents. This follows from the Council's strategic priorities, and in particular the cross-cutting priority of addressing and reducing health inequalities.

The existing Mote Park Leisure Centre is over 50 years old. It is becoming increasingly expensive to maintain and detracts from the Council's net zero carbon emissions objective. Modelling presented to this Committee's predecessor in February 2023 indicated that the optimum time for a replacement, or at the very least a significantly refurbishment, would be towards the end of the extension period for the existing leisure contract (which is subject to a separate report on this agenda). It was reported in February 2023 that projected capital costs for a new build leisure centre would be in the region of £40 million. A Passivhaus centre or more sophisticated design would cost in excess of £50m. Owing to the complexity of a major refurbishment, the capital costs arising would be at least £35 million, ie not significantly less than the cost of a complete replacement.

It is proposed to make provision in the capital programme for £60 million, which would offer the opportunity to build a new leisure centre commensurate with the Council's ambitions, given current prices. Expenditure is profiled over the next six years, with some initial investment in design and feasibility in 2024/25 and a build programme extending over the three years 2027/28 to 2028/29. All opportunities to source external funding to mitigate the cost to the Council will be explored. At this stage the proportion to be externally funded cannot be estimated, so the figure of £60 million represents the gross cost of a new leisure centre.

Asset Management / Corporate Property - £3.07 million

The Property Services section carries out a 5-year cycle of condition surveys of Council property which provide a costed programme of essential replacement or refurbishment of building elements to ensure the proper, compliant and efficient operation of the buildings in accordance

with the Asset Management Plan. There is no financial return from the projects, but they do eliminate the accumulation of a backlog of maintenance, reduce the risk of failure and interruption of service and the cost of reactive maintenance.

Corporate Property Acquisitions - £25.0 million

It is envisaged that the Council will continue to seek further suitable opportunities to acquire assets which help deliver the Council's strategic objectives, following the previous acquisitions of the Lockmeadow Leisure Complex, Maidstone House and various industrial units. The capital programme includes this fund which is intended to give the capacity to pursue opportunities to enhance the corporate property portfolio. The Council continues to work with selected agents to identify suitable opportunities and these will be brought forward for member approval when identified.

Infrastructure Delivery - £10.0 million

Infrastructure schemes as outlined in the Local Plan are in general funded directly from the benefits gained from the development. However, in some cases, it is appropriate for the Council to invest directly in infrastructure, for example where viability assessments indicate a funding gap and where it is appropriate for the Council to meet the shortfall in order to enable strategic priorities to be met. An annual amount of £1.0 million has been set aside within the capital programme for this purpose. Including rolled up unspent budget from previous years, this gives a total allocation of £6.2 million over the lifetime of the capital programme.

Biodiversity & Climate Change - £14.867 million

This funding will be used for a number of projects including the purchase of electric vehicles along with investment in charging infrastructure, carbon offsetting, solar investment and looking to make the Council's buildings more energy efficient with a view to reducing both costs and carbon emissions.

Fleet Vehicle Replacement Programme - £3.248 million

Vehicle purchases have been capitalised previously but not included on the programme. Funding comes from capital receipts including the sale of vehicles when they reach the end of their useful life.

Planning, Infrastructure & Economic Development

A full list of the Council's Capital Programme can be found within Table 1 on page 14.

Medium-Term Financial Strategy

- 2.12. The Medium Term Financial Strategy (MTFS) sets out in financial terms how the Council will deliver its Strategic Plan over the next five years. The Council adopted a Strategic Plan for the period 2021 – 2045 in December 2018, and the existing MTFS for the period 2024/25 to 2028/29 reflects the Strategic Plan. The new MTFS will continue to reflect the Strategic Plan priorities.

- 2.13. The Strategic Plan depends on the Council's financial capacity and capability. Accordingly, the MTFs considers the economic environment and the Council's own current financial position. The external environment is challenging because of high inflation and the state of the UK's public finances. In assessing the Council's own financial position, attention is paid to its track record of budget management, current financial performance and the level of reserves that it holds. It is imperative that the MTFs both ensures Maidstone Council's continuing financial resilience and is sufficiently flexible to accommodate a range of potential scenarios. The Council has prepared financial projections under different scenarios, continuing a practice that has been followed for several years. The MTFs sets out financial projections based on the assumption that inflation will remain elevated and central government continues to give the council limited funding flexibility. The MTFs sets out a proposed approach which will address the budget gap in 2024/25. The position in future years is much more challenging and will require a more radical approach.
- 2.14. The Council's strategic priorities are met not only through day-to-day revenue spending but also through capital investment. The MTFs makes clear that the council's programme of building 1,000 Affordable Homes will be the principal element of the Capital Strategy.
- 2.15. Below is a table of the latest draft capital programme which is due to be discussed at Corporate Services Policy Advisory Committee on 17th January 2024.

The draft MTFs was approved by Cabinet on 20th September 2023.

Treasury Management Strategy

- 2.16. The Treasury Management Strategy sets out how the Council manages its investments and cash flows, including banking, money market and capital market transactions, and how optimum performance is assured whilst managing the risks associated with these activities.
- 2.17. These specific aspects of the Treasury Management Strategy addresses the Council's capital expenditure plans and how borrowing needs are met. Capital expenditure is funded from the internal resources, borrowing and third party contributions such as Section 106 and Community Infrastructure Levy (CIL) payments on new developments and grant funding, eg from Homes England. The Council allocates some internal resources to fund capital expenditure, including revenue funding and internal borrowing, along with external funding via grant funding and borrowing externally. Long term borrowing costs have been budgeted for within the MTFs. The Council currently has £5m of long-term loans with the PWLB, and has also committed to £80m long term funding through Aviva Life & Pensions UK Limited, paid in tranches over the next 3 years, the first £40m being received in February 2024.

- 2.18. The Prudential Code 2021 requires that Authorities include a long-term projection of external debt and the capital financing requirement (CFR). This projection should enable review of how the level of underlying borrowing for capital purposes (the CFR) is offset by other cash flows and balances, which (in nearly all authorities) reduce the level of actual debt required. This can be found within the Treasury Management Strategy Statement (TMSS) 2024/25.

Asset Management Plan

- 2.19. The longer term maintenance of the Council's capital assets is addressed by the Council's Asset Management Plan. The Asset Management Plan ensures that the Council's assets, as a resource, support the delivery of the Council's objectives by:-
- Providing a suitable standard of accommodation for services including those shared with other authorities
 - Maintaining property assets and ensuring that they continue to represent an appropriate investment for the Council
 - Providing an asset management service to the property holding company
 - Meeting the needs of the local community by maintaining assets in parks and open spaces and other community assets
 - Safeguarding local heritage through ownership and preservation of historic and scheduled ancient monuments.

The current capital programme includes a provision of £1.2 million for Corporate Property Improvements and improvements and £880k for works to industrial properties. There is also a provision of £2.75m for works to the offices of Maidstone House, based on the requirements of the Asset Management Plan.

The Asset Management Strategy is currently under review for the Council's Housing and Property Portfolios. This work is due to be completed during 2024.

3. GOVERNANCE FRAMEWORK

Background

- 3.1. Capital expenditure proposals are developed in response to the Council's strategic priorities, as described in the previous section. Individual schemes are incorporated in the capital programme, which is included within the Council's Medium Term Financial Strategy.
- 3.2. The MTFS states that capital schemes will be reviewed and developed so that investment is focused on strategic priorities. The MTFS is updated on an annual basis, as part of the annual budget cycle.

- 3.3. Subsequent to preparation of the MTFs and its approval by Council each year, capital estimates form part of the annual budget that is submitted to Council for approval.

Developing capital expenditure proposals

- 3.4. The development of capital expenditure proposals follows certain core principles for the inclusion of schemes within the capital programme. Schemes may be included in the capital programme if they fall within one of the four following categories:
- (i) Required for statutory reasons, eg to ensure that Council property meets health and safety requirements;
 - (ii) Self-funding schemes focused on Strategic Plan priority outcomes;
 - (iii) Other schemes focused on Strategic Plan priority outcomes; and
 - (iv) Other priority schemes which will attract significant external funding.
- 3.5. All schemes within the capital programme are subject to appropriate option appraisal. Any appraisal must comply with the requirements of the Prudential Code and the following locally set principles:
- (a) Where schemes fit within a specific strategy and resources are available within the capital programme for that strategy, such as the Asset Management Plan, the schemes would also be subject to appraisal and prioritisation against the objectives of that strategy. These schemes must be individually considered and approved by the relevant service committee.
 - (b) Where schemes require the use of prudential borrowing, a business case must first be prepared setting out the viability and justification in terms of necessity or contribution to the delivery of strategic goals
 - (c) Where schemes might improve the Environmental, Social and Governance (ESG) issues that are important to the Council. Some examples would be:
 - Promoting greater environmental sustainability
 - Local Community benefits
 - Ethical sourcing practices
- 3.6. Where schemes do not fit within the criteria above but an appropriate option appraisal has been completed, they may still be included within the programme if they fall within one of the four categories set out above.
- 3.7. If, following all considerations, there are a number of approved schemes that cannot be accommodated within the current programme, a prioritised list of schemes that can be added to the programme as future resources permit will be created and approved by the relevant Committee, thus allowing officers to focus funding efforts on delivering schemes that are next in priority order.

- 3.8. The MTFS requires the Council to identify actual funding before commencement of schemes. Accordingly, while schemes may be prioritised for the programme, ultimately commencement of any individual scheme can only occur once all the necessary resources have been identified and secured.
- 3.9. The MTFS principles require that the Council will maximise the resources available to finance capital expenditure, in line with the requirements of the Prudential Code, through:
- (a) The use of external grants and contributions, subject to maintaining a focus on the priority outcomes of its own strategies;
 - (b) Opportunities to obtain receipts from asset sales as identified in the Asset Management Plan and approved for sale by Policy and Resources Committee;
 - (c) The approval of prudential borrowing when the following criteria also apply to the schemes funded by this method:
 - i. financial viability of the schemes can be clearly evidenced;
 - ii. the outcome returns economic value commensurate to the cost incurred by borrowing to fund the schemes;
 - iii. after covering the cost of funding, a further benefit accrues to the Council that directly or indirectly supports the objectives of the strategic plan or the medium term financial strategy.
 - (d) The use of residual one-off funding such as New Homes Bonus for capital purposes (after any topslice to support the revenue budget), in line with the Council's strategic plan priorities;
 - (e) Council's strategic plan priorities'. This is because NHB is now partially replaced by the Funding Guarantee, so we need to make the wording more generic ;
 - (f) The implementation of a community infrastructure levy (CIL) and the management of its use, along with other developer contributions (S106), to deliver the objectives of the infrastructure delivery plan.
- 3.10. Service managers submit proposals to include projects in the Council's capital programme. Bids are collated by the Finance Section who calculate the financing cost (which can be nil if the project is fully externally financed). Each Committee appraises the proposals with reference to corporate priorities set out in the strategic plan. Corporate Service Policy Advisory Committee recommends the capital programme which is then presented to Council in March each year.
- 3.11. Prior to any capital commitment being entered into, a detailed report setting out a full project appraisal and detailed financial projections is considered by the relevant service committee.
- 3.12. All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing and

Private Finance Initiative). Further details are set out in section 4 of the Capital Strategy.

Performance Monitoring

- 3.13. The Council has a corporate project management framework that applies to most of the projects included within the capital programme. This provides for designation of a project manager and sponsor, and includes a mechanism for progress on corporate projects to be reported quarterly to a Corporate Projects Board.
- 3.14. The delivery of the capital programme and emerging schemes are also subject to oversight by the Strategic Investment Board, which meets regularly throughout the year. Membership of the board includes the Chief Executive (Chair), Director of Finance, Resources and Business Improvement, Director of Regeneration and Place, Monitoring Officer and Head of Finance.
- 3.15. Financial monitoring of capital projects is addressed by the Council's Financial Procedure Rules. Individual Member Service Committees receive quarterly reports on capital expenditure for the services for which they are responsible.

Capitalisation

- 3.16. Accounting principles govern what counts as capital expenditure. Broadly, it must yield benefits to the Council and the services it provides, for a period of more than one year. This excludes expenditure on routine repairs and maintenance of non-current assets which are charged directly to service revenue accounts.
- 3.17. The Council has adopted a minimum threshold of £10,000 for capitalisation.

Asset Disposals

- 3.18. The Council's policy for asset disposals is set out in a policy adopted by Policy and Resources Committee at its meeting on 25th July 2017.
- 3.19. The policy distinguishes between the following categories.
- Operational Property held and used by the Council for the direct delivery of services for which it has either a statutory or discretionary responsibility. Assets may be disposed of if they have reached the end of their economic or useful life.
 - Investment Property held by the Council for revenue generation purposes, which should be assessed by its potential for improved rates of return by either better asset management, or disposal and re-investment of the receipt.

- Community assets such as open space. The Council will not usually dispose of areas of parks or other areas which are classed as public open space.
- 3.20. Certain schemes within the capital programme are partially funded through sale of some of the completed asset(s) to partner organisations. In this case, the capital scheme value is shown net of these receipts in the capital programme, as the receipt is ringfenced for this purpose.

4. FINANCING THE CAPITAL PROGRAMME

- 4.1. Typically, local authorities fund capital expenditure by borrowing from the Public Works Loan Board, however there are various borrowing options within the commercial sector which is open to the Authority. All capital expenditure must be financed, either from external sources (government grants, including New Homes Bonus, and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing and other long-term liabilities). The planned Capital Programme 2024/25 to 2033/34 is set out in Table 1 below along with the planned funding for the programme in Table 2.

Table 1: Capital Programme 2024/25 to 2033/34

	2024/25	2025/26	2026/27	2027/28	2028/29	5 Year Total	2029/30	2030/31	2031/32	2032/33	2033/34	10 Year Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Housing, Health & Environment												
Private Rented Sector Housing (Gross cost)	21,065	31,879	25,574	12,370	7,274	98,161	1,656					99,817
1,000 Homes Affordable Housing Programme (Gross cost)	31,096	42,722	25,921	13,908	14,995	128,643	10,251	4,711	5,487	4,026	2,576	155,693
Temporary Accommodation	20,000					20,000						20,000
Other Property - Community and Commercial	1,809	1,089	663	143	100	3,804						3,804
Housing - Disabled Facilities Grants Funding	800	800	800	800	800	4,000	800	800	800	800	800	8,000
Street Scene Investment	50	50	50	50	50	250	50	50	50	50	50	500
Flood Action Plan	200	150				350						350
Continued Improvements to Play Areas	50	60	70	80	80	340	80	80	80	80	80	740
Parks Improvements	260	70	80	90	100	600	100	100	100	100	100	1,100
Parks Improvements - Infrastructure Maintenance	200	200	200	200	200	1,000	200	200	200	200	200	2,000
Grounds Maintenance Machinery Replacement Programme	100	110	105	123	42	480	75	75	75	75	75	855
Waste Crime Team - Additional Resources	20	10	10			40						40
Open Spaces - Section 106 funded works	400	400	400	400	400	2,000	400	400	400	400	400	4,000
Improvements to Cemetery	120					120						120
Purchase of New Waste Collection Vehicles								6,380				6,380
Total	76,170	77,540	53,873	28,163	24,041	259,787	13,612	12,796	7,192	5,731	4,281	303,398
Communities, Leisure & Arts												
Museum Development Plan	180					180						180
Leisure Provision	2,250					2,250						2,250
New Leisure Centre	500	500	2,000	15,000	29,000	47,000	13,000					60,000
Mote Park Kiosk Refurbishment & Extension	250					250						250
Total	3,180	500	2,000	15,000	29,000	49,680	13,000					62,680

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	2024/25	2025/26	2026/27	2027/28	2028/29	5 Year Total	2029/30	2030/31	2031/32	2032/33	2033/34	10 Year Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Corporate Services												
Asset Management / Corporate Property	1,695	175	175	175	175	2,395	175	175	175	175	175	3,270
Corporate Property Acquisitions	2,500	2,500	2,500	2,500	2,500	12,500	2,500	2,500	2,500	2,500	2,500	25,000
Kent Medical Campus - Innovation Centre	350					350						350
Lockmeadow Ongoing Investment	100	100	100	100	100	500	100	100	100	100	100	1,000
Garden Community	1,187	630	83	82		1,982						1,982
Infrastructure Delivery	1,000	1,000	1,000	1,000	1,000	5,000	1,000	1,000	1,000	1,000	1,000	10,000
Other Property Works	800	200				1,000						1,000
Carbon Reduction to Maidstone B.C. Estate	5,542	2,616	2,493	1,641	1,075	13,367	300	300	300	300	300	14,867
Parkwood Property Investment to meet EPC targets	785	440				1,225						1,225
Feasibility Studies	50	50	50	50	50	250	50	50	50	50	50	500
Digital Projects	30	30	30	30	30	150	30	30	30	30	30	300
Software / PC Replacement	200	200	200	200	200	1,000	200	200	200	200	200	2,000
Maidstone House Works	400	100	100	100	100	800						800
Leeds Langleys					1,000	1,000						1,000
Fleet Vehicle Replacement Programme	478	470	200	300	300	1,748	300	300	300	300	300	3,248
Total	15,116	8,511	6,931	6,178	6,530	43,267	4,655	4,655	4,655	4,655	4,655	66,542
Planning, Infrastructure & Economic Development												
Public Realm & Greening relating to the Town Centre	1,000					1,000						1,000
Medway Street Car Park	195					195						195
Total	1,195					1,195						1,195
TOTAL	95,661	86,551	62,803	49,342	59,571	353,928	31,267	17,451	11,847	10,386	8,936	433,814

Table 2: Capital Financing

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/24	Total 24/25 to 33/34
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
External sources	1,605	5,421	2,979	13,486	21,356	9,963	1,200	1,200	13,900	1,200	1,200	71,905
Own resources - incl Internal borrowing/MRP	2,649	4,553	6,568	8,477	9,611	9,993	10,523	12,462	13,412	13,482	13,754	102,836
External Borrowing	37,670	85,687	77,004	40,840	18,376	39,615	19,544	3,789	-15,466	-4,297	-6,018	259,074
TOTAL	41,924	95,661	86,551	62,803	49,342	59,571	31,267	17,451	11,847	10,386	8,936	433,814

- 4.2. Debt is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue, which is known as minimum revenue provision (MRP). Alternatively, proceeds from selling capital assets (known as capital receipts) may be used to replace debt finance. Planned MRP is set out below; no assumptions have been made here about capital receipts.

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Table 3: Replacement of debt finance

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
MRP	1,399	3,108	5,318	7,227	8,361	8,743	9,273	11,212	12,162	12,232	12,504	91,540
Capital receipts	0	0	1,200	0	0	0	0	0	0	0	0	1,200
TOTAL	1,399	3,108	6,518	7,227	8,361	8,743	9,273	11,212	12,162	12,232	12,504	92,740

- 4.3. The Council's full minimum revenue provision statement is included within the Treasury Management Strategy.
- 4.4. The cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and capital receipts used to replace debt. The CFR is expected to increase by £258m over the next 10 years. Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows:

Table 4: Prudential Indicator: Estimates of Capital Financing Requirement

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Brought forward	72,841	110,511	196,002	273,006	313,846	332,222	371,837	391,381	395,170	379,704	375,407
Capital Expenditure	41,924	95,661	86,551	62,803	49,342	59,571	31,267	17,451	11,847	10,386	8,936
External funding	-1,605	-5,421	-2,979	-13,486	-21,356	-9,963	-1,200	-1,200	-13,900	-1,200	-1,200
Own resources	-1,250	-1,250	-1,640	-1,250	-1,250	-1,250	-1,250	-1,250	-1,250	-1,250	-1,250
MRP	-1,399	-3,108	-5,318	-7,227	-8,361	-8,743	-9,273	-11,212	-12,162	-12,232	-12,504
TOTAL CFR	110,511	196,392	272,616	313,846	332,222	371,837	391,381	395,170	379,704	375,407	369,390

Borrowing Strategy

4.5. The Council's main objectives when borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in future. Due to increasing interest rates, the Council secured £80m of long term borrowing through Aviva Life & Pensions UK Limited to fund the increasing capital programme at a cost of 2.89%. The first tranche totalling £40m is due to be received in February 2024, with the remainder on the following dates:

- February 2025 £20m
- February 2026 £20m

4.6. Projected levels of the Council's total outstanding debt (which comprises borrowing and other long-term liabilities) are shown below, compared with the capital financing requirement

Table 5: Prudential Indicator: Gross Debt and the Capital Financing Requirement

	31.03.24 budget £000	31.03.25 budget £000	31.03.26 budget £000	31.03.27 budget £000	31.03.28 budget £000	31.03.29 budget £000	31.03.30 budget £000	31.03.31 budget £000	31.03.32 budget £000	31.03.33 budget £000	31.03.34 budget £000
Debt (excl.PFI & leases)	37,670	123,356	200,360	241,200	259,576	299,191	318,735	322,524	307,058	302,761	296,743
Capital Financing Requirement	110,511	196,392	272,616	313,846	332,222	371,837	391,381	395,170	379,704	375,407	369,390

Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from table 5, the Council expects to comply with this.

- 4.7. The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

Table 6: Prudential Indicators: Authorised limit and operational boundary

Authorised Limit

	31.03.24 budget £m	31.03.25 budget £m	31.03.26 budget £m	31.03.27 budget £m	31.03.28 budget £m	31.03.29 budget £m	31.03.30 budget £m	31.03.31 budget £m	31.03.32 budget £m	31.03.33 budget £m	31.03.34 budget £m
Borrowing	60.000	150.687	232.690	278.530	301.906	346.521	371.065	379.854	369.388	370.092	369.074
Other Long Term Liabilities	0.905	0.309	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total	60.905	150.996	232.69	278.53	301.906	346.521	371.065	379.854	369.388	370.092	369.074

Operational Boundary

	31.03.24 budget £m	31.03.25 budget £m	31.03.26 budget £m	31.03.27 budget £m	31.03.28 budget £m	31.03.29 budget £m	31.03.30 budget £m	31.03.31 budget £m	31.03.32 budget £m	31.03.33 budget £m	31.03.34 budget £m
Borrowing	50.000	140.687	222.690	268.530	291.906	336.521	361.065	369.854	359.388	360.092	359.074
Other Long Term Liabilities	0.905	0.309	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total	50.905	140.996	222.69	268.53	291.906	336.521	361.065	369.854	359.388	360.092	359.074

- 4.8. Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.
- 4.9. The Council's policy on treasury investments is to prioritise security and liquidity over yield, that is to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the short term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both short-term and longer term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy and the Council may request its money back at short notice.

Table 7: Treasury management investments

	31.03.24 budget £000	31.03.25 budget £000	31.03.26 budget £000	31.03.27 budget £000	31.03.28 budget £000	31.03.29 budget £000	31.03.30 budget £000	31.03.31 budget £000	31.03.32 budget £000	31.03.33 budget £000
Short-term investments	25,000	25,000	20,000	10,000	4,000	4,000	4,000	4,000	4,000	4,000
Longer-term investments	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Total	25,000	30,000	25,000	15,000	9,000	9,000	9,000	9,000	9,000	9,000

- 4.10. In years 2023/24 to 2025/26, it is envisaged short term balances will be high due to the forward loans with Aviva Life & Pensions UK Ltd which will be received in February of each financial year. This is expected to be short term as the funds will be utilised within the capital programme.
- 4.11. Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Director of Finance, Resources and Business Improvement and staff, who must act in line with the treasury management strategy approved by council. Quarterly reports on treasury management activity are included within the budget monitoring reports which are presented to the Council's Corporate Services Policy Advisory Committee with the half yearly and annual reviews which are scrutinised by Audit, Governance and Standards Committee then recommending to Full council. The Audit, Governance and Standards Committee is responsible for scrutinising treasury management decisions.
- 4.12. Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants. Full budget provision is made for capital financing costs within the Council's revenue budgets. This is based on estimates derived from the capital programme, and projected 50 year borrowing costs.

Table 8: Prudential Indicator: Proportion of financing costs to net revenue stream

	2023/24 budget	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget	2028/29 budget
Financing costs (£m)	-0.550	5.510	9.171	10.304	10.676	11.469
Proportion of net revenue stream (%)	-9.026	21.350	34.586	37.819	38.139	40.969

- 4.13. Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend beyond 5 years into the future. The Director of Finance, Resources and Business Improvement is satisfied that the proposed capital programme is prudent, affordable and sustainable.
- 4.14. The Authority is required to estimate and measure the Liability Benchmark which

Other Long Term-Liabilities

- 4.15. This section deals with other long term liabilities to which the Council has committed itself in order to secure capital investment. The Council has no Private Finance Initiative Schemes, but the following scheme is a similar contract as it is defined as a service concession arrangement.
- 4.16. The Council entered into an agreement during 2009/10 with Serco, the managing contractor of Maidstone Leisure Centre, to undertake a major

refurbishment of the centre. Under the terms of the agreement Serco have initially funded the cost of the works through a loan, and the Council are then repaying this loan over a 15 year term, by equal monthly instalments which is due to be finished in 2025/26. The principal element of this loan is reflected on the Council's Balance Sheet and will be written down annually by the amount of principal repaid. Interest paid on the loan is charged to revenue.

5. Investment Strategy

Service Investments: Loans

- 5.1. The Council can make investments to assist local public services, including making loans to local service providers, local small businesses to promote economic growth, Charities and the Council's subsidiaries that provide services. In light of the public service objective, the Council is willing to take more risk than with treasury investments, however it still plans for such investments to provide value for money to the tax payer.
- 5.2. The Council has made loans to Kent Savers for £25,000 in 2017/18 which is repayable in 2027/28 at an interest rate of 1%. A loan to Cobtree Manor Estates Trust towards the construction of the new car park which had been agreed in 2019/20 for an amount of £323,000 repayment over 5 years at an annual interest rate of 3%. Current balance owing is £139,293. There has been no agreement to enter into further service loans in the immediate future.
- 5.3. The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. Accounting standards require the Authority to set aside loss allowance for loans, reflecting the likelihood of non-payment. As these loans are very small materially, no loss allowance is required to be accounted for.
- 5.4. The Authority assesses the risk of loss before entering into a loan agreement assessing the borrower's ability to repay the loan, based on past financial performance. This is monitored over the period of the loan in line with the agreed repayment terms.

Commercial Investments: Property

- 5.5. The Council does not currently have any investments in property that are considered to be purely commercial in nature, i.e. primarily for yield. Acquisitions are limited to properties situated within the borough, with the intention of supporting the local community, housing and regeneration objectives rather than for the exclusive purpose of generating profits. All property investments are therefore classified as general fund capital projects.
- 5.6. The Director of Finance, Resources and Business Improvements confirms the authority has complied with paragraphs 51 to 53 of the Prudential Code in relation to investments for commercial purposes, in particular the requirement that an authority must not borrow to invest for the primary purpose of financial return.

6. KNOWLEDGE AND SKILLS

- 6.1. The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. The Director of Finance and Business Improvement is a qualified accountant with over 16 years' experience in local government, the Corporate Property Manager and the team are experienced in Property Management and the Council pays for junior staff to study towards relevant professional qualifications including CIPFA, ACT (treasury), and ACCA.
- 6.2. The Council also employs Link Asset Services for Treasury Management advice, who support with the provision of training to members.
- 6.3. Decisions on service investments are made by the relevant service manager in consultation with the Director of Finance, Resources and Business Improvement and relevant committee (where appropriate) and must meet the criteria and limits laid down in the investment strategy. Most loans are capital expenditure and purchases will therefore also be approved as part of the capital programme.
- 6.4. Staff are kept updated on latest developments on Treasury, Non-Treasury and Capital through email bulletins and training courses through the Council's advisors Link Asset Services. The Council is also part of the Kent Treasury Benchmarking Group which meet to discuss ongoing issues every 6 months.
- 6.5. Training is offered to all Members on Treasury, Non-Treasury and Capital to prior to decision making on the relevant Strategies. Training is arranged at least every year, maybe earlier for new Members.

7. RISK MANAGEMENT

- 7.1. The capital programme forms an increasingly important part of the Council's strategy for delivering its overall priorities. Accordingly, it is of fundamental importance that the associated risks are managed actively. The Council has a comprehensive risk management framework, through which risk in relation to capital investment is managed at all levels.

Corporate

- 7.2. Corporate risks are identified and reported on a quarterly basis to the Corporate Leadership Team and Policy and Resources Committee. Risks are owned by named Directors and controls developed to mitigate risk. Risks at this level may be generic, relating to a number of capital projects, although it is possible that a single capital project could pose a corporate risk.

Financial

- 7.3. A Budget risk register seeks to capture all known budget risks and to present them in a readily comprehensible way. The budget risk register is

updated regularly and is reviewed by the Audit, Governance and Standards Committee at each meeting.

- 7.4. Typically, risks in this area would relate to funding of the capital programme and over/underspending on individual capital projects.
- 7.5. For all risks shown on the Budget Risk Register, appropriate controls have been identified and their effectiveness is monitored on a regular basis.

Service

- 7.6. Individual service areas maintain risk registers, with identified risk owners and details of controls to mitigate risk.

Project

- 7.7. The Council's project management framework requires managers to maintain risk registers at a project level.

Medium Term Financial Strategy 2024/25
Estimate of General Fund Balances and Earmarked Reserves to 31 March 2025

	Unallocated General Fund	Earmarked Reserves	Grand Total
	£000	£000	£000
Balance as at 31st March 2023	14,832	19,497	34,329
Movement in balances during 2023/24	1,325	1,035	2,361
Estimated Balance as at 31 March 2024	16,157	20,533	36,690
Expected movement during 2024/25	0	1,155	1,155
Estimated Balance as at 31 March 2025	16,157	21,688	37,845

	Balance 1st April 2023	Estimated movement in	Estimated movement out	Estimated Balance as at 31st March 2024	Estimated movement in	Estimated movement out	Estimated Balance as at 31st March 2025
	£000	£000	£000	£000	£000	£000	£000
General Fund							
Unallocated Balance	14,832	1,325	(300)	16,157			16,157
Subtotal	14,832	1,325	(300)	16,157	0	0	16,157
Earmarked Reserves							
Spatial Planning reserve	558	0	(558)	0	0	0	0
Neighbourhood Planning	77	0	(20)	57	0	0	57
Planning Appeals	229	0	0	229	0	0	229
Civil Parking Enforcement	370	0	(40)	330	0	(275)	55
Future Capital Expenditure	2,455	0	0	2,455	0	(2,455)	(0)
Future Funding Pressures	2,481	500	0	2,981	0	0	2,981
Homelessness Prevention & Temporary Accommodation	1,124	0	(135)	989	0	(150)	839
Business Rates Earmarked Balances	4,305	0	(451)	3,854	0	(150)	3,704
Funding for Future Collection Fund Deficits	2,504	0	(1,916)	588	0	(388)	200
Commercial Risk	500	0	0	500	0	0	500
Invest to Save	500	0	0	500	0	0	500
Recovery and Renewal Reserve	575	0	(350)	225	0	(50)	175
Renewable Energy	188	50	0	238	0	0	238
Enterprise Zone	0	120	(120)	0	0	0	0
Major Works (MH) Sinking Fund	213	200	0	413	0	0	413
Housing Investment Fund	3,216	3,956	0	7,172	4,623	0	11,795
Resources carried forward from 2022/23 to 2023/24	200	0	(200)	0	0	0	0
Subtotal	19,497	4,826	(3,791)	20,533	4,623	(3,468)	21,688
Total General Fund and Earmarked Reserves	34,329	6,151	(4,091)	36,690	4,623	(3,468)	37,845

MAIDSTONE BOROUGH COUNCIL

MEDIUM TERM FINANCIAL STRATEGY 2024/25 – 2028/29



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1. OVERVIEW AND SUMMARY OF MEDIUM TERM FINANCIAL STRATEGY

- 1.1 The Medium Term Financial Strategy (MTFS) sets out in financial terms how the Council will deliver its Strategic Plan over the next five years. The Council's Strategic Plan, agreed in December 2018, covers the period 2019 to 2045. The Strategic Plan incorporates four key objectives: embracing growth and enabling infrastructure; homes and communities; a thriving place; and safe, clean and green. Further details are set out in **Section 2**.
- 1.2 Delivering the Strategic Plan depends on the Council's financial capacity and capability. Accordingly, the MTFS considers the economic environment and the Council's own current financial position. The external environment (**Section 3**) is challenging because of high inflation and the state of the UK's public finances. In assessing the Council's current financial position (**Section 4**), attention is paid to its track record of budget management, current financial performance and the level of reserves that it holds.
- 1.3 It is imperative that the MTFS both ensures Maidstone Council's continuing financial resilience and is sufficiently flexible to accommodate a range of potential scenarios. The Council has prepared financial projections under different scenarios, continuing a practice that has been followed for several years. Most key variables in local authority funding are determined by central government, such as the Council Tax referendum limit and the share of business rates that is retained locally. Details of the Local Government Finance Settlement for 2024/25 have now been provided and this along with a consideration of the funding likely to be available in the future is set out in **Section 5**.
- 1.4 Planning assumptions for the different scenarios are set out in **Section 6**. A key assumption is the level of Council Tax, as this is the council's principal source of income. Increases in Council Tax are subject to a referendum limit, which have now been confirmed as part of the local government finance settlement 2024/25 as 3% for the coming year. This is significantly less than the current rate of inflation, which means that there will be a budget gap, all other factors being equal. The position for future years is even more challenging, given that the expected reset of local government funding is unlikely to be favourable for Maidstone.
- 1.5 Fees and charges in aggregate make an equally important contribution to the Council's resources. Given the rise in the Council's input costs, it is important that these rise in line with inflation. For the purpose of the 2024/25 budget was assumed to be 5%.
- 1.6 The MTFS sets out financial projections based on these assumptions in **Section 7**. These are based on scenario 4, which assumes that inflation will remain elevated and central government continues to give the council limited funding flexibility. The table below shows projections for scenario 4, before taking account of the budget changes that were considered by PACs, Overview and Scrutiny Committee and Cabinet in September 2023.

Table 1: MTFS Revenue Projections 2024/25 – 2028/29

	24/25	24/25	25/26	26/27	28/29
	£m	£m	£m	£m	£m
Total Resources	53.7	54.7	56.4	58.5	60.2
Predicted Expenditure	55.3	59.2	61.0	61.9	62.7
Budget Gap	1.6	4.5	4.6	3.4	2.5
Existing Planned Savings	0.7	0.0	0.2	0.1	0.1
Savings Required	0.9	4.5	4.4	3.3	2.4

In accordance with legislative requirements the Council must set a balanced budget. Section 7 concludes by setting out a proposed approach which will specifically address the budget gap in 2024/25. The position in future years is much more challenging and will require a more radical approach.

- 1.7 The Council's strategic priorities are met not only through day-to-day revenue spending but also through capital investment. The Council's programme of building 1,000 Affordable Homes is the centre-piece of the Capital Strategy. Capital investment therefore serves to deliver the Council's strategic priorities, but must remain affordable and sustainable. As set out in **Section 8** below, funds have been set aside for capital investment, using prudential borrowing, and further funding may be available by taking advantage of opportunities to bid for external funding.
- 1.8 The MTFS concludes by describing the process of agreeing a budget for 2024/25, including consultation with all relevant stakeholders, in **Section 9**.

2. CORPORATE OBJECTIVES AND KEY PRIORITIES

2.1 The Council has a Strategic Plan which was originally adopted by Council in December 2018. The Strategic Plan has been refreshed in light of the Covid-19 pandemic. Each year the Strategic Plan is refreshed as appropriate. For 2023/24, the Strategic Plan was updated to reflect the Council's ambition in regard to Biodiversity and Climate Change, the emerging Town Centre Strategy, community resilience, and delivering 1,000 Affordable Homes.

2.2 Cabinet agreed at its meeting on 26 July 2023 that no further review of the Strategic Plan would be required for 2024/25. The four key objectives remain as follows:

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

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

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

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

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

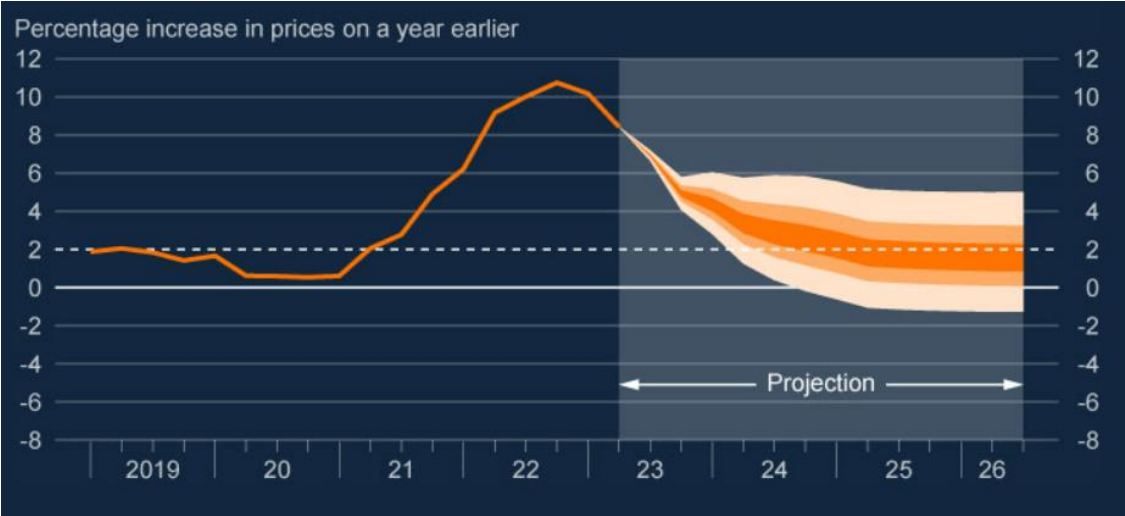
- 2.3 Since the adoption of the Strategic Plan in December 2018, the objective of 'Embracing growth and enabling infrastructure' has started to be realised, for example the completion of the Innovation Centre and development a new Garden Community.
- 2.4 Amongst initiatives to help make Maidstone a 'Thriving Place' have been MBC investment at Lockmeadow and on the Parkwood Industrial Estate, along with the emerging plans for developing a Town Centre Strategy. We will continue to leverage the Council's borrowing power, if appropriate in conjunction with partners, to realise our ambitions for the borough.
- 2.5 Our 'Homes and Communities' aspirations are being achieved by investment in temporary accommodation and the Trinity Centre and the Leader's commitment to build 1,000 new affordable homes.
- 2.6 The objective of a 'Safe, Clean and Green' place has been emphasised by the Council's commitment to a carbon reduction target and the capital investment to help enable this to be delivered and timely preparation for new waste management arrangements.
- 2.7 Within the framework of the existing Strategic Plan, the Council is therefore prioritising:
- development of the Local Plan and related strategies and policies, in particular the Town Centre Strategy
 - continued investment to make Maidstone a thriving place
 - investment in 1,000 new affordable homes
 - measures to enable the Council's carbon reduction target to be met.
- 2.8 The funding envelope within which these priorities must be delivered depends heavily on the Council's own revenue-generating capacity. The Council is largely self-sufficient financially, drawing most of its income from Council Tax and a range of other locally generated sources of income, including Parking, Planning Fees and the Council's property portfolio. However, it operates within the local authority funding framework set by central government, which is likely to impose tight constraints, and is affected by macro-economic conditions, in particular the rate of inflation. The two key variables in financial planning are therefore the restriction set by central government on the amount by which Council Tax can be increased and the rate of inflation. The financial implications are set out in section 6 below.

3. ECONOMIC ENVIRONMENT

Macro outlook

3.1 The UK economy has been battered by a series of shocks over the past three years. The Covid pandemic was followed by Russia’s invasion of Ukraine, which led to big increases in energy and food prices. The number of people available to work has not recovered from the Covid pandemic and productivity growth is low. This has led to high inflation, which is only just beginning to fall.

Figure 1: CPI inflation projection based on market interest rate expectations



Source: Bank of England Monetary Policy Committee report, August 2023

3.2 Whilst inflation is projected to fall to 2% by early 2025, Bank of England forecasts have proved consistently over-optimistic and there is a high risk that inflation levels will remain elevated.

Public Finances

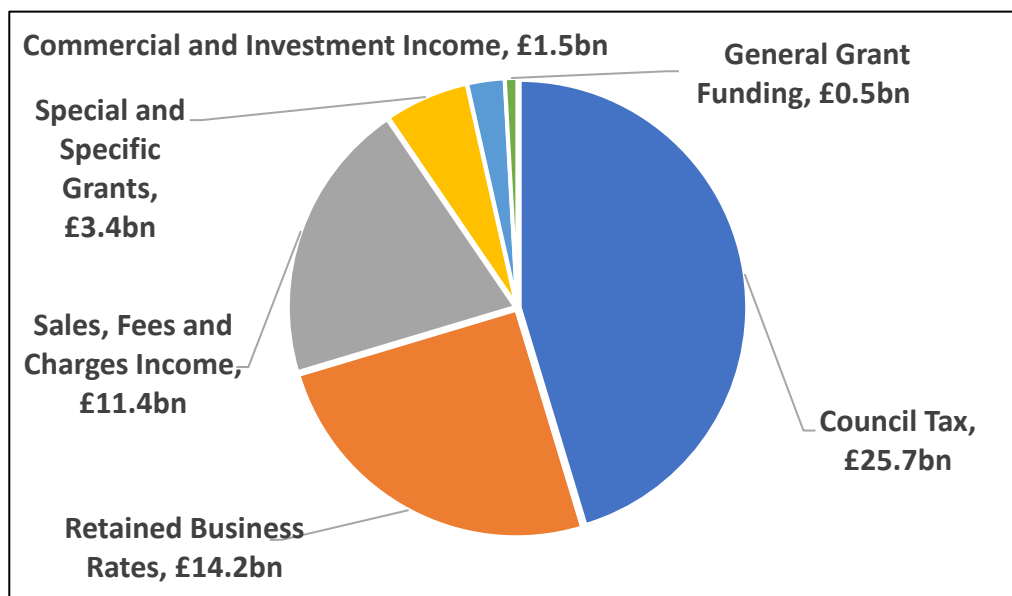
3.3 Slow growth and higher interest rates have negatively impacted the public finances. To address this, HM Treasury envisages a programme of fiscal consolidation over the next few years, with taxes set to rise to nearly 38% of GDP and increases in public service spending limited to 1% a year in real terms. This means that whoever is in government after the forthcoming general election will face very tough choices on tax and spending.

3.4 The overall public expenditure context is relevant for the council, because the local authority funding framework set by government is a crucial determinant of the Council’s financial position. This is primarily because central government restricts the amount by which Council Tax can be increased through the referendum limit and it determines the share of business rates that can be retained locally.

Local Government Funding

3.5 The main sources of local government funding nationally are set out below.

Figure 2: How Council Services are funded



Source: IFS, 'Does Funding Follow Need?', October 2022

3.6 In recent years, the reduction in direct central government funding for local government has been mitigated by increases in locally generated sources of income, with Council Tax rising by more than the overall rate of inflation. Upper tier authorities in particular have been able to raise additional tax through a social care precept. This has led the government's preferred measure of council spending, 'Council spending power', to increase, even though it may not reflect the actual resources available. However, funding has failed to keep up with the increased demands on council services, particularly for social care and housing.

3.7 The other main element of local government funding, beside Council Tax, is Business Rates. The 2010-15 Coalition Government transferred a notional 50% of locally-collected Business Rates income back to local government, but the requirement to adjust the amount of business rates retained between authorities, based on respective service needs, means that authorities with an active commercial sector and low perceived levels of need, like Maidstone, retain a low proportion of business rates (just 10% in Maidstone's case). It was originally intended to increase the 50% share of business rates retained locally to 75%, but this is no longer government policy.

3.8 The gradual squeeze on council funding means that an increasing number of councils are unable to set balanced budgets. This is formally signalled by the issue of a section 114 report. The councils that are most vulnerable tend to be those facing social care cost pressures, ie upper tier or single tier authorities, so it is likely that any additional support for local government in 2024/25 will be focused on them.

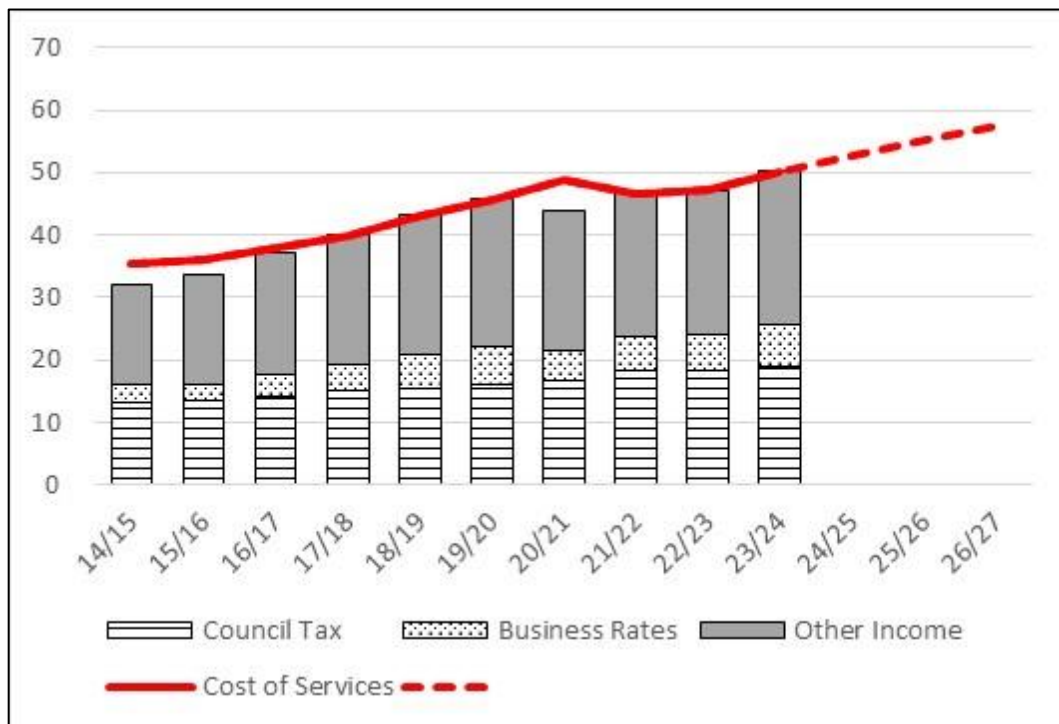
Conclusion

- 3.9 The UK economy faces low growth prospects and continued high inflation. This limits the scope for any increase in public expenditure. To the extent that the funding framework for local government will be flexed to alleviate financial pressures caused by expenditure growth, this is likely to benefit upper tier or single tier authorities, not lower tier authorities like Maidstone.

4. CURRENT FINANCIAL POSITION

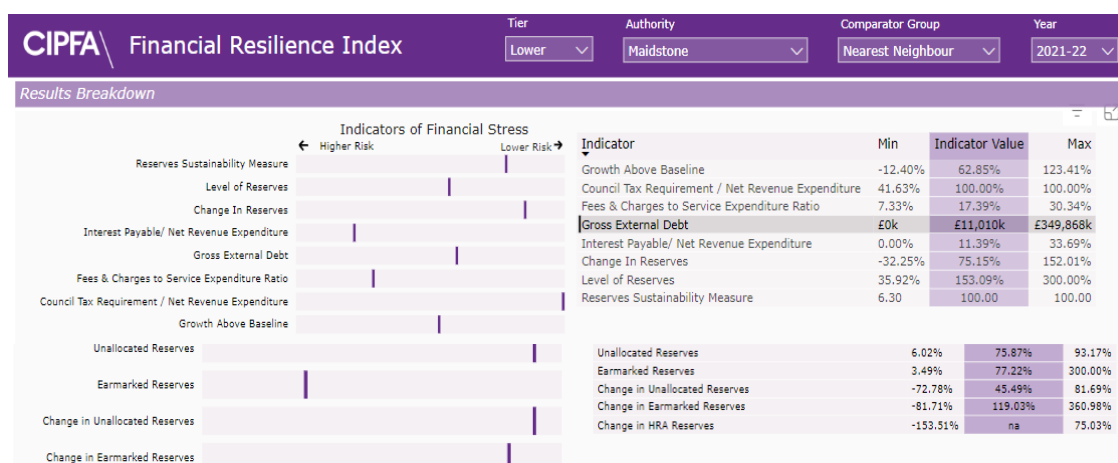
- 4.1 As a lower tier authority, Maidstone Borough Council is not subject to the extreme pressures currently faced by upper tier authorities arising in particular with respect to adults' and children's social care.
- 4.2 The Council is broadly self-sufficient financially. It ceased receiving direct government support in the form of Revenue Support Grant (RSG) in 2016/17 and relies mainly on Council Tax and a range of other locally generated sources of income, including parking, planning fees and the property portfolio, to fund ongoing revenue expenditure. During the pandemic, income fell and expenditure increased, but the consequent budget gap, being the difference between cost of services and aggregate income, was covered with direct government funding. This is illustrated in the graph below.

Figure 3: Sources of Council funding



- 4.3 The Council's financial resilience can be assessed using CIPFA's Resilience Index. The screen shot below shows Maidstone's scores for 2021/22 (the most up to date data).

Figure 4 – CIPFA Resilience Index for the Council in 2021/22



Source: <https://www.cipfa.org/services/financial-resilience-index/resilience-index>

4.4 There are a number of measures captured by the Resilience Index that contribute to financial resilience, according to CIPFA, based on the Revenue Outturn data submitted to central government for 2021/22.

Reserves:

- sustainability of reserves
- level of reserves
- change in reserves
- level of unallocated reserves
- level of earmarked reserves
- change in unallocated reserves
- change in earmarked reserves.

Indebtedness:

- interest payable / net revenue expenditure
- gross external debt.

Financial profile:

- fees and charges as a % of service expenditure
- council tax requirement as % of net revenue expenditure
- growth above the government's business rates baseline.

4.5 CIPFA also considers that financial resilience depends on the quality of management, as evidenced by:

- quality of financial management, including use of performance information
- effective planning and implementation of capital investment
- ability to deliver budget savings if necessary
- risk management.

An assessment is set out below of how the Council performs on these measures.

Reserves

- 4.6 Indicators of financial stress relating to reserves for Maidstone are generally towards the 'lower risk' end of the spectrum, as compared with our peers. As at 31 March 2023 the Council had unallocated General Fund reserves of £14 million. This corresponds to three months of service expenditure, thus providing an adequate but not excessive level of 'cushion' against unforeseen events.
- 4.7 It should be noted that 'earmarked reserves' are shown as being towards the higher end of the risk spectrum, meaning that the Council holds lower earmarked reserves than many of its peers. Given that such reserves are, by definition, 'earmarked', it is not necessarily the case that high levels of earmarked reserves should be regarded as reducing risk. Drawing on such reserves could mean diverting them from the projects for which they were intended. A high level of earmarked reserves could also indicate a failure in project delivery.
- 4.8 It is nevertheless the case that the council needs to build up its Housing Investment Fund, which comes within the category of earmarked reserves. This is because the affordable housing programme requires a revenue subsidy, which needs to be in place before properties are transferred to a Housing Revenue Account (see paragraph 8.7 below).
- 4.9 Reserves are shown below within the context of the council's overall financial position, as represented by its most recent balance sheet (previous year shown for comparative purposes).

Table 2: Maidstone Borough Council balance sheet (unaudited)

31st March 2022 £000		31st March 2023 £000
194,798	Long Term Assets	204,587
53,195	Current Assets	25,345
76,495	Current Liabilities	51,942
90,382	Long Term Liabilities	15,606
81,115	Net Assets	162,384
12,517	Unallocated General Fund Balance	14,402
21,358	Earmarked General Fund Balance	19,322
1,459	Capital Reserves	1,540
45,781	Unusable Reserves	127,120
81,115	Total Reserves	162,384

4.10 The main changes between the two balance sheet dates and the principal reasons are as follows:

- *Increase in long term assets:* A number of additional properties were purchased during 2022/23.
- *Decrease in current assets:* These have reduced as the short-term liquid investments held at the start of the year have been used to fund the capital programme and make Support for Energy payments to eligible households along with some other Covid-19 related payments.
- *Decrease in current liabilities:* The decrease in liabilities is mainly owing to the deployment of government grants, previously held as liquid investments pending use for the purposes described above.
- *Decrease in long term liabilities:* There has been a significant reduction in the pensions liability. This has come about due to a change in the discount rate used, which is linked to short-term interest rates, which rose between March 2022 and March 2023.
- *Increase in unusable reserves:* This arises because the pension asset / liability in the balance sheet is treated as unusable. As the liability has fallen (see above) so the level of reserves increases.

4.11 The unallocated general fund balance within usable reserves represents the Council's core reserves. It is an essential part of the Council's strategic financial planning, as this amount represents the funds available to address unforeseen financial pressures.

4.12 For local authorities there is no statutory minimum level of unallocated reserves. It is for each Council to take a view on the required level having regard to matters relevant to its local circumstances. CIPFA guidance issued in 2014 states that to assess the adequacy of unallocated general reserves the Chief Financial Officer should take account of the strategic, operational and financial risks facing their authority. The assessment of risks should include external risks, such as natural disasters, as well as internal risks such as the achievement of savings.

4.13 Maidstone Council historically set £2 million as a minimum level for unallocated reserves. In the light of the heightened risk environment facing the Council, it was agreed from 2021/22 that this minimum should be increased to £4 million. In practice, the level of unallocated reserves held is higher, at £14 million, thus providing a reasonable, but not excessive, level of additional assurance.

Indebtedness

4.14 The Council has a relatively low level of external debt. As at 31 March 2023 this amounted to £10 million (included within liabilities in Table 2). Although the Council has expanded its property portfolio in recent years, this has largely been funded from internal sources.

- 4.15 The CIPFA Resilience Index shows interest payable compared with net revenue expenditure as being towards the higher risk end of the spectrum. However, this is somewhat misleading, because the figure used for interest payable comprises just £100,000 payable on external debt and £1.8 million representing a notional interest charge on pension liabilities.

Financial profile

- 4.16 Three of the metrics used by CIPFA indicate the authority's underlying financial profile. These largely reflect the strengths and weaknesses of the local economy and are usually of very long historical standing.

Fees and charges as a % of service expenditure measures the extent to which an authority can cover service expenditure through fees and charges. It is beneficial, for example, if an authority can generate substantial parking income. Maidstone tends towards 'higher risk' on this measure, possibly indicating that it is not exploiting such sources of income as effectively as it could do.

Council tax requirement as % of net revenue expenditure measures the extent to which Council Tax income covers revenue expenditure. Maidstone is very low risk on this basis, as it can cover revenue expenditure fully through council tax income, without being dependent on external income or government funding.

Growth above baseline measures the rate of business rates growth as compared to the government's baseline. An area with a strong local economy would perform well on this metric. Maidstone is in the middle of the risk spectrum.

Financial management

- 4.17 The Council has a strong track record of managing finances within the agreed budgets. The revenue out-turn for 2022/23 is set out below, showing that the Council ended the year spending just £212,000 (1%) less than the agreed budget for the year.

Table 3: 2022/23 Revenue Out-turn

Service	Budget £000	Actual £000	Variance £000
Economic Development	620	720	-100
Planning	2,112	2,444	-332
Parking	-1,410	-1,865	455
Corporate Services	10,894	10,270	624
Housing & Health	2,726	3,711	-985
Environmental Services	6,874	6,364	510
Communities, Leisure & Arts	1,414	1,375	39
Total	23,231	23,019	212

- 4.18 Financial management at Maidstone Borough Council contains a number of elements. Officers and members are fully engaged in the annual budget setting process, which means that there is a clear understanding of financial plans and the resulting detailed budgets
- 4.19 Detailed financial reports are prepared and used on a monthly basis by managers, and on a quarterly basis by elected members, to monitor performance against the budget. Reports to members are clear, reliable and timely, enabling a clear focus on any areas of variance from the plan.
- 4.20 Financial reports are complemented by performance indicators, which are reported both at the service level to the wider leadership team, and at a corporate level to members. Member reports on performance indicators are aligned with the financial reports, so that members see a comprehensive picture of how services are performing.
- 4.21 Financial management and reporting is constantly reviewed to ensure that it is fit for purpose and meets the organisation's requirements. Quarterly financial reports to members have been redesigned over the last two years to make them more user-friendly.
- 4.22 Where variances arise, prompt action is taken to address them. Action plans are put in place at an early stage if it appears that there is likely to be a budget overspend.
- 4.23 The authority consistently receives clean external and internal audit opinions.

Capital investment

- 4.24 The Council has a capital programme amounting to around £200 million over the next five years. The main element within the programme is the housing programme. Site acquisitions to date provide the capacity to deliver around 500 units. These will comprise a mix of tenures but a significant element will contribute to the overall target of delivering 1,000 affordable homes over the next ten years.
- 4.25 All schemes within the capital programme are subject to appropriate option appraisal. Any appraisal must comply with the requirements of the Prudential Code, which requires that capital investment should be funded in a way that is prudent, affordable and sustainable. Accordingly, an investment appraisal is undertaken prior to any site acquisitions for the housing programme.
- 4.26 The capital programme is largely funded through external sources, so it depends on the availability of funding, whether through Public Works Loan Board borrowing or other sources of finance. The Council has locked in £80 million of future borrowing, to be drawn down between 2024 to 2026, in order to mitigate the funding risk.
- 4.27 Member oversight is ensured, first by inclusion of schemes in the capital programme that is approved as part of the annual budget setting process. Subsequently, prior to any capital commitment being entered into, a report

setting out details of the capital scheme is considered by the relevant service committee.

- 4.28 The Council has a corporate project management framework that applies to projects included within the capital programme. This provides for designation of a project manager and sponsor and includes a mechanism for progress on major projects to be reported to a Strategic Capital Investment Board.
- 4.29 So far as the housing programme is concerned, effective delivery of the programme is assured through an experienced in-house client team, which sources appropriate external skills (architects, employers' agents, contractors) to implement individual schemes. Each scheme is monitored from a financial and operational viewpoint and financial monitoring of capital projects is incorporated within the quarterly reports to Service Committees.

Ability to deliver budget savings

- 4.30 The Council has a good track record of delivering budget savings, whilst sustaining and investing in services. Savings initiatives are planned so far as possible across the five-year period of the MTFs, rather than the focus being simply on achieving whatever savings are necessary in order to balance the budget for the coming year.
- 4.31 A common criticism of local authority financial planning is that proposed savings are often over-optimistic and are not based on realistic evidence of what is achievable. The Council aims to mitigate this risk with a robust process for developing budget savings proposals:
- New and updated savings proposals are sought on a regular annual cycle, with Service Managers typically briefed on the savings remit in August/September
 - Savings proposals are then developed over a period of around two months
 - Savings proposals have to be formally documented and signed off by the Service Head who will be responsible for delivering them.
- 4.32 Once savings have been built into the budget, their achievement is monitored as part of the regular financial management process described above.

Risk management

- 4.33 The Council's MTFs is subject to a high degree of risk and uncertainty. In order to address this in a structured way and to ensure that appropriate mitigations are developed, the Council has developed a budget risk register. This seeks to capture all known budget risks and to present them in a readily comprehensible way. The budget risk register is updated regularly and is reviewed by the Audit, Governance and Standards Committee at each meeting.

4.34 The major risk areas that have been identified as potentially threatening the Medium Term Financial Strategy are as follows, in ranking order.

- Inflation rate is higher than 2% government target
- Capital programme cannot be delivered given budgets and funding
- Constraints on council tax increases
- Failure to contain expenditure within agreed budgets
- Planned savings are not delivered
- Financial impact from major emergencies such as Covid-19
- Adverse impact from changes in local government funding
- Collection targets for Council Tax and Business Rates missed
- Financial impact from IT security failure
- Business Rates pool fails to generate sufficient growth
- Fees and Charges fail to deliver sufficient income
- Other income fails to achieve budget
- Pension liability cannot be funded
- Litigation costs exceed budgeted provisions
- Increased complexity of government regulation
- Shared services fail to meet budget
- Council holds insufficient balances

4.35 The Council has implemented JCAD risk management software, which allows individual service areas to log and monitor risks. By reviewing risks on a regular basis in this way, it is expected that any major new risks will be identified and appropriate mitigations developed.

Conclusion

4.36 When assessed against the CIPFA criteria for financial resilience, the Council can be seen to have adequate reserves in the short term and to be positioned well to manage the financial challenges it will face. The following section considers whether this position is sustainable.

5. SCENARIO PLANNING

5.1 As Maidstone’s financial position is dependent on government policy and on broader economic factors such as inflation, neither of which can be predicted with any certainty, it is appropriate to model the impact of different scenarios on the Council. Following a similar approach to that adopted when developing the current 2023/24 – 2027/28 Medium Term Financial Strategy, the following four scenarios can be sketched out.

<p>Scenario 1: Inflation falls, limited funding flexibility</p> <p>The rate of price inflation falls in line with BoE forecasts, but government maintains existing constraints on local government finances in order to reduce debt and create capacity for tax cuts.</p>
<p>Scenario 2: Inflation falls, some funding flexibility</p> <p>Inflation falls in line with BoE forecasts, and government adopts more accommodative local government finance settlements to help councils address demand pressures.</p>
<p>Scenario 3: Inflation remains elevated, some funding flexibility</p> <p>Inflation only reaches the target level of 2% at the end of the MTFS planning period. Owing to the continued high level of inflation, government relaxes constraints on local government finances to allow council services to be protected.</p>
<p>Scenario 4: Inflation remains elevated, limited funding flexibility</p> <p>Inflation only reaches the target level of 2% at the end of the MTFS planning period, but government maintains the existing level of constraints on local government finances.</p>

Scenario 4 is the most challenging of those sketched out above, as it represents a combination of continued high inflation and tight constraints on the Council’s revenue raising capacity. For planning purposes, we consider it prudent at this stage to adopt Scenario 4. However, the other scenarios will be modelled and the implications considered when developing the detailed Medium Term Financial Strategy.

5.2 The next section sets out planning assumptions under each of the above scenarios.

6. PLANNING ASSUMPTIONS

6.1 In drawing up financial projections, assumptions need to be made about what future scenarios might mean. The key dimensions are:

- (a) the Council Tax base;
- (b) the level of Council Tax;
- (c) retained Business Rates, which in turn depends on overall business rates and government policy on distributing Business Rates income;
- (d) other local income, eg fees and charges;
- (e) the cost of service delivery, which is subject to the effect of inflation on input prices.

Each of these is considered in more detail below.

Council Tax base

6.2 Council Tax is a product of the tax base and the level of tax set by Council. The tax base is a value derived from the number of chargeable residential properties within the borough and their band, which is based on valuation ranges, adjusted by all discounts and exemptions.

6.3 The tax base has increased steadily in recent years, reflecting the number of new housing developments in the borough. See table below:

Table 4: Number of Dwellings in Maidstone

	2018	2019	2020	2021	2022
Number of dwellings	70,843	71,917	73,125	75,034	76,351
% increase compared with previous year	1.74%	1.52%	1.68%	2.61%	1.76%

Note: Number of dwellings is reported each year based on the position shown on the valuation list in September.

6.4 The Council tax base is also affected by collection rates and the number of households benefitting from the Council Tax Reduction Scheme. Typically these factors do not vary significantly between years but in the event of a major downturn in the economy, collection rates could be expected to fall and more households would be eligible for the Council Tax Reduction Scheme.

6.5 Future growth assumptions for each scenario are set out below.

Council Tax base growth assumptions					
	24/25	25/26	26/27	27/28	28/29
Scenario 1 – Inflation falls, limited funding flexibility	1.5%	1.5%	2.0%	2.0%	2.0%
Scenario 2 – Inflation falls, some funding flexibility	1.5%	1.5%	2.0%	2.0%	2.0%
Scenario 3 – Inflation remains elevated, some funding flexibility	1.5%	1.0%	1.0%	1.0%	1.0%
Scenario 4 – Inflation remains elevated, limited funding flexibility	1.5%	1.0%	1.0%	1.0%	1.0%

Level of Council Tax

6.6 The level of council tax increase for 2024/25 is a decision that will be made by Council based on a recommendation made by the Cabinet. In practice, the Council’s ability to increase the level of council tax is limited by the need to hold a referendum for increases over a government set limit. In 2023/24, the limit was 3%. The Council approved the maximum possible increase. The rationale for this approach was that:

- pressures on the Council’s budget mean that even a marginal difference in Council Tax income is of value;
- the referendum limit might revert to a lower level in later years;
- because the starting point for calculating the referendum limit in any given year is the previous year’s Council Tax, agreeing a lower increase reduces the Council’s room for manoeuvre in later years.

6.7 Given that CPI inflation was 8.7% for the year to May 2023, it was not expected that the referendum limit would be reduced in 2024/25 from the 2023/24 level of 3%, and indeed this has been confirmed to be the case. However, after the General Election that is due to take place by January 2025, the government may seek to bear down on inflation by restricting the limit to 2%, being the target level of inflation¹.

6.8 Future growth assumptions for each scenario are set out below.

¹ The Leader of the Labour Party announced in March 2023 that a Labour government would freeze Council Tax in 2024/25, using the proceeds of a windfall tax on oil and gas companies. Presumably this means that central government would reimburse local authorities with an amount equivalent to that by which they would have increased tax locally.

Council Tax increase assumptions					
	24/25	25/26	26/27	27/28	28/29
Scenario 1 – Inflation falls, limited funding flexibility	3.0%	2.0%	2.0%	2.0%	2.0%
Scenario 2 – Inflation falls, some funding flexibility	3.0%	2.0%	2.0%	2.0%	2.0%
Scenario 3 – Inflation remains elevated, some funding flexibility	5.0%	3.0%	2.0%	2.0%	2.0%
Scenario 4 – Inflation remains elevated, limited funding flexibility	3.0%	2.0%	2.0%	2.0%	2.0%

- 6.9 A key MTFS assumption is that Council Tax increases are maximised within the constraints of the referendum limit.

Retained business rates

- 6.10 Under the current business rates regime, local government in aggregate retains 50% of business rates income. However, most of the 50% share collected locally is lost to Maidstone, because it is redistributed to other authorities through a system of tariffs and top-ups.

Table 5: Baseline Business Rates Income 2023/24

	£000	%
Baseline Business Rates income	62,333	100
Government share	-31,166	-50
Kent County Council / Kent Fire & Rescue Authority	-6,233	-10
Government tariff	-21,551	-35
Baseline Business Rates income retained by MBC	3,382	-5

To the extent that business rates income exceeds the baseline, this growth element is retained locally, subject to a levy payable to central government by tariff authorities like Maidstone.

- 6.11 The Council has been able to minimise the levy payable on business rates growth through its membership of the Kent Business Rates Pool. This is because the levy payable by some pool members (district councils) is offset against the top-up received by the major preceptors (Kent County Council and Kent Fire and Rescue).
- 6.12 Business rates pool income is allocated, in accordance with the Pool Memorandum of Understanding between Kent authorities, as follows.

Maidstone Borough Council – used for specific projects that form part of the Economic Development strategy. £250,000 of this amount is top-sliced in the budget for ED salaries and spatial planning.	30%
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Growth Fund – In Maidstone this is split 50:50 between MBC and Kent County Council for the regeneration of the Town Centre and is deployed at Maidstone East and Sessions House / Invicta House respectively.	30%
Kent County Council	30%
Contingency - To compensate Kent local authorities who do not benefit directly from pool membership (eg because their business rates growth is lower than the baseline)	10%

6.13 There are a number of factors affecting the future pattern of business rates income:

- Government uses the share of business rates that local authorities are allowed to retain as a mechanism for directing resources towards the areas of perceived need (hence Maidstone, as a relatively prosperous area, only retaining 5% of baseline business rates). This resource allocation has remained broadly unchanged since 2014, when the current local government funding system was introduced, but a 'fair funding review', which will update the resource allocation, has been mooted for several years. In practice it is now unlikely to be implemented before 2026/27.
- The government share of business rates and the tariff (see Table 4 above) are fixed £ amounts, based on a predetermined business rates baseline. This has benefited the Council over the past ten years, as the rate of business rates growth has been greater locally than general price inflation, and the Council has benefited from this excess growth. However, the reverse could be the case if there is a downturn in total business rates income.
- As part of any change to the funding system, the business rates baseline is expected to be adjusted. This will give a higher baseline for the Council, with the result that the accumulated business rates growth of the past ten years, which (subject to the levy) is currently retained locally, would be lost.

6.14 These factors are generally likely to have an adverse impact on business rates income. However, the government has indicated that changes such as implementation of the fair funding review and a revision of the baseline would be implemented over a period of time, dampening any immediate adverse impact.

6.15 Future growth assumptions for each scenario are set out below.

Business rates growth assumptions					
	24/25	25/26	26/27	27/28	28/29
Scenario 1 – Inflation falls, limited funding flexibility	3.0%	2.0%	-2.0%	-2.0%	-2.0%
Scenario 2 – Inflation falls, some funding flexibility	3.0%	2.0%	0.0%	0.0%	0.0%
Scenario 3 – Inflation remains elevated, some funding flexibility	5.0%	3.0%	0.0%	0.0%	0.0%
Scenario 4 – Inflation remains elevated, limited funding flexibility	5.0%	2.0%	-2.0%	-2.0%	-2.0%

Other income

- 6.16 Other income, in aggregate, is now a major contributor to the Council’s total revenue budget. The main components of other income are set out below:

Table 6: Projected Other Income 2023/24

	£ million
Fees and charges	10.5
Property rental income	7.1
Shared services trading income	3.7
Other income	2.8
TOTAL	24.1

The Council has a policy that guides officers and councillors to set the appropriate level of fees and charges based on demand, affordability and external factors. Given the current inflationary environment, it is important to target an appropriate overall increase in the amount of fees and charges to mitigate the expected increase in the Council’s input costs. The alternative would be for the Council to have to make further savings, potentially reducing the level of services that it provides to residents.

- 6.17 Note that some fees and charges are set by central government and are not necessarily increased annually. Rents may only change at the point of periodic rent reviews.
- 6.18 Future growth assumptions for each scenario are set out below. These correspond to the inflation level projected for the respective scenarios, on the basis that it is reasonable to expect income to increase in line with expenditure. A key MTFS assumption is that overall income from fees and charges increases in line with expected increases in the Council’s input costs.

Other income growth assumptions					
	24/25	25/26	26/27	27/28	28/29
Scenario 1 – Inflation falls, limited funding flexibility	3.0%	2.0%	2.0%	2.0%	2.0%
Scenario 2 – Inflation falls, some funding flexibility	3.0%	2.0%	2.0%	2.0%	2.0%
Scenario 3 – Inflation remains elevated, some funding flexibility	5.0%	5.0%	4.0%	3.0%	2.0%
Scenario 4 – Inflation remains elevated, limited funding flexibility	5.0%	5.0%	4.0%	3.0%	2.0%

Cost of services

- 6.19 The cost of services is subject to inflation. Service cost increases tend to lag behind published inflation indices, but they are likely to follow the same pattern. Salaries account for around 50% of total input costs, and market pressures are likely to mean that inflation will impact salaries in the medium term. Many other costs, in particular contract costs, are directly linked to inflation indices.
- 6.20 As described above, there is considerable doubt about whether inflation will fall as quickly as official forecasts suggest. Accordingly, the preferred scenario 4 adopts a more prudent approach than simply following the Bank of England forecast.

Cost of services growth assumptions					
	23/24	24/25	25/26	26/27	27/28
Scenario 1 – Inflation falls, limited funding flexibility	3.0%	2.0%	2.0%	2.0%	2.0%
Scenario 2 – Inflation falls, some funding flexibility	3.0%	2.0%	2.0%	2.0%	2.0%
Scenario 3 – Inflation remains elevated, some funding flexibility	5.0%	5.0%	4.0%	3.0%	2.0%
Scenario 4 – Inflation remains elevated, limited funding flexibility	5.0%	5.0%	4.0%	3.0%	2.0%

For the purposes of detailed budget planning, a more granular approach is taken to forecasting budget growth, and specific percentages are applied to the different categories within cost of services.

7. REVENUE PROJECTIONS

- 7.1 Strategic revenue projections for scenario 4 are summarised in table 7 below. In light of the many uncertainties around future funding, it is important to note that projections like these can only represent a 'best estimate' of what will happen. It is important to note that projections like these can only represent a 'best estimate' of what will happen.

Table 7: MTFS Revenue Projections 2024/25-2028/29

	24/25	25/26	26/27	27/28	28/29
	£m	£m	£m	£m	£m
Scenario 4					
Total Resources	53.7	54.7	56.4	58.5	60.2
Predicted Expenditure	55.3	59.2	61.0	61.9	62.7
Budget Gap	1.6	4.5	4.6	3.4	2.5
Existing Planned Savings	0.7	0.0	0.2	0.1	0.1
Savings Required	0.9	4.5	4.4	3.3	2.4

- 7.2 Issues contributing to the budget gap of £900,000 in 2024/25 are inflation and £700,000 of additional growth in 2023/24 which was funded from one-off resources and is now built into base budgets. In 2026/27 and future years, the potential loss of funding from a local government funding reset and the cost of borrowing for the capital programme lead to much larger budget gap figures.
- 7.3 Note that all these assumptions assume that Council Tax income is increased by the maximum possible given the referendum limit, and fees and charges are increased in line with inflation. In all cases, the budget gap would be greater if these measures were not taken. See below for illustrative figures for 2024/25.

	£000
'Do nothing' budget gap	2,023
Increase Council Tax by 3%	-573
Increase Other Income by 5%	-525
Budget gap per Strategic Revenue Projection	925 (see Table 7 above)

- 7.4 In summary, it is assumed here that Council Tax is increased by the maximum possible, which in Scenario 4 is 3%; and that in order to deliver a 5% increase in other income, fees and charges are increased appropriately. To the extent that individual categories of fees and charges are not increased by this amount, compensating additional increases would need to be found elsewhere.

Approach to balancing the budget

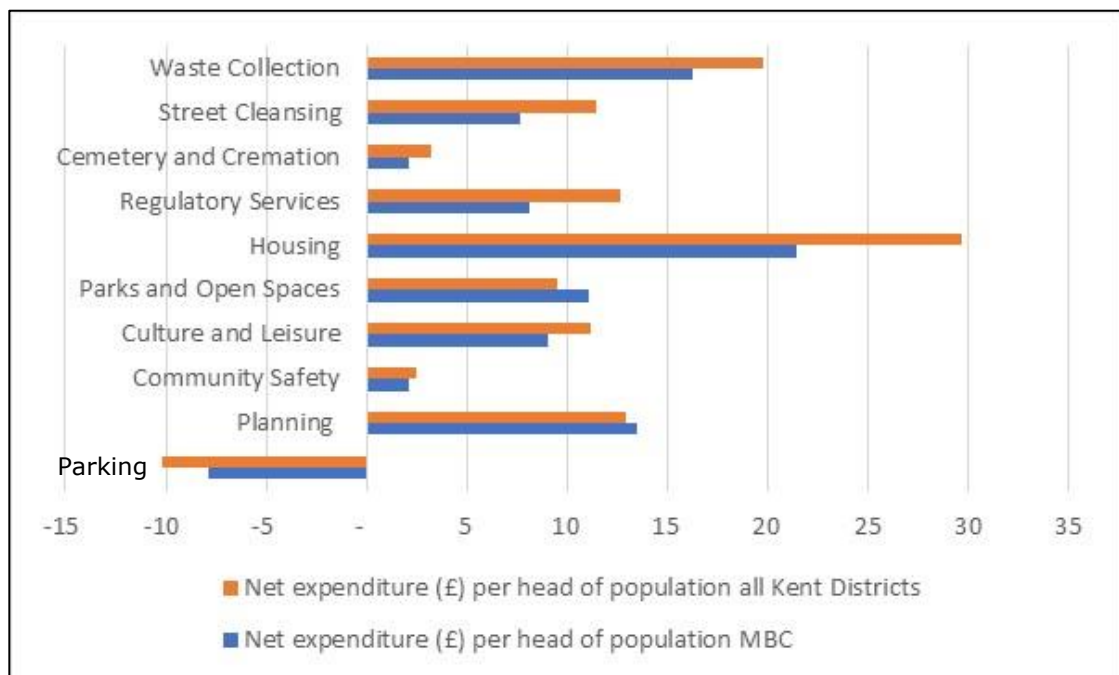
- 7.5 The immediate priority in setting a balanced budget for 2024/25 is to close the budget gap of £925,000 for next year. In line with the Council's usual practice, savings proposals have been sought from service managers.

Whilst individual proposals may not amount to significant sums, in aggregate they may contribute substantially to meeting the deficit. Budget proposals have been developed, following a similar approach and these have been reviewed by Policy Advisory Committees who have provided a recommendation for the Executive and Council which would balance the budget in 2024/25.

7.6 It can be seen from the table above that savings, or increased income on a much greater scale will be required in subsequent years. Assuming that the projections remain broadly unchanged, this will demand a much more thoroughgoing review of Council budgets, and potentially service reductions. In seeking areas where there may be potential for making savings, it is worth comparing the Council's most recent spending data with those of its peers – the other district Councils of Kent. This is not to imply that this Council is over-spending or under-spending in particular areas. Rather, it is intended to put our allocation of expenditure against the different priorities in context.

Figure 5: Expenditure per head of population

Source: Local Authority 2021/22 Revenue Outturn returns



7.7 From this it can be seen that MBC spends more than its peers on:

- Parks and Open Spaces
- Planning and Development
- Parking (ie income is lower than average).

6.7 Work will need to take place over the coming year so that savings proposals are ready for the start of the 2025/26 budget process.

8. CAPITAL STRATEGY

8.1 The capital programme plays a vital part in delivering the Council’s strategic plan, since it is only through long term investment that our ambitions for the borough, in particular the 1,000 Affordable Homes programme, can be realised. The capital programme has an impact on revenue, because of the cost of borrowing and the annual charge (Minimum Revenue Provision – MRP) that the Council is required to make to set aside sufficient money to fund the repayment of borrowing.

8.2 The profile of the current five year capital programme is as follows.

Table 8: Capital Programme 2023/24 – 2027/28

	23/24	24/25	25/26	26/27	27/28	Total
	£000	£000	£000	£000	£000	£000
Affordable Housing	6,123	20,080	22,825	25,487	22,442	96,958
Social Housing Grant	-5,790	-3,120	-1,290	-8,250	-6,060	-24,510
Private Rented Sector	3,090	6,765	6,832	9,578	6,861	33,125
Temporary Accommodation	12,000	12,000	8,000	0	0	32,000
Disabled Facilities	800	800	800	800	800	4,000
Housing – Other	675	1,325	974	543	100	3,616
Environment	6,970	880	730	580	590	9,750
Communities, Leisure & Arts	4,329	3,700	3,350	1,000	1,000	13,379
Planning & Infrastructure	206	0	0	0	0	206
Corporate Services	10,514	7,280	5,423	5,249	4,903	33,369
Total	38,917	49,710	47,644	34,986	30,636	201,893

8.3 As the level of investment increases, the revenue cost of borrowing increases. Ultimately this is offset by income, to the extent that capital schemes generate income, eg in the form of housing rents. However, there is a period during which capital schemes need to be funded before they start to generate income. We have developed a 10 year programme for 24/25 onwards to aid making these longer terms decisions.

8.4 There are a number of risks associated with the capital programme which potentially will impact the revenue account, to the extent that capital expenditure is abortive or leads to the write-down of capital investments:

- Construction price
- Contractor failure / liquidation

- Availability / cost of finance (currently the Council has arranged £80 million of funding, but the availability and cost of finance when this is exhausted is not known).
- 8.5 Finally, there is a specific requirement in relation to the Affordable Housing programme to provide the necessary subsidy for tenants. The requirement for a subsidy arises because affordable housing (ie housing to be let at a rent of no more than 80% of the Local Housing Allowance) does not achieve the normal rate of return that is required on Council investments in order to satisfy the prudential borrowing rules.
- 8.6 In order to avoid the Council facing an ongoing revenue burden from subsidising affordable housing tenants, and to avoid setting deficit budgets in the Housing Revenue Account (HRA) when it is established, it is assumed that a capital sum of around £50,000 per unit must be set aside for each unit of affordable housing. Note that there are strict rules about the HRA ringfence, above all the fact that the HRA cannot set a deficit budget. The capital sum must be set aside **before** housing units are transferred into the HRA. Otherwise, the HRA would run a deficit for every unit of housing transferred in, because of the excessive cost of funding housing stock that is transferred into it.
- 8.7 If the target of 1,000 affordable homes is to be achieved over a ten year period, the Council needs to set aside funds now to provide the necessary subsidy. An opportunity to provide this subsidy, without impacting core revenue spending, is available thanks to the government's continued deployment of one-off resources each year to local authorities in the form of New Homes Bonus and Services Grant. In 2022/23, an initial tranche of £3.2 million was earmarked from New Homes Bonus and transferred to a Housing Investment Fund. Although there is no assurance that such grants will continue to be available into the future, if the Council is to provide affordable homes as part of its capital programme, it needs to maximise the amount of one off resources, eg New Homes Bonus and Services Grant, that are transferred into the Housing Investment Fund. Note that there is a risk that New Homes Bonus will reduce in future, as housing growth falls, so any other one off resources will likely be required as well.
- 8.8 It is proposed that a key MTFs assumption is that one-off resources such as New Homes Bonus and Services Grant are earmarked for the Housing Investment Fund.

9. CONSULTATION AND NEXT STEPS

- 9.1 Each year the Council carries out consultation as part of the development of the MTFS. A budget survey has been carried out and the results of the survey have been considered as part of the update on the MTFS to Policy Advisory Committees in December 2023.
- 9.2 Consultation with members took place in September 2023 on detailed revenue budget proposals. Individual Policy Advisory Committees considered the budget proposals relating to the services within their areas of responsibility, and Overview and Scrutiny Committee and Cabinet considered the budget proposals for the Council as a whole.
- 9.3 Proposed fees and charges for 2024/25 were considered by the Policy Advisory Committees and Cabinet in December 2023; capital budget proposals were considered by the PACs, Overview and Scrutiny Committee and Cabinet in January 2024. The final budget will be presented to Council on the 21st February 2024.