

POLICY AND RESOURCES COMMITTEE MEETING

Date: Wednesday 23 June 2021
Time: 6.30 pm
Venue: Town Hall, High Street, Maidstone

Membership:

Councillors Mrs Blackmore, Brice, D Burton (Chairman), Cooke, Cox, English, Harper, Hastie, Khadka, Kimmance, Munford, Parfitt-Reid, Perry, Mrs Ring and Round

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.

<u>AGENDA</u>	<u>Page No.</u>
1. Apologies for Absence	
2. Notification of Substitute Members	
3. Election of Vice-Chairman	
4. Urgent Items	
5. Notification of Visiting Members	
6. Disclosures by Members and Officers	
7. Disclosures of Lobbying	
8. To consider whether any items should be taken in private because of the possible disclosure of exempt information.	
9. Minutes of the Meeting held on 24 March 2021	1 - 8
10. Presentation of Petitions (if any)	
11. Questions and answer session for members of the public (if any)	
12. Questions from Members to the Chairman (if any)	
13. Committee Work Programme	9 - 10
14. Reports of Outside Bodies	

Issued on Tuesday 15 June 2021

Continued Over/:



Alison Broom, Chief Executive

15. Reference from the Licensing Committee - Request to be consulted on matters of Biodiversity and Climate Change within the Licensing Committee's remit.	11
16. Biodiversity and Climate Change Action Plan Update	12 - 29
17. Recovery and Renewal Discussion Paper	30 - 52
18. Public Sector-Led Garden Community Update	53 - 58
19. 4th Quarter Finance, Performance and Risk Monitoring Report 2020-21	59 - 133
20. Reference from the Strategic Planning and Infrastructure Committee - Request for the Local Plan Review Budget to be a standing item.	134 - 135

PART II

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

Head of Schedule 12 A and Brief Description

21. Minutes (Part II) of the Meeting held on 24 March 2021	Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)	136
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INFORMATION FOR THE PUBLIC

In order to ask a question at this meeting in person or by remote means, 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 Monday 21 June 2021). 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 5 p.m. one clear working day before the meeting (i.e. by 5 p.m. on Monday 21 June 2021). You will need to tell us which agenda item you wish to speak on.

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MAIDSTONE BOROUGH COUNCIL

POLICY AND RESOURCES COMMITTEE

MINUTES OF THE MEETING HELD ON WEDNESDAY 24 MARCH 2021

Present: Councillors Brice, Clark, Cox (Chairman), English, Garten, Mrs Gooch, Harvey, Joy, McKay, Mortimer, Newton, Perry, Round and Springett

Also Present: Councillors Kimmance and Parfitt-Reid

167. **APOLOGIES FOR ABSENCE**

Apologies were received from Councillors M Burton, Chappell-Tay and de Wiggondene-Sheppard.

168. **NOTIFICATION OF SUBSTITUTE MEMBERS**

Councillor Joy was present as Substitute Member for Councillor de Wiggondene-Sheppard.

Councillor Garten was present as Substitute Member for Councillor Chappell-Tay.

169. **URGENT ITEMS**

There were no urgent items.

170. **NOTIFICATION OF VISITING MEMBERS**

Councillors Kimmance and Parfitt-Reid were present as Visiting Members for Item 15 – Flood Risk Alleviation.

As Councillors J and T Sams could not access the meeting due to technical difficulties, their statement for Item 17 – Council-Led Garden Community Update, was read out by Councillor Mrs Gooch.

171. **DISCLOSURES BY MEMBERS AND OFFICERS**

There were no disclosures by Members or Officers.

172. **DISCLOSURES OF LOBBYING**

Councillors Brice, McKay and Round had been lobbied on Item 15 – Flood Risk Alleviation.

Councillors Brice, Clark, English, Garten, Mrs Gooch, Harvey, McKay, Mortimer, Perry and Round had been lobbied on Item 16 – Local Plan Review Budget.

Councillors Brice, Garten, Mrs Gooch, Harvey, McKay, Mortimer, Newton, Round and Springett had been lobbied on Item 17 – Council-Led Garden Community Update.

Councillors Harvey, McKay, Mortimer, Round and Springett had been lobbied on Item 18 – Exempt Appendix 2 – Council-Led Garden Community Update, Proposed CA.

173. EXEMPT ITEMS

RESOLVED: That

1. The Minutes (Part II) of the meeting held on 10 February 2021, be taken alongside the Part I Minutes under Item 9 – Minutes of the Meeting held on 10 February 2021, without going into Part II.
2. Item 18 – Exempt Appendix 2, Council-Led Garden Community Update, Proposed CA would only be discussed in private if any Member of the Committee wished to specifically discuss any of the item's contents.
3. Item 19 – Disposal of Land at Staceys Street Maidstone, be taken in private due to the possible disclosure of exempt information.

174. MINUTES OF THE MEETING HELD ON 3 FEBRUARY 2021

RESOLVED: That the Minutes of the Meeting held on 3 February 2021 be agreed as a correct record and signed at a later date.

175. MINUTES OF THE MEETING HELD ON 10 FEBRUARY 2021

RESOLVED: That the Minutes of the Meeting (Parts I and II) held on 10 February 2021 be agreed as a correct record and signed at a later date.

176. PRESENTATION OF PETITIONS

There were no petitions.

177. QUESTIONS AND ANSWER SESSION FOR MEMBERS OF THE PUBLIC

There was one question from a Member of the Public.

Question from Susan Gullet to the Chairman of the Policy and Resources Committee

'It is likely that many high street shops will not reopen after the pandemic. Will the committee give thought to how this disaster can be

turned into opportunity? It offers the chance to reshape our urban environment in a way that is better for people and for the planet. My suggestion is that MBC use any powers, influence, and incentives at its disposal to encourage and enable empty commercial premises to be repurposed as residential units for young people and the elderly, using the highest standards of sustainability. This will provide much needed town centre housing, provide green jobs in the short term, reduce pressure on the roads & on the countryside, and give a long-term boost to the town centre, thus helping to improving the environment for all'.

The Chairman responded to the question.

Ms Gullet asked the following supplementary question:

'Do you feel that MBC has any power or willingness, should there be empty properties in the town centre, that perhaps some consideration will be given to those becoming residential so that the town centre doesn't die out as regards as a place that people live where they don't need to jump in their cars for everything?'

The Chairman responded to the supplementary question.

The full responses were recorded on the webcast and made available to view on the Maidstone Borough Council website.

To access the webcast recording, please use the link below:
<https://www.youtube.com/watch?v=GIKqCTerzQ4>

178. QUESTIONS FROM MEMBERS TO THE CHAIRMAN

There were no questions from Members to the Chairman.

179. COMMITTEE WORK PROGRAMME

In response to questions on the use of cycle-lanes, the Director of Regeneration and Place stated that a report on Cycling Infrastructure Alternatives would be presented to the Strategic Planning and Infrastructure Committee in June 2021.

The Committee requested an update on the item also.

RESOLVED: That the Committee Work Programme be noted.

Note: Councillor Brice joined the meeting at 6.42 p.m. during the item's consideration.

180. KENT AND MEDWAY ENERGY AND LOW EMISSIONS STRATEGY

The Kent Environment Strategy Programme Manager from Kent County Council (KCC) addressed the Committee to provide an overview of the Kent and Medway Energy and Low Emissions Strategy (KMELES).

The four aims of the policy were briefly outlined as Evidence, Policy and Strategy, Leadership and Action. A series of workshops had occurred in the Summer of 2018, with evidence base building and cross-sector engagement conducted in 2019. KCC had adopted the Central Government target of net zero carbon emissions by 2050, and this had been included in the KMELES. During 2019, all Kent Local Authorities had made carbon emission-based commitments to be achieved by either 2030 or 2050, with nine authorities having endorsed or adopted the KMELES. It was hoped that support would be given from other public sector bodies.

Following approval from Kent Chiefs and Kent Leaders, a public consultation on the KMELES occurred in 2019. The responses were generally positive with some concerns expressed that the 2050 deadline was too far away. The strategy was amended to produce the ten priorities which were then outlined to the Committee. Despite the delays caused by the Covid-19 pandemic, additional elements on green infrastructure had been included in the KMELES.

The Overview and Scrutiny Officer, Biodiversity and Climate Change introduced the report and referenced the Council's Biodiversity and Climate Change Action Plan (BDCCAP) that was agreed by the Committee in October 2020. The BDCCAP and KMELES were very similar except for priority 1 of the latter, whereby Kent County aimed to be carbon neutral by 2050. The BDCCAP included that the Council would be carbon neutral by 2030 if technology and national policy allowed. By endorsing the KMELES the Council would not be committed to adhering to the strategy but would reinforce partnership working across the County.

In response to questions, the Kent Environment Strategy Programme Manager confirmed that Kent County's grid limitations were being considered by Central Government and UK Power Networks, with limited options for Local Authorities. Endorsement of the KMELES would not impact or supersede the previously agreed BDCCAP. Off-gas grid homes referred to homes that were not connected to the gas network and likely relied on oil heating or bottled gas.

Air quality measures had been included within the KMELES as the actions that could be taken to improve air quality and reduce greenhouse gases were often mutually beneficial.

The Committee expressed support for the KMELES.

RESOLVED: That the Kent and Medway Energy and Low Emissions Strategy be endorsed.

181. FLOOD RISK ALLEVIATION

The Director of Finance and Business Improvement introduced the report and stated that the Medway Flood Partnership (MFP) had operated since 2017 and included the Local Authorities (LAs) in the Medway area, the

Environment Agency and other public bodies. The MFP's third year report was shown in Appendix A to the report.

The initiatives relating to the Borough were outlined as the Medway Flood Resilience Scheme, the works to the Bridge Gyratory Scheme, the works to reservoir safety in Mote Park and ongoing general maintenance works.

Following the 2013/14 flooding experience, large scale technical solutions were investigated but were found to be infeasible. The South East Rivers Trust (SERT) were proposing to complete three additional Natural Flood Measures (NFM) on behalf of the Council, in addition to the NFM's that had been carried out on the Hogg Stream, Headcorn. A £50,000 contribution from the Council would be matched by £180,000 in funding accessible by the SERT.

The importance of Community resilience was highlighted given the flooding experienced in December 2020 and January 2021.

In response to questions, the SERT confirmed that approximately 40 leaky woody dams had been installed in the Hogg Stream, with a further 20-30 structures to be installed to increase the cumulative effect. The Environment Agency (EA) confirmed that flood maps were updated once the flooding events had been logged. The Committee highlighted the importance of local geographical knowledge.

The Director of Finance and Business Improvement confirmed that the £30,000 per annum allocated by the Council for ongoing maintenance works allowed for the completion of works that would normally be the landowner's responsibility but were not being carried out. These works were carried out by Kent County Council (KCC) on behalf of the Council. If further funding was required, this could be assessed through the budget process.

In response to further questions, the Environment Agency confirmed that the flooding seen in Mallards Way and Mote Park was as a result of the insufficient bridge capacity. This could be increased, however the flood risk prioritisation to properties before footpaths was reiterated. In response to a separate question, the EA's jurisdiction was restricted to main rivers, which made it difficult to enforce landowner responsibilities. Finally, in response to a question about removal of structures in the River Beult, the removal of any pre-existing measures would only take place if there was no additional flooding risk from doing so.

In response to a question about flood plains, the SERT stated that historically they had always absorbed excess water from overflowing rivers and streams, hence their name. The use of unoccupied flood plains to hold water benefitted the land by carrying nutrients.

The Committee requested that there be increased engagement between Local Ward Members and the relevant authorities moving forward.

RESOLVED: That

1. The progress on flood management initiatives delivered by Maidstone Borough Council as part of the Medway Flood Partnership be noted; and
2. The £50,000 be allocated for the Natural Flood Management scheme as described in both paragraph 2.17 and Appendix B to the report, subject to confirmation of match funding.

Note: Councillor Newton requested that his dissent be noted.

182. **LOCAL PLAN REVIEW BUDGET**

The Director of Finance and Business Improvement introduced the report which had been produced following consultation with the Finance teams, Head of Planning and Development and the Interim Local Plan Review (LPR) Director. Appendix A to the report detailed the projected LPR expenditure up until 2023.

The Committee were informed that the projections included a £30,000 contingency fund for both 2021/22 and 2022/23. The proposed work relating to the Town Centre Plan could be funded separately from the General Fund Local Plan Review Revenue Budget through Section 106 monies. The additional £200,000 required for 2021/22 would be funded through the Corporate Contingency Fund. This would be partly supported through the sub-lease of office space within Maidstone House. The £135,000 required for 2022/23 would be considered as part of the annual review of the Council's budget proposals.

The Committee expressed support for the measures proposed.

RESOLVED: That

1. The programme for the Local Plan Review and related projects be noted;
2. Arrangements for funding this work, in line with the Council's agreed budget and policy framework, be noted; and
3. The process for monitoring actual expenditure and reporting this to the Strategic Planning and Infrastructure Committee and this Committee, be noted.

183. **COUNCIL-LED GARDEN COMMUNITY UPDATE**

Prior to the report's introduction, Ms Gail Duff addressed the Committee on behalf of the Save Our Heathlands Action Group.

The Director of Regeneration and Place introduced the report and referenced the decision taken by the Committee in December 2020 on the preferred approach to the collaboration agreement with Homes England.

The collaboration agreement allowed for maximum input from the Council up until the fifth year of the project, with Homes England to take the lead upon confirmation of planning permission. The Council would retain its influence on all matters and remain instrumental in the stewardship of the proposed garden community and had secured rights of first refusal for the purchase or affordable and/or commercial properties within the development. Homes England had secured approval to enter into the collaboration agreement with the Council.

The third stage submission would be submitted by the end of the month, with the 18 landowners that had requested that their land be removed from the proposal to be obliged, due to the development's red line having been moved northwards. The options agreements would be between the Landowners and Homes England, which would likely be entered into by the end of the first quarter of the next financial year.

A representative of Pinsent Masons LLP addressed the Committee to summarise the information contained within Appendix 1 to the report.

In response to questions, the Director of Regeneration and Place confirmed that if the proposed development secured allocation, with planning permission then refused, the Council would have spent circa £1.5 million. It was unlikely however that planning permission would be refused if the site secured its allocation within the Local Plan.

The Director of Regeneration and Place confirmed that contact with some of the landowners and/or their agents had occurred within the last 3-6 months.

RESOLVED: That

1. The Committee agree to enter into the Collaboration Agreement as shown in Exempt Appendix 2 to the report and the Director of Regeneration and Place be granted delegated authority to make minor amendments to the collaboration agreement, prior to its signing, in consultation with the Monitoring Officer and the Chair and Vice-Chair of the Committee.

Note: Councillor Newton requested that his dissent with the resolution and the wider proposal, be noted.

184. EXCLUSION OF THE PUBLIC FROM THE MEETING

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

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

185. DISPOSAL OF LAND AT STACEYS STREET MAIDSTONE

The Interim Strategic Property Consultant introduced the report and stated that the Council had been approached to sell a portion of land.

The sale price was outlined.

RESOLVED: That consideration of the item be deferred, to enable officers to report back to the Committee with further information.

186. MINUTES (PART II) OF THE MEETING HELD ON 10 FEBRUARY 2021

RESOLVED: That the item be considered alongside Item 9 – Minutes of the Meeting held on 10 February 2021.

187. DURATION OF MEETING

6.30 p.m. to 9.55 p.m.

The meeting was adjourned from 9.02 p.m. to 9.07 p.m. for a short break.

2021/22 WORK PROGRAMME

	Committee	Month	Origin	CLT to clear	Lead	Report Author
Maidstone Council - Recovery and Renewal Strategy	P&R	21-Jul-21	Officer Update		Alison Broom	Alison Broom
Archbishop's Palace Options Appraisal	P&R	21-Jul-21	Asset Management	Yes	Mark Green	Lucy Stroud
Corporate Planning Timetable	P&R	21-Jul-21	Officer Update		Mark Green	Angela Woodhouse
Development of MTFS 2022/23 - 2026/27 - Scoping Report	P&R	21-Jul-21	Governance	Yes	Mark Green	Mark Green
Financial Hardship Update	P&R	21-Jul-21	Officer Update	?	Steve McGinnes	Steve McGinnes
Maidstone Town Centre Strategy	P&R	21-Jul-21	Officer Update		Alison Broom	John Foster?
Public Sector Led Garden Community Update	P&R	21-Jul-21	Officer Update	Yes	William Cornall	William Cornall
Public Sector Led Garden Community Update	P&R	15-Sep-21	Officer Update	Yes	William Cornall	William Cornall
Q1 Budget, Performance and Risk Monitoring 2021/22	P&R	15-Sep-21	Officer Update	Yes	Mark Green	Ellie Dunnet
Council Tax Reduction Scheme 2021-22	P&R	20-Oct-21	Governance	Yes	Sheila Coburn	Sheila Coburn
Public Sector Led Garden Community Update	P&R	20-Oct-21	Officer Update	Yes	William Cornall	William Cornall
Discretionary Housing Payments	P&R	24-Nov-21	Governance	Yes	Sheila Coburn	Sheila Coburn
Draft Medium Term Financial Strategy 2022/23-2026/27	P&R	24-Nov-21	Governance	Yes	Mark Green	Ellie Dunnet
Q2 Budget, Performance and Risk Monitoring 2021/22	P&R	24-Nov-21	Officer Update	No	Mark Green	Ellie Dunnet
Fees and Charges 2021/22	P&R	15-Dec-21	Governance	No	Mark Green	Ellie Dunnet

2021/22 WORK PROGRAMME

	Committee	Month	Origin	CLT to clear	Lead	Report Author
MTFS Update	P&R	15-Dec-21	Governance	No	Mark Green	Ellie Dunnet
Public Sector Led Garden Community Update	P&R	15-Dec-21	Officer Update	Yes	William Cornall	William Cornall
Collection Fund adjustment 2021/22 and Council Tax Base 2022/23	P&R	19-Jan-22	Governance	No	Mark Green	Ellie Dunnet
Medium Term Financial Strategy - Capital Programme 2022/23 - 2026/27	P&R	19-Jan-22	Governance	Yes	Mark Green	Ellie Dunnet
Medium Term Financial Strategy & Budget Proposals 2022/23 - 2026/27	P&R	19-Jan-22	Governance	Yes	Mark Green	Ellie Dunnet
Public Sector Led Garden Community Update	P&R	19-Jan-22	Officer Update	Yes	William Cornall	William Cornall
Public Sector Led Garden Community Update	P&R	09-Feb-22	Officer Update	Yes	William Cornall	William Cornall
Medium Term Financial Strategy & Budget Proposals 2022/23 - Final	P&R	09-Feb-22	Governance	No	Mark Green	Ellie Dunnet
Q3 Budget, Performance and Risk Monitoring 2021/22	P&R	09-Feb-22	Officer Update	No	Mark Green	Ellie Dunnet
Asset Management Strategy	P&R	TBC	Strategy Update	Yes	Mark Green	Georgia Hawkes
Commissioning and Procurement Strategy	P&R	TBC	Strategy Update	Yes	Mark Green	Georgia Hawkes
Disposal of Land at Staceys Street (Part II)	P&R	TBC	Officer Update		Mark Green	Deborah Turner
Office Provision	P&R	TBC - update to be given when available	Officer Update	Yes	Mark Green	Georgia Hawkes

MAIDSTONE BOROUGH COUNCIL
POLICY AND RESOURCES COMMITTEE

23 JUNE 2021

REPORT OF THE LICENSING COMMITTEE HELD ON 15 APRIL 2021

DRAFT HACKNEY CARRIAGE AND PRIVATE HIRE POLICY 2021-2026

Issue for Decision

At the 15 April 2021 meeting of the Licensing Committee, the Draft Hackney Carriage and Private Hire Policy 2021-2026 was considered. A section of the policy related to the introduction of Carbon Neutral Vehicles, in accordance with the Biodiversity and Climate Change Strategy and Action Plan.

The Committee expressed a wish to be consulted on matters that fall under the remit of the Committee, in relation to biodiversity and climate change.

Recommendation Made

That the Committee consider the request from the Licensing Committee to consult the Licensing Committee on any Biodiversity and Climate Change matter that falls within the remit of that Committee.

Reasons for Recommendation

An extract from Minute 99 is shown below:

'Several Members expressed support for delaying the implementation date of 2023 for carbon neutral vehicles, in part due to the impact of Covid-19 and to prevent greater barriers of entry to the trade. It was felt that the Committee should have been consulted on the sections of the Biodiversity and Climate Change Strategy and Action Plan, that was agreed by the Policy and Resources Committee, that fell under the Committee's remit.'

Alternatives Considered and Why Not Recommended.

None.

Background Papers

[Minutes Template \(maidstone.gov.uk\)](https://www.maidstone.gov.uk) – Minutes of the Licensing Committee Meeting held on 15 April 2021.

Appendices

None.

Agenda Item 16

Policy and Resources Committee

23 June 2021

Biodiversity and Climate Change Action Plan update

Final Decision-Maker	Policy and Resources Committee
Lead Head of Service	Georgia Hawkes, Head of Transformation and Property
Lead Officer and Report Author	Helen Miller, Biodiversity and Climate Change Officer
Classification	Public
Wards affected	All

Executive Summary

The Policy and Resources Committee adopted the Biodiversity and Climate Change Action plan on 21 October 2020. This report provides an update on implementing the plan.

Purpose of Report

Noting

This report makes the following recommendations to this Committee:

1. That the Policy and Resources Committee notes the report.

Timetable

Meeting	Date
Corporate Leadership Team	15 June 2021
Policy and Resources Committee	23 June 2021

Biodiversity and Climate Change Action Plan update

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	We do not expect the recommendations will by themselves materially affect achievement of corporate priorities.	Georgia Hawkes
Cross Cutting Objectives	The report recommendations support the achievement of the Biodiversity and Environmental Sustainability is respected cross cutting objective by providing an update on the biodiversity and climate change action plan that will protect and increase biodiversity in the Borough.	Georgia Hawkes
Risk Management	Please refer to paragraph 5.1	Georgia Hawkes
Financial	£1m funding has already been allocated to the action plan and this report does not request further funding for implementation. We will continue to bid for external funding to help achieve the aims of the strategy.	Senior Finance Manager (Client)
Staffing	We will deliver the recommendations with our current staffing.	Georgia Hawkes
Legal	There are no legal implications associated with the recommendations set out in the report which is to note the update on the action plan and not for decision. The Natural Environment and Rural Communities Act 2006 places a duty on local authorities to have regard to the conservation of biodiversity in exercising their functions. The duty is an integral part of policy and decision making in relation to all the council functions, services and actions of the Council.	Team Leader Corporate Governance
Privacy and Data Protection	No impacts on Privacy and Data Protection identified as a result of the report and recommendation.	Policy and Information Team
Equalities	A high level Equality Impact Assessment has been carried out on the action plan and further assessments will be made for relevant projects.	Senior Equalities and Engagement Officer
Public Health	We recognise that implementing the biodiversity and climate change action plan	Public Health Officer

	will have a positive impact on population health or that of individuals.	
Crime and Disorder	There are no Crime and Disorder issues to note.	Georgia Hawkes
Procurement	There will be significant ongoing procurement implications arising from implementation of the action plan as biodiversity and climate change will be a procurement consideration for all future procurement activities.	Georgia Hawkes & Section 151 Officer

2. INTRODUCTION AND BACKGROUND

- 2.1 The Policy and Resources Committee adopted the Biodiversity and Climate Change Action plan on 21 October 2020. This report provides a progress update laid out by the nine themes of the action plan and highlights grant funding being sought. Appendix 1 is the action plan with status and RAG rating columns to give a more detailed update on progress per action. Almost all actions that were due have been started with one action rated red and seven rated amber. A more detailed update on progress in each theme is outlined below. A £1m budget is assigned to this action plan.
- 2.2 The Economic Development Team have been, and continue to be, exceptionally busy delivering COVID-19 related grants to businesses. They will be able to devote time to supporting businesses adapt to the demands of climate change as we move into the recovery phase. In the meantime, information has been provided to businesses on a range of relevant topics via social media and the Business in Maidstone newsletter.
- 2.3 Good working relationships are being formed, or strengthened, with delivery partners to enable us to deliver the action plan and take advantage of opportunities presented by external funding, technology and national policy.
- 2.4 Theme 1 is Transport with the aim to support the shift from cars to active and mass transport and enable the transformation from fossil fuels to no tailpipe emissions. Achievements include;
- The Local Plan Review supports the use of active and mass transport and includes a policy for charging infrastructure for electric vehicles in residential and non-residential developments;
 - We have used the report from the Energy Saving Trust to draft our staff travel hierarchy to encourage the use of technology, virtual visits and meetings, active travel and low carbon forms of transport, to be introduced when COVID-19 safe working allows;
 - Staff surveys showed the majority who had been working from home wish to do some working from home post COVID-19 and this will be supported where possible; and
 - Promoting the Government workplace vehicle charging grant scheme in the Maidstone in Business newsletter.
- The Licensing Committee did not agree a date for requiring new taxi vehicles to have zero tailpipe emissions. We will seek guidance from the

Chair of the Licensing Committee on this matter. We will not progress the related action on providing charging points for taxis until it is resolved.

- 2.5 Theme 2 is Buildings with the aim to support the change from heating and cooling buildings using fossil fuels to low carbon technology and reducing energy needs by increasing energy efficiency. Achievements include;
- The Local Plan Review supports district heat and power schemes;
 - We have submitted a proposal to lever in £452k of government Green Home Grant Local Authority Deliver Scheme (LAD2) funding to address the most fuel poor homes;
 - We promoted LoCASE grants to help businesses address energy matters;
 - We promoted the renewable heat incentive to help residents access government funding for renewable energy installations;
 - Actively pursuing a programme to ensure privately rented homes with and EPC rating of F or G are brought up to a suitable standard; and
 - We promoted free measures to increase water efficiency on social media.
- 2.6 Theme 3 is Generating Renewable Energy with the aim to take every opportunity to generate renewable energy across the Borough. Achievements include;
- The Local Plan Review includes a policy on sustainable design that requires that applications should demonstrate how consideration has been given to the incorporation of on-site renewable or low carbon energy production;
 - The Council participated in the Kent wide Solar Together collective solar panel buying scheme for small businesses and households. Two have installed so far with the remainder expected in July; and
 - The Business in Maidstone 11 January newsletter promoted LoCASE grants that can be used by businesses for installations to generate renewable energy.
- No community energy groups have sought support from the council.
- 2.7 Theme 4 is Reducing waste and energy spent processing waste with the aim to reduce the amount of domestic waste created, increase the proportion re-used, recycled and composted to at least 60% by 2030 and reduce the carbon emitted from processing waste. Progress includes;
- A communications strategy addressing recycling and reducing contamination of recyclables including bin hangers, leaflets in maternity units and messages on social media;
 - Issuing new waste and recycling guidance for new developments;
 - Re-routing the garden waste collection round to reduce mileage;
 - Promoting home composting in May in conjunction with other Kent councils; and
 - Improving the process for reporting fly tipping online and being updated on progress on its resolution.
- 2.8 Theme 5 is Adapting to climate change with the aim to build resilient landscapes, communities and services. Progress includes;
- The Local Plan Review requires that new developments be designed to respond to, or allow for, future adaption to the impacts of climate change over its lifetime;

- Flood risks are considered in the Local Plan Review;
- The Council agreed in March 2021 to provide funding for three natural flood management schemes, to be delivered by the South East Rivers Trust, covering the School Stream (Headcorn), the River Beult catchment, and run-off water from Maidstone fruit growers' polytunnels. These will help reduce flood risk as well as providing wider social and environmental benefits;
- We are reviewing our arrangements around severe weather as part of the business continuity management activities.
- The impacts of severe weather events are collated and added to the Severe Weather Impacts System; and
- We are supporting parish councils to build resilience to flooding.

2.9 Theme 6 is Enhance and Protect Biodiversity with the aim to use every opportunity to protect, enhance and increase biodiversity in the borough. Progress includes;

- The Local Plan review includes a requirement for developments to achieve biodiversity net gain;
- We are working with Kent Wildlife Trust to promote their Gardening for a Wilder Kent Scheme and including a biodiversity friendly category in the new Maidstone in Bloom scheme;
- We participated in, and promoted, No Mow May;
- Tree cover on our estate has been augmented by 300 trees planted at Allington, at Parkwood and at Hudson Quarry sites and we consider each funding opportunity carefully and apply where feasible;
- Go Green Go Wild work continues with community groups awarded funding before Covid-19 now able to use money assigned;
- Trees on our land are being assessed in a four year rolling programme with an emphasis on functional risk management that identifies the maintenance needed; and
- We are assessing the non-operational land we own so we can assess the appropriate ways to manage them to support biodiversity.

Partners await Royal Assent on the Environment Bill, and guidance on delivery from DEFRA and in the meantime progress on the Nature Recovery Strategy has been limited. The Nature Recovery Strategy will be used to inform delivery of the wetland, landscape scale initiations and tree planting initiatives when available. In the meantime, we will have regard to nature based solutions and priority habitats and species as laid out in the Kent Biodiversity Strategy 2020. Community tree planting activities have been affected by practical COVID-19 safety requirements. It is also possible that planting of larger standard trees will be limited this year as there appears to be a shortage of trees in bio-secure UK nurseries. The England Tree Action Plan 2021 to 2024 has been released and sets out the Government's vision for trees, woodland and forests. A report on tree planting will be taken to the Communities, Housing and Environment Committee on 29th June 2021.

2.10 Theme 7 is Making our estate carbon neutral with the aim to reduce emissions from our estate to as close to carbon neutral as possible by 2030. Progress includes;

- Using the Energy Saving Trust's report on our fleet to draft a vehicle replacement plan;

- Seeking quotes for feasibility studies on how to provide electric vehicle charging infrastructure at the depot;
- Buying three electric vans and one light utility vehicle and installing electric vehicle charging points at the depot, part funded by the workplace charging grant;
- Collating EPC data on commercial buildings we let to enable us to identify energy hotspots;
- Starting in house driver training to improve fuel efficiency as recommended in the Carbon Trust's Carbon Reduction Plan; and
- Including our less energy efficient homes, used as temporary accommodation, in our LAD2 proposal to balance the average costs as required by the scheme.

As the landlord the council would be required to contribute 1/3 of the costs of the works to improve the energy efficiency of our homes used as temporary accommodation under the Green Home Grant Local Authority Deliver Scheme (LAD2) proposal. As this scheme would provide 2/3 of the costs it does represent good value for money. It enables the council to create the blend of costs required to be eligible for the scheme so unlocking government funds for homes in the private sector. Sufficient funds are allocated to improving the energy efficiency of homes we let in the action plan.

2.11 Theme 8 is Implement a communications strategy with the aim to enable residents, businesses and partner organisations to make informed decisions on climate change and biodiversity and access any funding available. Progress includes;

- Implementing a written communications strategy with messaging started on reducing water use at home, the green home grant, the Big Garden Birdwatch, sensible behaviour on footpaths and farms and the increase in the national plastic bag tax;
- Increasing staff awareness and knowledge of biodiversity and climate change through a webinar the induction package and a Team Talk; and
- Messages for businesses on grants via our newsletter and social media.

The council is also working with Kent County Council on the communications plan for the Kent and Medway Energy and Low Emissions Strategy that was endorsed by the council on 24 March 2021. This will inform how we address the action on informing partner organisations and residents about the threats from climate change and the ways to adapt to its impacts. Individual Parish Councils have requested information about biodiversity and climate change and an officer will be attending the quarterly liaison meeting to discuss opportunities for joint working and support.

2.12 Theme 9 is Decision Making Processes and Governance with the aim to ensure that climate change and biodiversity are part of all decisions made. Progress on this theme includes;

- We are providing training on biodiversity and climate change to all staff via a Team Talk and also as part of the induction process;
- We are adding climate change to the report template for the new constitutional year;
- Governance arrangements to ensure biodiversity is protected and climate change is considered were safeguarded as the Democracy and

- General Purposes Committee recommended that they remain with the Policy and Resource Committee; and
- The service design toolkit has been updated to ensure opportunities for enhancing biodiversity and mitigating and adapting to climate change are taken.
-

3. AVAILABLE OPTIONS

- 3.1 That the Policy and Resource Committee notes the report.
-

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 That the Policy and Resource Committee notes the report.
-

5. RISK

- 5.1 There is a risk that the council may not deliver the action regarding a new taxi licensing policy to reduce the number of taxis using fossil fuels, and so the supporting action to ensure there are sufficient charging points for these vehicles. This could result in 270 vehicles not being tailpipe emission free by 2030 which is a very small proportion of the cars in the borough, yet these vehicles generally do higher daily mileage than privately owned cars. This impact is not significant in the council's aim of a carbon neutral borough by 2030.
-

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 None
-

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 The Committee will be updated every six months.
-

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 with status and RAG rating
-

Ref	Action	Responsible Officer	Timescale	Status	RAG
1.0	Transport				
1.1	<p>Draft Local Plan to:</p> <ul style="list-style-type: none"> Establish policies that enable the infrastructure required for low carbon vehicles Ensure policies encourage and enable development proposals which give priority first to pedestrian and cycle movements, both within the scheme and with its surrounding areas; and second to facilitating high quality public transport connectivity. 	Mark Egerton	2020-22	Started	Green
1.2	Work with KCC to develop Maidstone Integrated Transport Strategy, and Local Cycling and Walking Infrastructure Plan, as part of the Local Plan review to promote and support a modal shift to walking, cycling, public transport, and electric vehicles	Mark Egerton	2020-22	Started	Green
1.3	Produce a business case for the introduction of a workplace parking levy to fund active travel or public transport	Biodiversity and Climate Change Officer	2024	Not due to start	Green
1.4	<p>Develop a travel plan for council staff that sets out objectives and an action plan to encourage the shift to electric and ultra-low emission vehicles, more working from home, more sustainable travel patterns and an increase in the use of public transport and active transport modes through:</p> <ul style="list-style-type: none"> parking management on council premises discounted public transport fares pool cars audio and video conferencing car-sharing electric bikes 	Georgia Hawkes,	2021	Started	Green

Ref	Action	Responsible Officer	Timescale	Status	RAG
	<ul style="list-style-type: none"> • remote and home working • promoting fuel efficient driving techniques to all staff Update travel expenses policies generally and avoid any perverse incentives. Update before any moves to new premises. Include any learning from working practices that changed due to COVID-19.				Green
1.5	Develop policies and increase remote working to reduce travelling to work and office energy needs, without a reduction in outputs or access to services. Uses any learning from new working practices adopted due to COVID 19 responses.	Georgia Hawkes, Bal Sandher,	2021	Started	Green
1.6	Influence design and specification of any new office building to ensure infrastructure enables EVs and low-carbon energy charging infrastructure for them and supports active travel with bike storage, lockers and showers and supports digital working	Georgia Hawkes,	2020 to when any new building completed	Not started	Amber
1.7	Have regard to the Kent and Medway Energy and Low Emissions Strategy and its emerging policies relating to electric vehicles. Liaise with KCC, district network operators and other relevant partners. Seek grant and other forms of funding to support this. Seek and take opportunities to provide one or more charging hub.	John Littlemore,	2020-30	Started	Green
1.8	Use advice from the Energy Saving Trust (EST) Local Authority Transport Service to facilitate a move to electric taxis. Liaise with relevant partners to monitor use and ensure infrastructure is provided appropriately.	John Littlemore	2021-2030	Not Started	Amber
1.9	Draft new licensing policy to reduce number of taxis using fossil fuel by more than 90% by 2030 and by 100% by 2036	John Littlemore	2021	Started but stalled	Red
1.10	Promote workplace vehicle chargers (and current government Workplace Charging Scheme)	Chris Inwood	2020 until scheme ends	Started	Green

Ref	Action	Responsible Officer	Timescale	Status	RAG
1.11	Promote ECO stars recognition scheme to fleet operators	Chris Inwood	2020 until scheme ends	Not Started	Amber
1.12	Work with KCC to gather baseline data on the buses operating in the borough and their Euro classification. Support operators to develop their commercial networks in the borough, ensuring that the borough's infrastructure is bus friendly. Work with the Quality Bus Partnership to identify actions to support bus companies to switch to clean technology.	Duncan Haynes	2020-30	Started	Green
2.0	Transport				
2.1	Support Kent County Council to explore the potential for Combined Heat and Power systems and District Heating scheme developments across the community	Rob Jarman	2020-2021	Started	Green
2.2	Promote access to schemes to residents, landlords and housing associations, for retrofitting insulation to existing homes including ECO3, LA Flex and the Green Homes Grant Scheme	Nigel Bucklow	2020-30	Started	Green
2.3	Investigate how to support low carbon heat networks	Mark Egerton	2020-22	Started	Green
2.4	Promote low carbon heating including government domestic and non-domestic renewable heat incentive scheme and any other suitable schemes	Biodiversity and Climate Change Officer	2020 to scheme end	Started	Green
2.5	Enforce Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015	Nigel Bucklow	2020-30	Started	Green
2.6	Promote water efficiency to residents in partnership with South East Water	Biodiversity and Climate Change Officer	2020-30	Started	Green
3.0	Generate Renewable energy				
3.1	Use Local Plan review to investigate how to encourage on-site renewables on all types of new developments	Mark Egerton	2020-22	Started	Green

Ref	Action	Responsible Officer	Timescale	Status	RAG
3.2	Support residents, businesses and third sector to install renewable energy generation by providing information and promoting grants and savings schemes	Biodiversity and Climate Change Officer	2020-30	Started	Green
3.3	Encourage and support community energy projects. Assess viability of these for carbon offsetting	Biodiversity and Climate Change Officer	2020-30	Not started	Amber
4.0	Reducing waste and energy spent processing waste.				
4.1	Increase percentage of waste re-used recycled/composted by; <ul style="list-style-type: none"> Encouraging residents to separate food and recyclables (particularly metals and textiles), use appropriate bins and avoid contamination. Reviewing, and where possible, improving recycling facilities for flats and those with communal collections Waste and recycling guidance with as much planning weight as possible to be adopted for all new developments. Assess feasibility of weekly recycling collections 	Graham Gosden	2020-30	Started	Green
4.2	Create and implement a plan to ensure all types of waste are processed in or as close to the borough as possible	Graham Gosden	2021-23	Started	Green
4.3	Introduce recycling into the street cleansing service including offering community litter picks the opportunity to recycle the waste they collect	John Edwards	2022-22	Started	Green
4.4	Reduce fly-tipping	John Edwards	2020-25	Started	Green
4.5	Investigate options to encourage home composting and using an anaerobic digester to process the domestic food waste collected.	Graham Gosden	2021-22	Started	Green
5.0	Adapting to climate change				

Ref	Action	Responsible Officer	Timescale	Status	RAG
5.1	Provide policy on climate change adaptation in Local Plan review, including consideration of flooding, heat and drought.	Mark Egerton	2020-22	Started	Green
5.2	Ensure Local Plan review considers level of current and future flood risk and developments are planned accordingly.	Mark Egerton	2020-22	Started	Green
5.3	Use Severe Weather Impacts Monitoring System (SWIMS) to understand impacts of severe weather in borough. Work with Kent County Council to implement actions from the Climate Change Risk and Impact Assessment in the borough.	Uche Olufemi	2020-30	Started	Green
5.4	Work with Medway Flood Partnership to identify and develop actions, including natural flood management, which can help to reduce flood levels.	Mark Green,	2020-30	Started	Green
5.5	Work with Medway Flood Partnership to <ul style="list-style-type: none"> develop a funding strategy to identify and secure additional resources for natural flood management. build local communities' resilience to flooding 	Mark Green, Uche Olufemi	2020-30	Started	Green
5.6	Review our arrangements around our estate, parks and recreation facilities in severe weather situations as part of business continuity management	Uche Olufemi	2021	Started	Green
5.7	Work with the Kent Resilience Forum, spatial planners and other partners to enhance adaptation and emergency planning contingencies for severe weather and other climate impacts. 'Strengthening' of power and water supply and other critical infrastructure should be a priority alongside ensuring more resilient settlements	Uche Olufemi	2020-30	Started	Green
5.8	Support local businesses to be resilient to climate change including referring to Kent Prepared website	Chris Inwood	2021	Not Started	Amber
6.0					

Ref	Action	Responsible Officer	Timescale	Status	RAG
6.1	Draft Local Plan to; <ul style="list-style-type: none"> Require biodiversity net gain within the borough. Ensure Garden Communities are an exemplar for biodiversity and deliver semi natural open space. Increase tree coverage and other wildlife habitats to allow biodiversity in new developments. Ensure that sustainable urban drainage schemes maximise biodiversity potential 	Mark Egerton	2020-2022	Started	Green
6.2	Adopt Parks and Open Space Biodiversity Action Plan ensuring it is reviewed to keep up to date with latest practices.	Andrew Williams	2021	Started	Green
6.3	Support and signpost community groups on tree planting and after care	Biodiversity and Climate Change Officer	2020-30	Not Started	Amber
6.4	Work with Kent County Council to draft common position statement on biodiversity (including ensuring maintenance regimes which protect and enhance biodiversity)	Mark Egerton	2020-22	Started	Green
6.5	Liaise with Kent Wildlife Trust to <ul style="list-style-type: none"> promote relevant schemes to residents, schools and community groups to encourage them to enhance biodiversity in their gardens and grounds. Provide information on habitat development and the benefits of it to nature and ecosystem services 	Biodiversity and Climate Change Officer, Andrew Williams	2020-30	Started	Green
6.6	Work with Environment Agency, South East Rivers Trust, Kent Wildlife Trust and Medway Valley Countryside Partnership to enhance and expand wetland coverage in Borough (including removal of dams and culverts, achieving improvements to water quality and restoration of ponds, lakes, marshes, wet woodland and bogs)	Rob Jarman,	2020-30	Started	Green

Ref	Action	Responsible Officer	Timescale	Status	RAG
6.7	Work with partners to develop and implement a Nature Recovery Strategy, linking habitat restoration and creation to improve flood protection and water quality	Rob Jarman,	2020-30	Started	Green
6.8	Work with local farms and landowners to deliver landscape scale biodiversity initiatives – including reconnection of fragmented natural habitats, floodplain restoration, reduced chemical inputs and reintroduction of lost key stone species	Rob Jarman,	2020-30	Started	Green
6.9	Where feasible increase tree cover to 2/3 on our estate. Contribute to Kent aim to plant 1.5 million trees and aim towards national average tree cover of 16%. An emphasis on expansion and reconnection of existing woodland (including urban woods) will define this action	Rob Jarman, Andrew Williams,	2021 -2030	Started	Green
6.10	Evaluate Council's Go Green Go Wild work. Amend as needed and commit ongoing funds to ensure of work continues.	Andrew Williams	2021	Started	Green
6.11	Ensure that all MBC land and property holdings and land subject to MBC maintenance interventions maximise value for biodiversity	Andrew Williams	2020-30	Started	Green
6.12	Audit trees on council land and create maintenance plan.	Andrew Williams	2021	Started	Green
6.13	Review our non-operational land to assess potential for enhancing biodiversity including allowing community groups to take responsibility for management	Lucy Stroud	2022	Started	Green
7.0					
7.1	Review commissioned Carbon Trust report on <ul style="list-style-type: none"> energy and water efficiency measures travel and investment in infrastructure onsite renewable energy generation Investigate how to fund recommendations from carbon reduction report including Public Sector Energy Efficiency Loan Scheme and options for revolving loan fund to pay for renewable energy developments that payback over time.	Lucy Stroud, Darren Guess, Biodiversity and Climate Change Officer	2020-30	Started	Green

Ref	Action	Responsible Officer	Timescale	Status	RAG
	Offset the 564 tCO2e carbon our estate will emit with the Carbon Trusts report recommendations implemented				
7.2	Measure our carbon footprint each year and report findings to relevant committee	Biodiversity and Climate Change Officer	Annually	Started	Green
7.3	Buy 100% renewable energy for our buildings and operations where we control the supply	Lucy Stroud	As each contract expires	Started	Green
7.4	Work in partnership to review our portfolio to identify those homes let as temporary accommodation eligible for insulation under ECO3 funding and arrange installation. Provide top up funding for any measures not fully funded under the ECO3 to ensure all homes let as temporary accommodation are energy efficient. Investigate whether measures could be installed under the Green Homes Grant Scheme	Nigel Bucklow	2020-22	Started	Green
7.5	Incorporate energy saving principles into our office accommodation strategy. Uses any learning from new working practices adopted due to COVID19 responses.	Georgia Hawkes	2021-23	Started	Green
7.6	Increase information held on leased buildings. Identify those with highest emissions to prioritise action. Use role as a landowner (e.g. at Lockmeadow) to ensure that Council-owned sites set a high standard for carbon reduction and demonstrate how to achieve biodiversity and combat climate change.	Lucy Stroud	2020-30	Started	Green
7.7	Provide LED lighting in the Maidstone Borough Council car parks that have not yet been improved	Jeff Kitson	2020-30	Started	Green
8.0					
8.1	Support residents to understand the changes they can make to reduce, and prepare for, climate change and enhance biodiversity including;	Julie Maddocks	2020-30	Started	Green

Ref	Action	Responsible Officer	Timescale	Status	RAG
	<ul style="list-style-type: none"> taking advantage of financial opportunities through energy efficiency and low-carbon energy generation measures creating less waste and increase proportion of recycling/composting. using less water Buying from local businesses Reducing red meat consumption in line with Eatwell guidance Signing up to Environment Agency's flood warning service Work with KCC on joint campaigns where appropriate 				
8.2	Provide staff awareness information of biodiversity and climate change at induction, and job specific training. Each service area to have biodiversity and climate change induction, and job specific training.	Biodiversity and Climate Change Officer	2020-21	Started	Green
8.3	Inform partner organisations and residents about the threats from climate change and the ways they and we can adapt to its impacts	Julie Maddocks,	2020-30	Not Started	Amber
8.4	Engage with and build support from key stakeholders and the wider public on enhancing biodiversity and addressing climate change. Engage with relevant national days of action	Julie Maddocks	2020-30	Started	Green
8.5	Support local businesses to <ul style="list-style-type: none"> use support available to reduce their emissions and generate their own power including liaising with KCC when LoCASE funding available. Implement travel plans that promote walking, cycling and public transport. Use the Kent Prepared website to raise awareness of how to prepare for flooding 	Julie Maddocks, Chris Inwood	2020-30	Started	Green

Ref	Action	Responsible Officer	Timescale	Status	RAG
8.6	Liaise with Parish Councils to support their work on biodiversity and climate change	Biodiversity and Climate Change Officer	2020-30	Started	Green
8.7	Work with partners to address climate change and biodiversity effectively and sustainably	Biodiversity and Climate Change Officer	2020-30	Started	Green
8.8	Following successful legal action by Housing and Health Team regarding Category 1 Hazards of Excess cold and Building Control Team regarding buildings not built to required standard details to be sent to communications team who will draft press releases on Court cases	Nigel Bucklow, Robert Wiseman, Julie Maddocks	2020-30	No opportunity arisen yet	Green
9.0					
9.1	Provide briefings and training for Councillors and Officers on climate change and biodiversity to create a culture change and ensure climate change and biodiversity are integrated into decision making	Biodiversity and Climate Change Officer	2020-21	Started	Green
9.2	Establish biodiversity and climate change overview and scrutiny committee	Angela Woodhouse	2020-21	Completed	Green
9.3	Ensure service plans consider biodiversity and addressing climate change and performance indicators are set as needed	Anna Collier	2020-21	Started	Green
9.4	Review guidance used to help managers plan their services to ensure opportunities for enhancing biodiversity and mitigating and adapting to climate change are taken	Kathryn Moore	2020-21	Started	Green
9.5	Establish criteria for investment in climate change and biodiversity and invest to save schemes. These will consider (a) relative impact in terms of carbon reduction and (b) ease of delivery, such that expenditure is focused on deliverable, affordable initiatives that maximise impact on the carbon reduction target.	Paul Holland, Biodiversity and Climate Change Officer	2020-21	Started	Green

Ref	Action	Responsible Officer	Timescale	Status	RAG
9.6	Develop a corporate policy and approach to social value that incorporates enhancing biodiversity and reducing the council's carbon footprint through the way we design, carry out and procure our services.	Ellie Dunnet	2021	Started	Green

Agenda Item 17

POLICY AND RESOURCES COMMITTEE

23 JUNE 2021

Recovery and Renewal Discussion Paper

Final Decision-Maker	Policy and Resources Committee
Lead Director	Alison Broom, Chief Executive
Lead Officer and Report Author	Angela Woodhouse, Head of Policy Communications and Governance Anna Collier, Policy, and Information Manger
Classification	Public
Wards affected	All

Executive Summary

The purpose of this paper is to encourage discussion and capture the views of Policy and Resources Committee Members to inform the action plan for recovery and renewal.

Purpose of Report

Decision and discussion

This report makes the following recommendations to this Committee:

Discuss the principles and approach outlined in this paper and **Appendix A** to inform the action plan for recovery and renewal to be presented in July.

Timetable

Meeting	Date
Policy and Resources Committee	23 June 2021

Recovery and Renewal Discussion Paper

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	<p><i>The four Strategic Plan objectives are:</i></p> <ul style="list-style-type: none"> • <i>Embracing Growth and Enabling Infrastructure</i> • <i>Safe, Clean and Green</i> • <i>Homes and Communities</i> • <i>A Thriving Place</i> <p>The Council's approach to recovery and renewal from the impact of Covid-19 will support and align with the delivery of the Council's Strategic Plan.</p>	Head of Policy Communications and Governance
Cross Cutting Objectives	<p><i>The four cross-cutting objectives are:</i></p> <ul style="list-style-type: none"> • <i>Heritage is Respected</i> • <i>Health Inequalities are Addressed and Reduced</i> • <i>Deprivation and Social Mobility is Improved</i> • <i>Biodiversity and Environmental Sustainability is respected</i> <p>The report sets out a discussion on our approach to recovery and renewal which will impact on all four cross-cutting objectives.</p>	Head of Policy Communications and Governance
Risk Management	Covered in the risk section of the report	Head of Policy Communications and Governance
Financial	Financial information has been included in the body of the report. The action plan will be costed, and full budget implications set out when a further report is presented to the Policy and Resources Committee in July 2021.	Section 151 Officer & Finance Team
Staffing	Staffing implications will be considered in developing the action plan.	Head of Policy Communications and Governance

<p>Legal</p>	<p>The Council has a general power of competence under section 1 of the Localism Act 2011 to do anything an individual can do provided it is not prohibited by other legislation.</p> <p>The Local Government Act 1972, section 111(1) also empowers a local authority to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions. The recommendation and the proposals in this report regarding recovery and renewal from the COVID-19 pandemic are arrangements that can be undertaken under the above legislation.</p> <p>The Council will also be obliged to comply with relevant legislation, such as the Coronavirus Act 2020, related regulations, the Public Health (Control of Disease) Act 1984 and such other updated legislation required to address the continuing impacts of the Covid-19 pandemic on the recovery proposals being considered by the Council as part of the "Build Back Better" agenda.</p>	<p>Head of Mid Kent Legal Partnership</p>
<p>Privacy and Data Protection</p>	<p>Accepting the recommendations will not increase the data held at this stage. It is recognised that as projects emerge Data Protection Impact Assessment will need to be considered</p>	<p>Policy and Information Manager</p>
<p>Equalities</p>	<p>The recommendations do not propose a change in service at this stage therefore will not require an equalities impact assessment it is recognised that as projects emerge an EQIA will need to be considered</p>	<p>Policy and Information Manager</p>
<p>Public Health</p>	<p>The proposed actions are being considered in response to the COVID-19 public health emergency which has had and will continue to have implications for the health and well-being of residents directly and the wider determinants of health. The outbreak of COVID-19 has emphasised the interdependencies of health and the economy It has also further highlighted the health inequalities that already existed prior to the outbreak with particular groups</p>	<p>Public Health Officer</p>

	within the population being at greater risk from COVID-19 as highlighted in the Public Health England report 'Disparities in the risk and outcomes of COVID-19' published in June 2020 and the local experience in Maidstone borough. The Council's recovery approach will need to consider these implications moving forward.	
Crime and Disorder	The Community Protection Team is working in tandem with police and stakeholders to ensure the safe reopening of the Town Centre and other key shopping areas. Requests for assistance from those suffering from domestic abuse are expected to rise as recovery proceeds and services are being planned to respond to the increase. In 2020 reports of anti-social behaviour more than doubled at 440 compared to 217 the previous year, noise and other nuisance complaints also increased significantly.	Head of Policy, Communications and Governance
Procurement	On accepting the action plan, the Council will then follow procurement processes where required for the plan to be implemented ensuring that financial and contract procedure rules are followed	Head of Policy, Communications and Governance

2. INTRODUCTION AND BACKGROUND

- 2.1 The purpose of this report is to enable debate to establish a clear strategy and set of actions for our future work on recovery and renewal from the COVID-19 pandemic. An initial report concerning our approach to recovery was presented to the Policy and Resources Committee in June 2020, following the first wave of the pandemic. The report included the overall aim of delivering a safe, sustainable, managed recovery, a range of objectives and actions relating to economic recovery, community resilience, the Council's future financial sustainability and the way we work themes underpinned by a communication strategy. Much has changed since then as we have experienced a second wave of the virus and associated national measures and lockdown. The Council's attention has therefore been focused on response to support residents and businesses locally and to assist public health services in a range of activities including track and trace, testing and vaccination efforts. Full Council considered the impact of the pandemic with respect to its Strategic Plan in February 2021 and agreed to some changes in the areas of focus for the period 2021-26 which reflected the impacts of the pandemic on the economy and the health and wellbeing of our residents.
- 2.2 On 9 June 2021 a virtual briefing was held for Members on the impact to date of the pandemic and a discussion on the approach to recovery

including what 'Build Back Better' would mean for Maidstone. Based on this session and the observations and feedback provided by attending members, a report was requested that would generate further discussion and conclusions to shape a subsequent action plan for recovery and renewal.

- 2.3 In March 2021 the Government published its approach to "Build Back Better":

<https://www.gov.uk/government/publications/build-back-better-our-plan-for-growth>

The Policy and Resources Committee is invited to consider whether we should adopt a similar approach and if so what "Build Back Better" would mean for the borough both in terms of overall objectives and the projects that could contribute to this. Some initial ideas about what "Build Back Better" could mean are set out in section 3 below. Several project ideas are included at **Appendix A**. Following this debate consideration will be given at the July Meeting of this Committee to proposals for a programme of projects including resource requirements.

- 2.4 How we achieve our strategic plan vision, our objectives, our priorities, and our operating models for delivery will require some reimagining. Recovery and renewal will involve short, medium, and long-term political and policy choices for the Council as well as operational decisions about the way we undertake recovery for our own organisation, through the services that we provide for the community and in our work with partners who also deliver services for the social, economic and environmental wellbeing of our borough.

- 2.5 The COVID-19 Pandemic has impacted every aspect of people's lives. Consideration of what "Build Back Better" means for Maidstone Borough and identification and prioritisation of actions to achieve recovery and renewal is dependent on a good understanding of the effects of the pandemic and the impacts on residents and businesses. Surveys have been conducted with the public and with the local voluntary and community sector (Appendix B). Results of our resident survey can be found here:

<https://maidstone.gov.uk/home/primary-services/council-and-democracy/primary-areas/consultations/closed-consultations?resident-covid-19-impact-and-response-survey>

We are yet to see the whole effect and impact of the pandemic and are in the challenging position of working in response at that same time as taking actions for recovery and renewal.

- 2.6 The key messages from the data relating to Maidstone Borough's communities and businesses are:

- The council has supported the most vulnerable residents in the borough including over 10,500 people who have been identified as Clinically

Extremely Vulnerable and a significant number of families who have been financially vulnerable for example during the first wave over 1,200 food parcels were delivered in addition to the significant support provided through foodbanks and parish councils. The spatial distribution for these food parcels reflected the pattern of deprivation in the borough

- Almost 13,000 of our residents have been diagnosed with Covid19 and over 440 have died; the whole borough has been affected however the incidence of the virus is greater in parts of the borough where the index of multiple deprivation is greater and the consequence is accentuation of existing health inequalities.
- Effects include a significant increase in the number of people who are in receipt of Universal Credit and other benefits including council tax support. Whilst the whole borough has been affected the communities most impacted are those which are the most deprived.
- Economic impacts have been substantial. We have made payments to almost 9800 businesses, distributing over £54.5 million of government grant support in the Borough. Town centre vacancy rates have increased to over 18%; this compares with typical vacancy rates of 10-11% for previous years.
- Unemployment rates have also increased. Typically, pre-pandemic unemployment rates across the borough were less than 2%; during the pandemic this increased to over 5%. Rates have varied between sectors and different parts of the borough with High Street ward (9.8%), Shepway South (7.7%), Shepway North (6.9%) and Parkwood (6.8%) experiencing the highest levels.
- There have been significant adverse impacts for young people. For example, since March 2020 there has been an increase in the number of young people not in education, employment or training each month in comparison with the same month the previous year.

2.7 The contribution of communities in response to the COVID-19 pandemic has been remarkable and the Council are truly grateful for everyone's effort, support, and assistance. It is imperative that we continue to work with our communities, the community and voluntary sector including parish councils and anchor institutions to focus on: building resilience, improving communication and making best use of our community infrastructure to empower our communities to help themselves.

2.8 The pandemic has had a major impact on the pace of change in on-line/digital service delivery for example to enable access to council, health, and education services. The way organisations work has changed with technology enabling greater home and remote working. This will remain a key component of the new normal. This has major implications, on the way in which businesses operate and use space, and commuting patterns for workers, but also heightens challenges such as digital exclusion for some groups.

- 2.9 Environmental awareness has been significantly raised, and, within the context of global climate and biodiversity emergencies, this has resulted in increased expectations in government policy for a green recovery. These factors give the opportunity to accelerate Maidstone’s ambitions in terms of clean growth, sustainable travel, and natural capital.
- 2.10 The COVID-19 pandemic has significantly impacted on the Council’s service delivery. Changes in resident’s needs and secure working practices for the public and our staff have changed the way we work. To complement this, we have changed a variety of employment policies and procedures following feedback from staff as to what is working well and what could be improved to enable remote and agile working. Looking to the future we need to make the most of the opportunities to capture the benefits of the changes made during the pandemic and incorporate into our planning for example for future office accommodation requirements.
- 2.11 The Government has allocated £1.55 billion to local authorities for COVID-19 expenditure pressures. Maidstone’s share of this grant is £860,000 and in accordance with government guidance, the first call on this should be for expenditure incurred in responding to COVID-19. Beyond this, it would be appropriate to deploy this funding to support COVID-19 recovery activities.
- 2.12 In addition to the un-ringfenced grant, the Government has announced the £56 million ‘Welcome Back Fund’ designed to help boost the look and feel of high streets, and to help councils prepare for the safe return of shoppers and tourists. Maidstone’s allocation from this fund is £153,551.
- 2.13 Several ringfenced and other grants will continue to support specific activities related to the Council’s COVID-19 response. These include the Contain Outbreak Management Fund (COMF), from which Maidstone has been allocated £222,043 for 2021-22, in addition to £371,103 devolved from Kent County Council during 2020/21, Test and Trace Grants and New Burdens funding.
- 2.14 The Council also has access to other funding streams which may be used to support certain activities linked to recovery planning. These include s106 funding for town centre planning, and income retained through the Kent Business Rates Pool which can be used for activities which support economic development more widely.

3. AVAILABLE OPTIONS

- 3.1 The Committee is asked to discuss the “Build Back Better” principles below and project ideas identified at **Appendix A** to give direction and input into the recovery and renewal action plan:
- **Levelling up** – renewed focus on **improving people’s life chances and a healthy recovery** including addressing inequalities already present that have been accentuated by the pandemic e.g. for health and wealth/financial precariousness.

- **Strengthening community resilience** – continuing to build relationships with Parishes, Community and Voluntary Sector and carry out projects to enable people to help themselves and support the community and voluntary sector.
 - **Build back greener** – this refers to delivering the UK’s Ten Point Plan for a Green Industrial Revolution; should we put a greater emphasis on the council’s climate change and biodiversity action plan?
 - **Building back faster** the examples in the government’s document are about planning – which includes more permitted development which may be harmful at a local level; do we want to consider making our decision making faster?
 - **Delivering the vision for Global Britain** – which we could perhaps express as **support business through transition post Brexit**
 - **Think local in terms of our economy** for example work with the Anchor Institutions in our borough on training, skills and recruitment for local people and spending locally when procuring services wherever possible
 - **The way we work** – e.g. capturing and sustaining the experience and benefits of the pandemic for agile working
-

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 The Committee is asked to consider and discuss the principles for what “Build Back Better” means for the Borough and the project ideas set out in Appendix A, to inform the costed action plan that will come to this Committee in July 2021.
-

5. RISK

- 5.1 The Coronavirus Pandemic has had a severe and long-lasting impact on the lives of Maidstone communities and businesses, not responding and effectively planning for recovery and renewal will increase the risk to our communities and businesses as well as the Council.
-

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 As well as consultation with Councillors through the Member COVID-19 recovery consultative forum, reports were received on a regular basis by Policy and Resources in 2020 and 2021:

24 June 2020: Response to Covid19 Public Health Emergency
Approach to recovery from the Covid19 Pandemic

16 September 2020: Strategic Plan Review – Update on Priority Milestones

20 January 2021: Strategic Plan – Proposed Areas for Focus 2021-2026
and Key Performance Indicators for Covid-19 Recovery

10 February 2021: Strategic Plan Refresh

- 6.2 On the 9 June 2021 a virtual member briefing was held for Members where information was provided on the impact to date of the pandemic, the discussion on what 'Build Back Better' would mean for Maidstone and other feedback was used to refine the actions in Appendix A.
-

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 An action plan will be produced for decision by Policy and Resources on 21 July 2021.
-

8. REPORT APPENDICES

- Appendix A: Recovery and Renewal Actions
 - Appendix B: Voluntary and Community Sector Survey Summary
-

9. BACKGROUND PAPERS

24 June 2020: Response to Covid19 Public Health Emergency
<http://app07:9080/documents/s71373/Maidstone%20Councils%20Response%20to%20Covid19%20Pandemic.pdf>

24 June 2020: Approach to recovery from the Covid19 Pandemic
<http://app07:9080/documents/s71374/Maidstone%20Councils%20approach%20to%20Recovery%20from%20the%20Covid19%20Pandemic.pdf>

16 September 2020: Strategic Plan Review – Update on Priority Milestones
<http://app07:9080/documents/s72419/Strategic%20Plan%20Review%20-%20Update%20on%20Priority%20Milestones.pdf>

20 January 2021: Strategic Plan – Proposed Areas for Focus 2021-2026 and Key Performance Indicators for Covid-19 Recovery
<http://app07:9080/documents/s74258/Strategic%20Plan%20-%20Proposed%20Areas%20for%20Focus%202021-2026%20and%20KPIs%20for%20Covid19%20Recovery.pdf>

10 February 2021: Strategic Plan Refresh
<http://app07:9080/documents/s75590/Strategic%20Plan%20Refresh.pdf>

Project Ideas: Response and Recovery

Economic Recovery

- Maidstone Town Centre Strategy co-designed with the public and other key stakeholders (e.g. businesses and anchor institutions) a central piece of work for the whole Borough to secure a thriving future for the County Town. We are currently consulting on the new Economic Development Strategy which includes a town centre pillar, we will use the feedback from stakeholders to provide the context of other people's views about the town centre
- A communications project on marketing the borough, promoting our assets, our borough and town centre to secure inward investment.
- Maidstone is Open for Business across the borough - Incentive Scheme encouraging businesses to meet our goals on employing local people for example
- Project focussing on thinking local in terms of our economy
- Preparatory work for Levelling Up/ UK Prosperity Fund and similar bidding opportunities
- Tackle youth unemployment targeting our most deprived wards including working with Mid Kent College to establish a Youth Hub for 18-24-year olds
- Work with existing arts and cultural groups, coordinate activity and bids for funding to develop projects to enhance the cultural lives of residents in Maidstone and diversify the offer
- Establish Anchor Institutions network – to enable more local recruitment (including collaboration of skills and training) and local spending through procurement
- Improving infrastructure like broadband (link to the Economic Development Strategy)

Community Resilience

- Levelling Up – a piece of work informed by local data to enable a definition as to what levelling up means for maidstone borough and the council's role in this
- Financial Inclusion - identify people/households financially 'in crisis' and 'at risk', contact and target with information to ensure they are receiving the correct benefits to maximise income.
- Community Recovery Grants –funds to enable communities to help themselves including time limited support to voluntary and community groups e.g. tackling issues accentuated by Covid19 including isolation, risks to health and well-being and the knock effects of day to day life e.g. gaining access to employment
- Make best use of the Homelessness Prevention Grant to enable households to remain in their homes.

- Create provision at Trinity Foyer to enable partners including in the VCSE to deliver services here
- Pump priming work to encourage and support volunteering
- Support to extend digital inclusion
- Project with community to consider ways of paying respect for people who have died as a result of the pandemic – complementing Compassionate Maidstone recognition and awards
- Establish Community Compact to sustain strategic and operational relationships with the Community, Voluntary and Social Enterprise sector as agreed by the Community Housing and Environment Committee
- Investment in Emergency Planning to ensure we are prepared for future large scale emergencies.

The Way We Work

- Investment in equipment to enable sustained home working
- Invest more in technology to enable mobile working – as part of a working from anywhere approach
- Investment in ICT kit to enable blended remote/home and office working including video conferencing
- Detailed work to enable decision, design and implementation on the preferred option for long term office accommodation
- Time limited increased capacity for HR and policy teams to refresh staffing policies and cultural change to enable new ways of working
- Engagement with staff and Managers on training, working practices as changing the way we work and working from home and the office
- Review whether the way we deliver services can/should be more personalised based on the different needs of our customers?
- Incorporate agile workspaces and climate change adaptations into offices
- Integrate and embed social value into our procurement in a comprehensive way

Community Support Groups – Impact & Recovery Survey

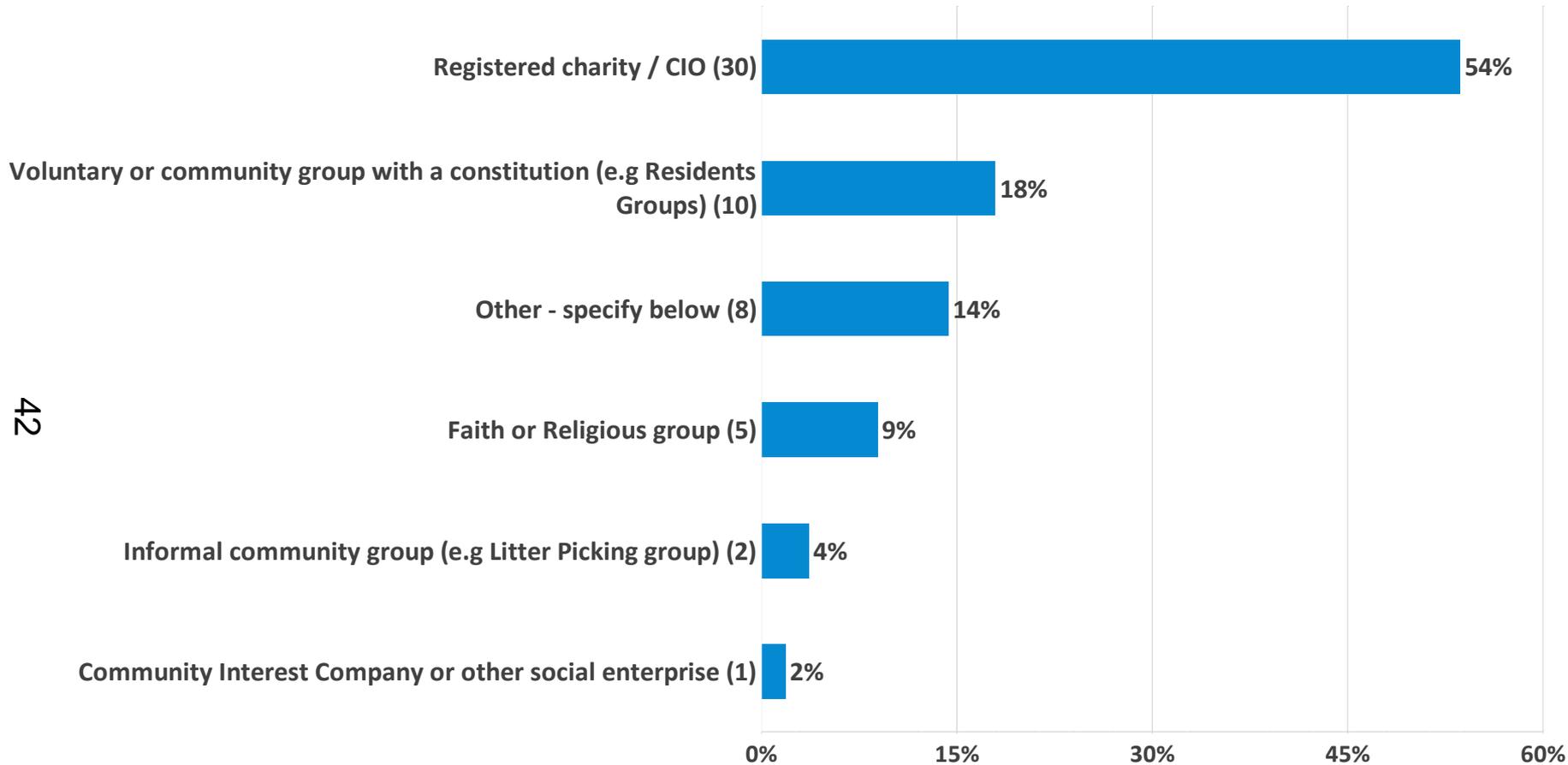
41

March 2021

Total Respondents 57

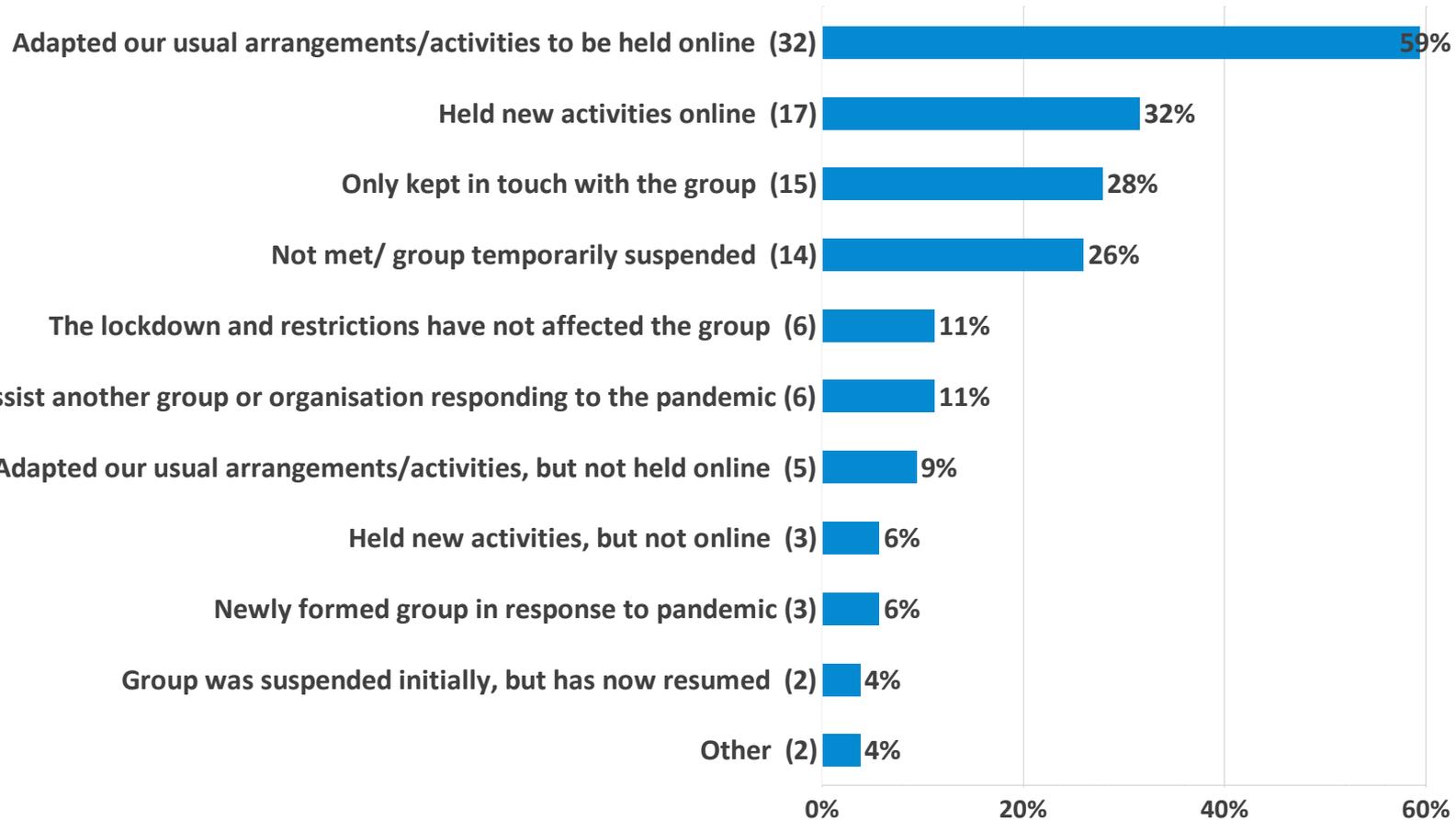


Response by Organisation Type



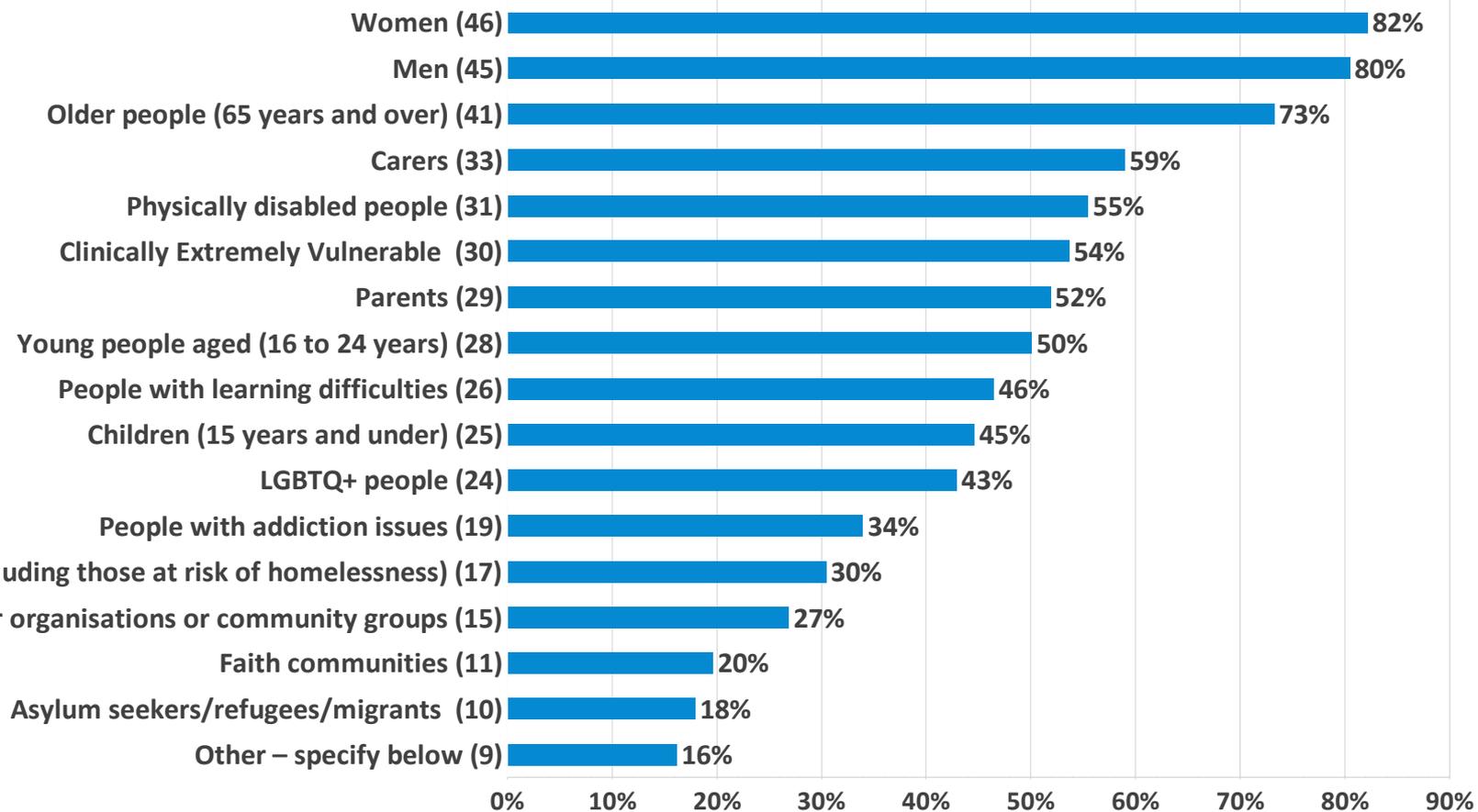
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Operation of Groups since March 2021

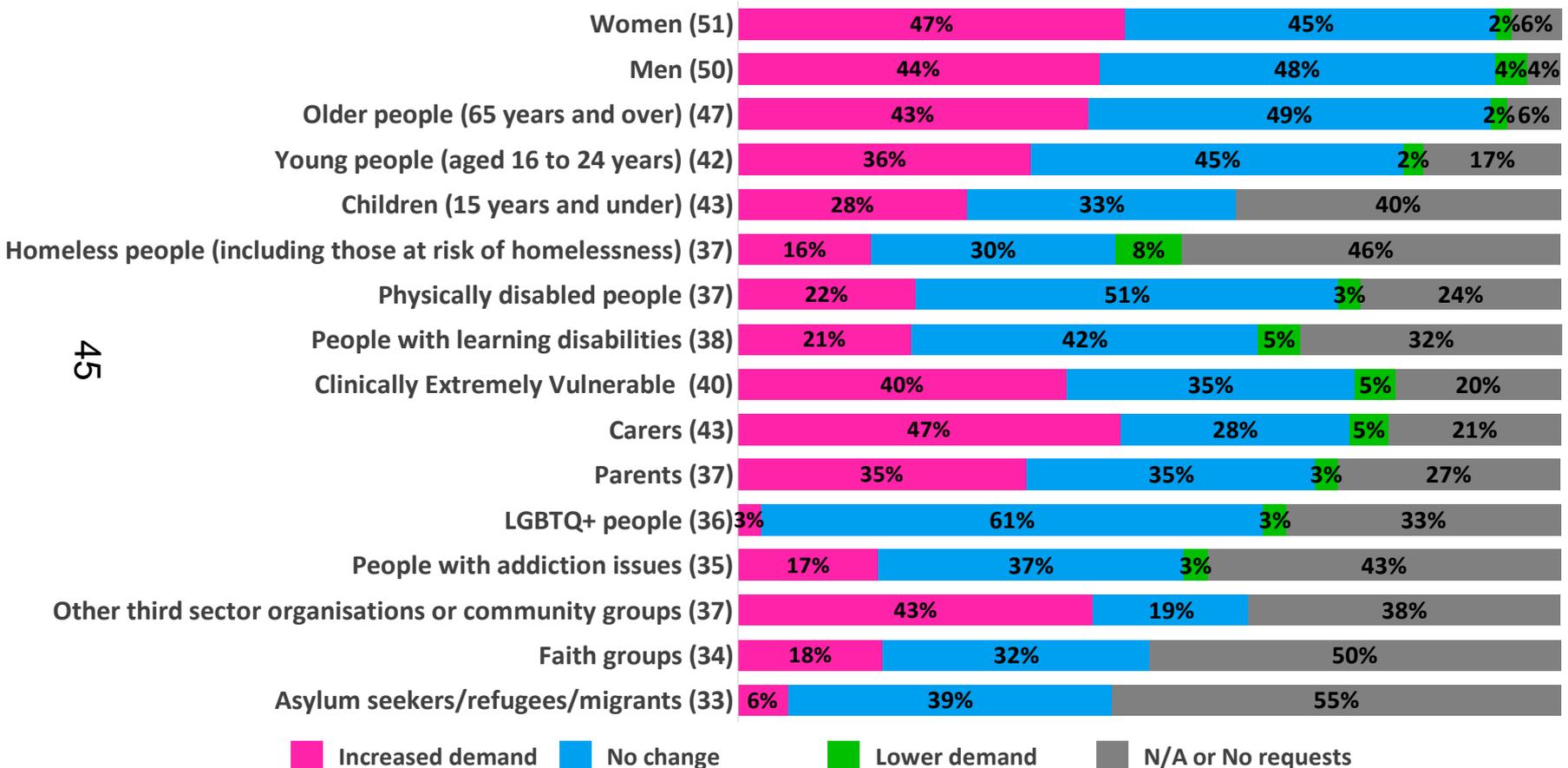


Who has been using services in the last 12 months

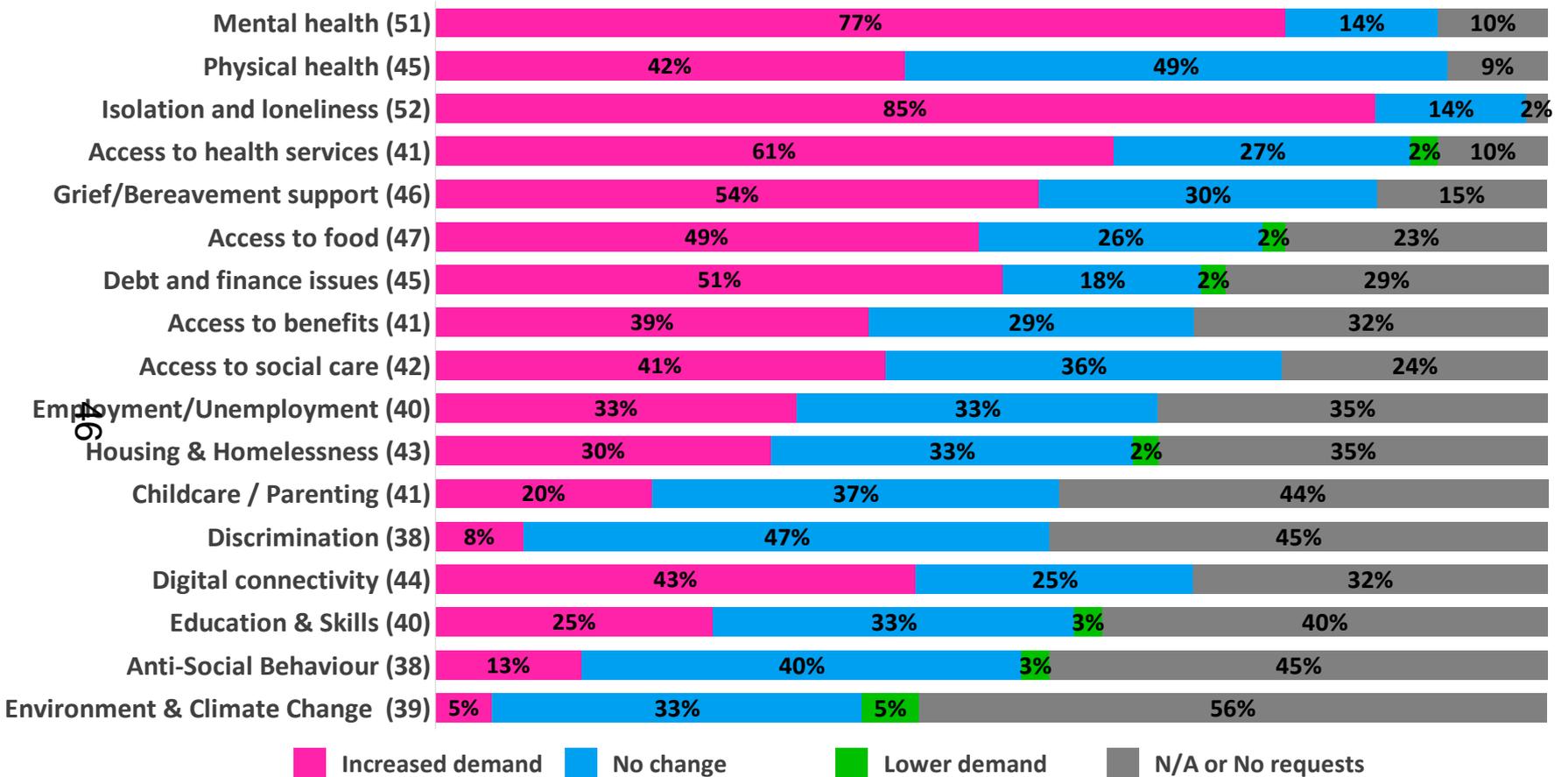
44



Change in service users over last 12 months



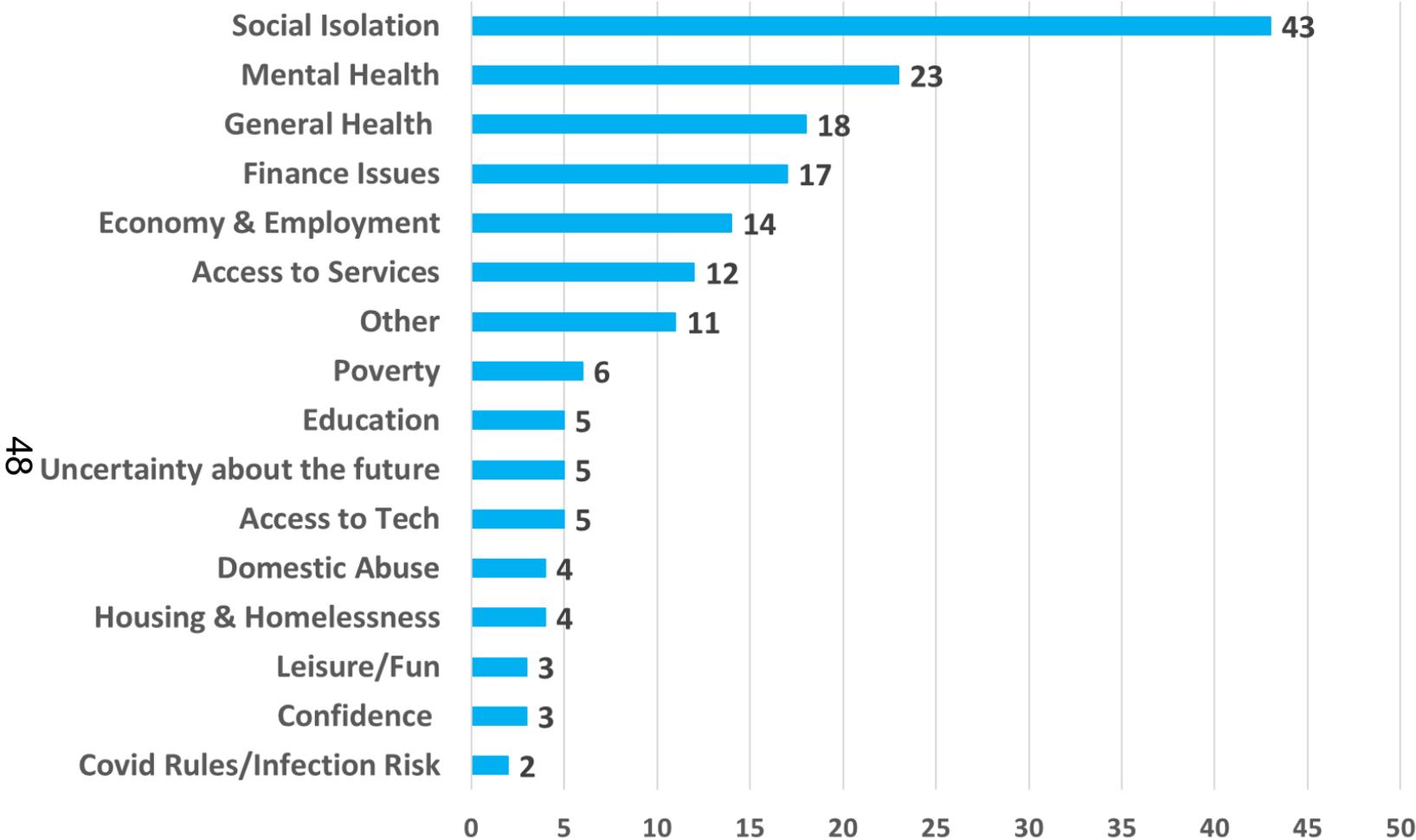
Change in demand for services



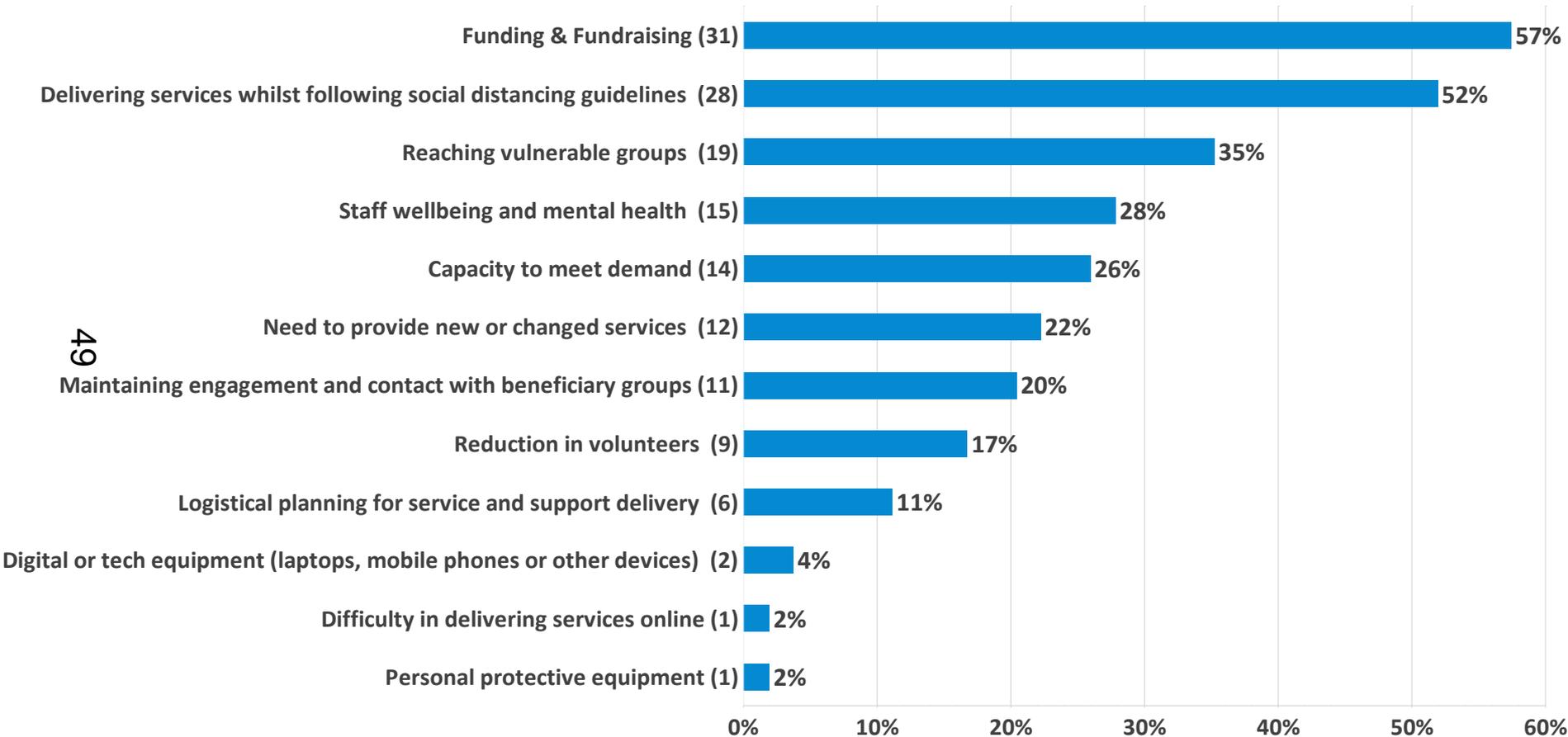
New Services

- 16 - Social activities (including online activities).
- 7 – Deliveries
- 47 • 3 - Learning & Training
- 2 – Food supplies
- 1 – technical support –getting people online

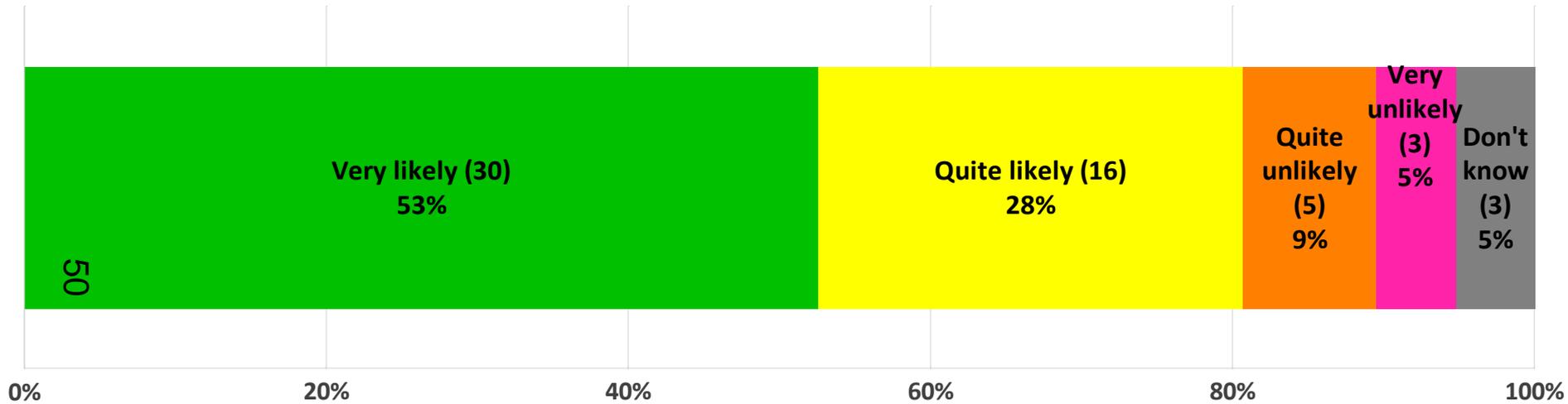
Issues for Maidstone



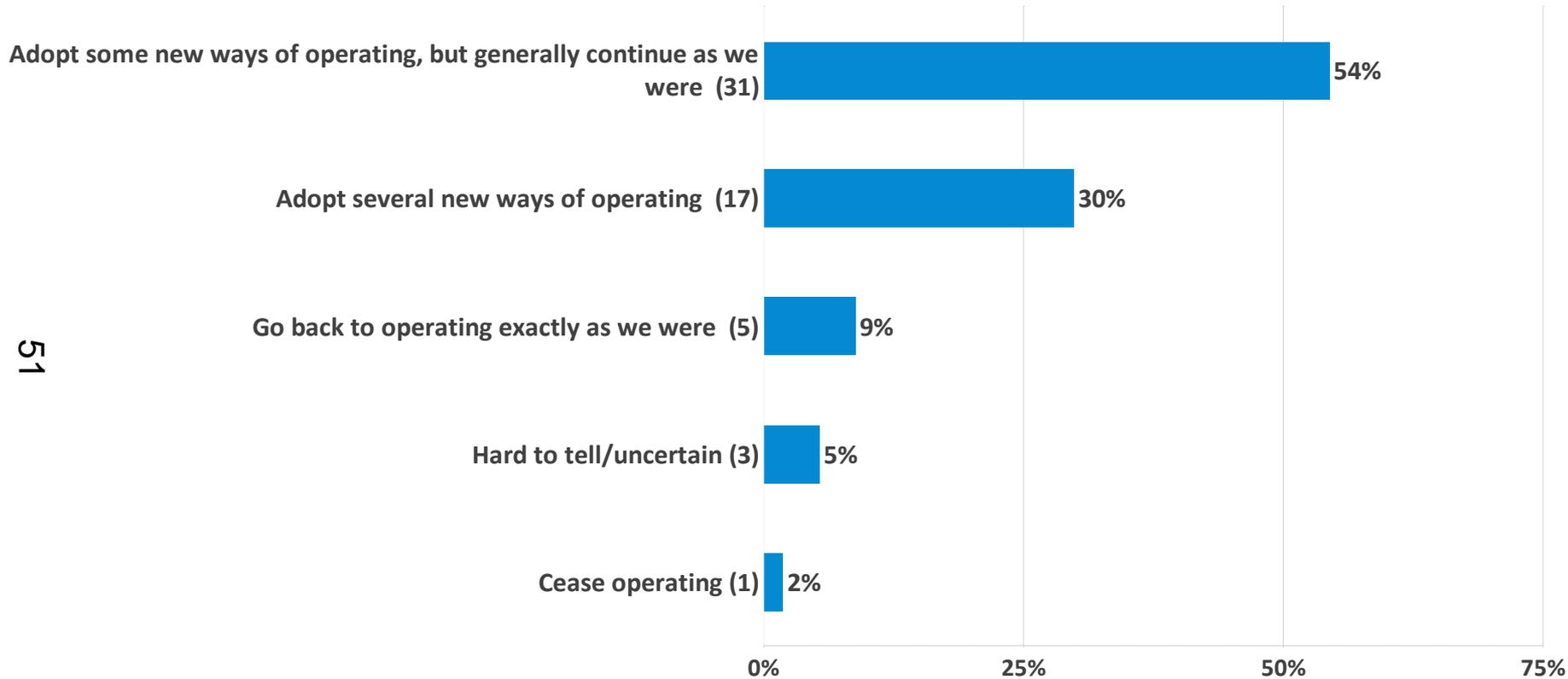
Challenges for the future



Future Operation of Group



Future Operation of Group



51

Support to Thrive

1. Funding (28)
2. Recruiting Volunteers (16)
3. Premises & Venues (13)
4. Communication & Publicity (7)
5. Partnership opportunities & working (2)

**POLICY AND RESOURCES
COMMITTEE**

23 June 2021

PUBLIC SECTOR-LED GARDEN COMMUNITY UPDATE

Final Decision-Maker	Policy & Resources Committee
Lead Head of Service	William Cornall, Director of Regeneration & Place
Report Author	Alison Broom, Chief Executive
Wards affected	All, but in particular Harrietsham & Lenham and Headcorn Wards.

Executive Summary

The proposal was last considered by this Committee on 24th March 2021. The purpose of this report is to update the Committee on key contemporary issues concerning the development of the Heathlands Garden Community proposition. As in the case of previous reports to this Committee, the contents of this report relate to the Council's position as a potential property owner/developer and not as Local Planning Authority (LPA).

Purpose of Report

To provide this Committee with an update on progress with respect to the Heathlands Garden Community proposition.

This report makes the following recommendations to this Committee:

1. That this Committee notes the report.

Timetable

Meeting	Date
Policy and Resources Committee	23 rd June 2021

PUBLIC SECTOR-LED GARDEN COMMUNITY UPDATE

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

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>Continuing with the development of the Heathlands Garden Community proposition will materially improve the Council’s ability to achieve all the corporate priorities.</p>	Director of Regeneration & Place
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>The Heathlands Garden Community proposition supports the achievement of all the cross cutting objectives.</p> <p>Through delivering much needed homes to include 40% affordable housing. The emerging masterplan is landscape led with up to 50% of the total proposed as green space. Led by the ambitions set out in the Strategic Plan the Council can ensure that the design principles of development where it is the master planner reflect the commitment to reduce health inequalities amongst other things.</p>	Director of Regeneration & Place

Risk Management	See section 4.	Director of Regeneration & Place
Financial	Investment in the Garden Community forms part of the Council's five-year capital programme and budgetary provision exists for the expenditure described in the report and the plans outlined here.	Section 151 Officer & Finance Team
Staffing	We will deliver the recommendations with our current staffing.	Director of Regeneration & Place
Legal	There are no legal implications arising from this report as it is for noting only.	Principal Solicitor – Commercial
Privacy and Data Protection	No impact identified	Policy and Information Team
Equalities	An Equalities Impact Assessment will be completed if the proposal forms part of the draft spatial strategy of the Local Plan Review.	Equalities and Corporate Policy
Public Health	We recognise that the recommendations will not negatively impact on population health or that of individuals more broadly. However, the period of uncertainty whilst the opportunity is being explored could negatively affect local residents.	Public Health Officer
Crime and Disorder	The recommendation will not have a negative impact on Crime and Disorder.	Head of Service or Manager
Procurement	N/A.	Head of Service & Section 151 Officer
Biodiversity	The revised masterplan brief seeks a biodiversity net gain within the proposed redline.	Head of Policy Communications & Governance

2. INTRODUCTION AND BACKGROUND

2.1 The Council is pursuing this project as it is consistent with its Strategic Plan priority of “embracing growth and enabling infrastructure” and the desired outcomes within it:

- The Council leads master planning and invests in new places which are well designed.
 - Key employment sites are delivered.
 - Housing need is met including affordable housing.
 - Sufficient infrastructure is planned to meet the demands of growth.
- 2.2 This report updates this Committee concerning progress since March 2021 in respect of the following areas:
- Homes England (HE) partnership
 - Promotion of Heathlands through the Local Plan Review (LPR)
- 2.3 **Homes England (HE) Partnership.** On 24th March 2021 this Committee agreed that the Council should enter into the Collaboration Agreement with Homes England presented to it and gave delegated authority to the Director of Regeneration and Place to make minor amendments to the Collaboration Agreement, prior to its signing, in consultation with the Monitoring Officer and the Chair and Vice-Chair of this Committee. The Collaboration Agreement was signed and sealed on 31st March 2021 and is now in place.
- 2.4 A key focus has been bringing the engagement with the 8 principal landowners to a conclusion in the form of an option agreement. Homes England advise that good progress has been made. Heads of Terms covering the main commercial points for the agreement are agreed. There has been productive dialogue in response to assurances sought on a few detailed matters. The expectation is that the Option Agreement will be entered into in the next few weeks. .
- 2.5 **Promotion of Heathlands through the Local Plan Review.** In terms of context the timetable for the next stages of the Local Plan Review have been updated and a revised Local Development Scheme will be considered by the LPA on 6th July 2021. The LPA has requested additional information to assist in its assessment of the Heathlands proposition.
- 2.6 The Council is working closely with Homes England to ensure that the most complete and robust case continues to be put forward with respect to the proposed garden community at Heathlands. The third stage submission was made to the LPA as planned on 31st March 2021. Subsequently the LPA has liaised with a range of internal and external statutory consultees resulting in feedback to the Heathlands team. The Council and Homes England are continuing to work closely with their appointed technical team to respond to the various points raised by the LPA and to refine the Heathlands proposition. This is part of the normal on-going iterative process in providing the LPA with a comprehensive suite of the necessary technical information to inform their decision making with respect to the emerging Regulation 19 Local Plan. It is currently envisaged that the next suite of technical information will be submitted to the LPA by the end of June 2021. This will comprise a new "Framework Masterplan" document that will pull all the research and interpretation of this into a coherent form.

- 2.7 As part of the more detailed work required to develop the transport strategy element of the Master Plan and translate this into more detailed infrastructure schemes the Council and Homes England have jointly commissioned expert assessment and advice concerning a range of rail station options and further detailed traffic modelling. A submission has subsequently been made to Network Rail concerning the technical case for various rail station options with the objective of entering into a Memorandum of Understanding to facilitate the very detailed work needed to progress from options to selection of the preferred solution and subsequently its implementation. In addition, in response to the analysis and feedback from the LPA and KCC's transport teams, further traffic management modelling work is being conducted and it is presently anticipated that this will be completed by the end of June 2021.
- 2.8 Plans are also well progressed for appointment of a specialist company to assist the Council and Homes England with respect to public engagement and consultation. This work will be conducted and the outputs included in subsequent submissions to the LPA.
-

3. AVAILABLE OPTIONS

- 3.1 This report is for noting
-

4. RISK

- 4.1 When this proposal was presented to this Committee in September 2019, the likely risks were set out as follows:

- At risk consultancy expenditure.
- A period of uncertainty for the community affected.
- Possible negative perceptions of a broader role for the Council in the context of acting as master developer.
- Maintaining cohesion amongst the landowner group.

- 4.2 These risks have to some degree crystallised and largely remain. However, the level of cohesion amongst what is now a smaller core landowner group, is now strong.

- 4.3 Further risks that have since been added and remain are:

- Terms cannot be agreed with the principal landowners.
- Challenge from individuals or organisations that oppose the principle and/or the specific details of the Council's council-led garden community.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

5.1 Nothing further to report.

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

6.1 The next steps will be to:

- Advance the commercial negotiations with the principal landowners.
- Continue to engage with the LPA to refine and evolve the Heathlands Framework masterplan
- Make further submissions to the LPA arising from the normal iterative dialogue concerning development proposals of the scale of a garden community

7. REPORT APPENDICES

None

8. BACKGROUND PAPERS

None.

POLICY & RESOURCES COMMITTEE

23 June 2021

4th Quarter Finance, Performance and Risk Monitoring Report 2020/21

Final Decision-Maker	Policy & Resources Committee
Lead Head of Service	Mark Green, Director of Business Improvement
Lead Officer and Report Authors	Ellie Dunnet, Head of Finance Paul Holland, Senior Finance Manager (Client) Carly Benville, Senior Business Analyst Russell Heppleston, Deputy Head of Audit Partnership
Classification	Public
Wards affected	All

Executive Summary

This report sets out the 2020/21 financial and performance position for the Council, including services reporting directly into the Policy & Resources Committee (PRC) as at 31st March 2021 (Quarter 4). The primary focus is on:

- 2020/21 Revenue and Capital budgets;
- 2020/21 Key Performance Indicators (KPIs) that relate to the delivery of the Strategic Plan 2019-2045;
- Corporate Risk Register

The combined reporting of the financial and performance position enables the Committee to consider and comment on the issues raised and actions being taken to address both budget pressures and performance issues in their proper context, reflecting the fact that the financial and performance-related fortunes of the Council are inextricably linked. The report for this quarter has a particular focus on the impact the Covid-19 pandemic has had on the Council's financial position and performance.

Budget Monitoring

With regard to revenue, at the Quarter 4 stage, the Council has incurred net expenditure of £20.065m against the annual budget of £21.287m, representing an underspend of £1.222m. This report recommends that Members transfer the underspend to General Fund Reserves, without prejudice to any future decision to earmark some or all of this amount for specific purposes.

For the services reporting directly to PRC, net expenditure of £7.715m has been incurred against the annual budget of £11.605m, representing an underspend of £3.890m. These underspends arise largely from the receipt of government grants for Covid-19 which will be used to cover overspends across all the service committees.

With regard to capital, at the Quarter 4 stage, the Council has incurred overall expenditure of £20.123m against a budget allocation within the Capital Programme of £28.509m. Expenditure for services reporting directly to PRC of £11.565m has been incurred against the budget of £12.871m.

Performance Monitoring

A number of targets were missed due to the impact of Covid-19, although there were improvements in a number of other areas.

Corporate Risk Update

The risk register is forward looking and seeks to capture uncertainties on the horizon, in addition to addressing key risks directly linked to the delivery of our priorities. The risk profile has been updated to reflect the impact and uncertainties resulting from Covid-19, lockdown restrictions and the challenges facing our residents and local businesses. The risk register (appendix 3) details how the Council is responding to these risks and undertaking necessary preparations and actions to reduce likelihood and impact where possible to do so.

Purpose of Report

The report enables the Committee to consider and comment on the issues raised and actions being taken to address budget pressures, performance issues and corporate risks as at 31st March 2021.

This report makes the following Recommendations to the Committee:

1. That the Revenue position as at the end of Quarter 4 for 2020/21, including the actions being taken or proposed to improve the position, where significant variances have been identified, be noted.
2. That the underspend of £1.222 million be transferred to General Fund Reserves, without prejudice to any future decision of the Committee to earmark some or all of this amount for specific purposes.
3. That the Capital position at the end of Quarter 4 be noted.
4. That the Performance position as at Quarter 4 for 2020/21, including the actions being taken or proposed to improve the position, where significant issues have been identified, be noted.
5. That the Risk Update, attached at Appendix 3 be noted.

Timetable	
Meeting	Date
Policy & Resources Committee	23 June 2021

4th Quarter Financial Update & Performance Monitoring Report 2020/21

CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<p>Impact on Corporate Priorities</p>	<p>This report monitors actual activity against the revenue budget and other financial matters set by Council for the financial year. The budget is set in accordance with the Council's Medium-Term Financial Strategy which is linked to the Strategic Plan and corporate priorities.</p> <p>The Key Performance Indicators and strategic actions are part of the Council's overarching Strategic Plan 2019-45 and play an important role in the achievement of corporate objectives. They also cover a wide range of services and priority areas.</p>	<p>Director of Finance and Business Improvement (Section 151 Officer)</p>
<p>Cross Cutting Objectives</p>	<p>This report enables any links between performance and financial matters to be identified and addressed at an early stage, thereby reducing the risk of compromising the delivery of the Strategic Plan 2019-2045, including its cross-cutting objectives.</p>	<p>Director of Finance and Business Improvement (Section 151 Officer)</p>
<p>Risk Management</p>	<p>This is addressed in Section 4 of this report.</p>	<p>Director of Finance and Business Improvement (Section 151 Officer)</p>

Issue	Implications	Sign-off
Financial	<p>Financial implications are the focus of this report through high level budget monitoring. Budget monitoring ensures that services can react quickly enough to potential resource problems. The process ensures that the Council is not faced by corporate financial problems that may prejudice the delivery of strategic priorities.</p> <p>Performance indicators and targets are closely linked to the allocation of resources and determining good value for money. The financial implications of any proposed changes are also identified and taken into account in the Council's Medium-Term Financial Strategy and associated annual budget setting process. Performance issues are highlighted as part of the budget monitoring reporting process.</p>	Senior Finance Manager (Client)
Staffing	<p>The budget for staffing represents a significant proportion of the direct spend of the Council and is carefully monitored. Any issues in relation to employee costs will be raised in this and future monitoring reports.</p> <p>Having a clear set of performance targets enables staff outcomes/objectives to be set and effective action plans to be put in place.</p>	Director of Finance and Business Improvement (Section 151 Officer)
Legal	<p>The Council has a statutory obligation to maintain a balanced budget and the monitoring process enables the Committee to remain aware of issues and the process to be taken to maintain a balanced budget.</p> <p>There is no statutory duty to report regularly on the Council's performance. However, under Section 3 of the Local Government Act 1999 (as amended) a best value authority has a statutory duty to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. One of the purposes of the Key Performance Indicators is to facilitate the improvement of the economy, efficiency and effectiveness of Council services. Regular reports on Council performance help to demonstrate best value and compliance with the statutory duty.</p>	Principal lawyer (Corporate Governance), MKLS

Issue	Implications	Sign-off
Privacy and Data Protection	The performance data is held and processed in accordance with the data protection principles contained in the Data Protection Act 2018 and in line with the Data Quality Policy, which sets out the requirement for ensuring data quality. There is a program for undertaking data quality audits of performance indicators.	Policy and Information Team
Equalities	There is no impact on Equalities as a result of the recommendations in this report. An EqIA would be carried out as part of a policy or service change should one be identified.	Equalities and Corporate Policy Officer
Public Health	The performance recommendations will not negatively impact on population health or that of individuals.	Public Health Officer
Crime and Disorder	There are no specific issues arising.	Director of Finance and Business Improvement (Section 151 Officer)
Procurement	Performance Indicators and Strategic Milestones monitor any procurement needed to achieve the outcomes of the Strategic Plan.	Director of Finance and Business Improvement (Section 151 Officer)

1. BACKGROUND AND INTRODUCTION

- 1.1 The Medium-Term Financial Strategy for 2020/21 to 2024/25 - including the budget for 2020/21 - was approved by full Council on 26th February 2020. This report updates the Committee on how its services have performed over the last quarter with regard to revenue and capital expenditure against approved budgets.
- 1.2 The report particularly focuses on the impact of the Covid-19 pandemic on the financial position and performance of the service areas that fall under this committee, and provides some further detail around particular areas of concern. The pandemic has had a very significant impact on the Council's finances, as shown by the figures below. The figures also show how the government has committed progressively more grant support to local authorities like Maidstone.

£m

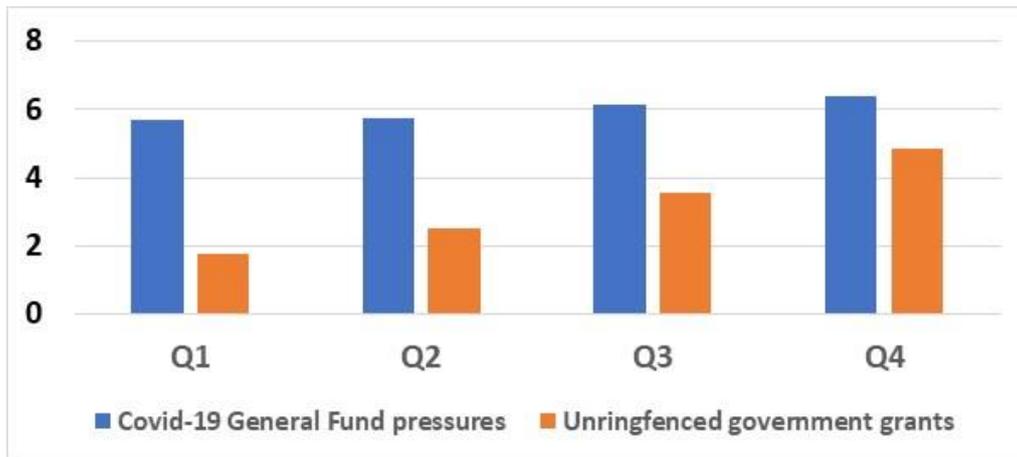


Table 1: Projected Covid-19 General Fund pressures v grant support as reported during 2020/21 (£ million)

1.3 The result of this increased level of government support, together with the mitigation measures taken by the Council itself to offset expected budget pressures, has been that the overall out-turn for the General Fund (ie excluding the impact of Council Tax and Business Rates collection performance) is an underspend of £1.222 million.

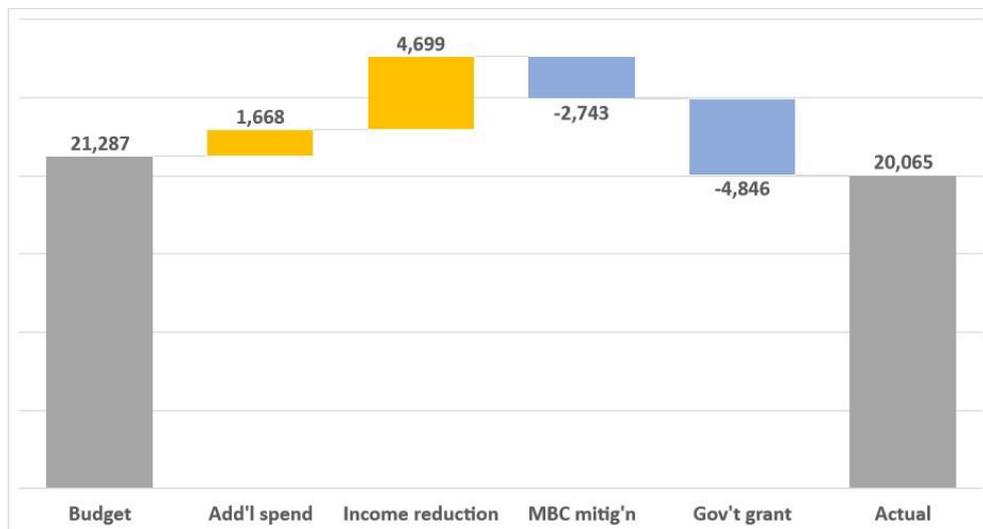


Table 2: Impact of different factors on out-turn for 2020/21 (£000)

1.4 It should be noted that this underspend reflects the one-off factors at play during 2020/21. The underlying budget pressures noted when the Council agreed a budget in February 2021 remain and may in some cases be exacerbated by the long term impacts of the pandemic.

1.5 This report also includes an update to the Committee on progress against its Key Performance Indicators (KPIs), and an update covering corporate risks.

- 1.6 Attached at **Appendix 1**, is a report setting out the revenue and capital spending position at the Quarter 1 stage. Attached at **Appendix 2**, is a report setting out the position for the KPIs for the corresponding period. Attached at **Appendix 3**, is a report providing an update on corporate risks, in response to the committee's previous request for regular updates on this subject.

2. AVAILABLE OPTIONS

- 2.1 As stated elsewhere in this report, the council has ended the financial year with a revenue underspend of £1.2m. It is therefore necessary for a decision to be taken as to how the underspend should be deployed. Options include:
- Transferring the underspend to General Fund reserves.
 - Using underspend to help fund the capital programme from 2021/22 onwards.
 - Earmarking the underspend for specific purposes, eg Covid-19 recovery, local plan review, town centre strategy work.
- 2.2 The recommended option is to transfer the underspend to General Fund Reserves.

3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 3.1 In considering the current position on the Revenue budget, the Capital Programme, KPIs and Corporate Risks at the end of March 2021, the Committee can choose to note this information and take a decision as to how the 2020/21 underspend should be deployed.
- 3.2 The Committee is requested to note the contents of the report and agree that the underspend of £1.222 million be transferred to General Fund Reserves. Given the overall level of reserves, this step does not prejudice Members' capacity at some future point to earmark some or all of the amount for specific purposes.

4. RISK

- 4.1 The Council agreed a balanced budget for both revenue and capital income and expenditure for 2020/21 in February 2020. However, the Covid-19 pandemic has had a significant impact since then. Corporate risks have been re-appraised, as reported to the Policy and Resources Committee at its meeting in June 2020. As a result, a regular quarterly review of the corporate risk register is now included as an appendix to this report.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 The KPIs update ("Performance Monitoring") is reported to service committees quarterly: Communities, Housing & Environment Committee, Economic Regeneration & Leisure Committee and the Strategic Planning &

Infrastructure Committee. Each committee will receive a report on the relevant priority action areas. The report is also presented to the Policy & Resources Committee, reporting on the priority areas of "A Thriving Place", "Safe, Clean and Green", "Homes and Communities" and "Embracing Growth and Enabling Infrastructure".

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 The Quarter 4 Budget & Performance Monitoring reports are being considered by the relevant Service Committees during June and July 2021, including this full report to the Policy & Resources Committee today.
 - 6.2 Details of the discussions which take place at Service Committees regarding financial and performance management will be reported to the next Policy and Resources Committee where appropriate.
 - 6.3 The Council could choose not to monitor its budget and/or the Strategic Plan and/or make alternative performance management arrangements, such as the frequency of reporting. This is not recommended as it could lead to action not being taken against financial and/or other performance during the year, and the Council failing to deliver its priorities.
 - 6.4 There is significant uncertainty regarding the Council's financial position beyond 2020/21, arising from the impacts of the Covid-19 crisis and the Council's role in responding to this. Future finance reports to this committee will ensure that members are kept up to date with this situation as it develops.
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7. REPORT APPENDICES

- Appendix 1: Fourth Quarter Budget Monitoring 2020/21
 - Appendix 2: Fourth Quarter Performance Monitoring 2020/21
 - Appendix 3: Fourth Quarter Corporate Risks Update 2020/21
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8. BACKGROUND PAPERS

None.

Provisional Outturn 2020/21

Policy & Resources Committee

23rd June 2021

Lead Officer: Mark Green

67 Report Authors: Ellie Dunnet/Paul Holland

Contents

Part A: Executive Summary & Overview	Page 2
Part B: Fourth Quarter Revenue Budget 2020/21	
B1) Revenue Budget: Council	Page 6
B2) Revenue Budget: Policy & Resources (PRC)	Page 7
B3) PRC Revenue Budget: Significant Variances	Page 9
B4) Other Revenue Budgets: Significant Variances	Page 10
B5) Grant Funding	Page
B6) Virements	Page 13
Part C: Fourth Quarter Capital Budget 2020/21	
C1) Capital Budget: Council	Page 15
C2) Capital Budget: Policy & Resources (PRC)	Page 15
C3) Capital Budget Variances	Page 17
Part D: Fourth Quarter Local Tax Collection 2020/21	
D1) Collection Fund	Page 20
D2) Collection Rates	Page 20
D3) Business Rates Retention (BRR)	Page 21
Part E: Reserves & Balances 2020/21	
E1) Reserves & Balances	Page 23
Part F: Treasury Management 2020/21	
F1) Introduction	Page 25
F2) Economic Headlines	Page 25
F3) Council Investments	Page 25
F4) Council Borrowing	Page 26
Part G: Maidstone Property Holdings	
G1) Maidstone Property Holdings Ltd. (MPH)	Page 28
G2) MPH Headlines	Page 28

Part A

Executive Summary & Overview



This report provides members with the provisional outturn for 2020/21, covering activity for both the Council as a whole and this committee's revenue and capital accounts for the fourth quarter of 2020/21.

Members will be aware that since the budget was agreed in February 2020, the position for 2020/21 and future years has changed significantly as a result of the Covid-19 pandemic. Specific impacts include:

- Redirection of existing resources to support vulnerable people
- Administering government support schemes, notably business rate reliefs and grants
- Increased activity in some council services
- Temporary closure of some Council facilities
- Reduction in levels of activity in some other Council services
- Income generating activities severely impacted by overall contraction in economic activity
- Change in working patterns, with almost all office-based staff now working from home
- Reduced levels of Council Tax and Business Rates collection.

As reported throughout the financial year, it was anticipated that this would result in adverse budget variances for many service areas for 2020/21, particularly in relation to income. However, progressively more generous government support and active mitigation of the losses have resulted in an overall underspend of £1.2m for the 2020/21 financial year. This is essentially an over-correction for the very significant losses that the Council has incurred. The underspend is one-off in nature and does not give a true reflection of the underlying budget position.

The overall position for the Council as reported to government on our monthly financial monitoring returns is summarised in table 1 below, along with funding that we have received from central government during the year. Councils have been asked to complete these returns to enable a comprehensive picture of the financial impact of Covid-19 on local authorities to be compiled by the Ministry of Housing, Communities and Local Government.

	£000
<i>Additional Spending</i>	1,668
Income Reductions:	
Business Rates (MBC share)	895
Council Tax (MBC share)	591
Other Income	4,699
Total	7,853
<i>Offset by</i>	
Unringfenced government grants	2,525
Sales, fees and charges compensation (estimated)	2,321
Tax Income Guarantee compensation (estimated)	52
New Burdens funding	567
Service specific grants	743
	6,208

Table 1, Covid-19 financial impact and government funding

It should be noted that the projections detailed within table 1 do not correspond to the in-year budget outturn. This arises for the following reasons:

- Due to the statutory accounting arrangements for council tax and business rates, these losses do not impact the general fund balance until next year.
- The variances above reflect an estimate of the financial impact of Covid-19, and do not take into account other factors which may impact on the budget outturn such as underspends that have the effect of mitigating Covid-19 related losses.

Given the all-encompassing impact of Covid-19 across many of the Council's services, mitigation for losses will be treated as a corporate exercise, and we will therefore not attempt to apportion all unringfenced support received across service committees.

In addition to the unringfenced grants totalling £2.5m, the council has received funding which can be clearly matched to additional expenditure, or outgoing grants. These funding streams have been used during the year to offset increased costs incurred in responding to the Covid-19 pandemic. Any unspent funding at 31 March which is ringfenced for specific activities will be carried forward into the current financial year and will be used to fund further activities which support the intended purpose of the grant. Further information on how grants have been used is provided in Section B5 of this report.

The impacts which arise from areas both within this committee's remit and the other three service committees are detailed within section B of this report.

The analysis also includes both the revenue and capital year-end position, and updates the Committee on a range of other inter-related financial matters including Local Tax Collection, Reserves and Balances, Treasury Management and Maidstone Property Holdings.

The budget figures shown for revenue and capital are the revised estimate for 2020/21.

The headlines for Quarter 4 are as follows:

Part B: Revenue Budget – Q4 2020/21

- At the Quarter 4 stage, the Council has incurred net expenditure of £20.065m against a profiled budget of £21.287m, representing an underspend of £1.222m.
- For the services reporting directly to PRC, net expenditure of £7.715m has been incurred against an annual budget of £11.605m, representing an underspend of £3.890m. These underspends arise largely from the receipt of government grants for Covid-19 which will be used to cover overspends across all the service committees.
- There is a separate section later in this Appendix that provides more details on the various government grants that have been received.

Part C: Capital Budget – Q4 2020/21

- At the Quarter 4 stage, the Council has incurred overall expenditure of £20.123m against a budget allocation within the Capital Programme of £28.509m.
- Expenditure for services reporting directly to PRC of £11.565m has been incurred against the budget of £12.871m.

Part D: Local Tax Collection 2020/21

- Adjusted target collection rates for Council Tax and Business Rates have been met. However, overall levels of both Council Tax and Business Rates collected are lower than at the corresponding point in the previous year owing to Covid-19.
- It is anticipated that the Council will retain £0.335m through the Kent Business Rates Pool in 2020/21.

Part E: Reserves & Balances 2020/21

- The unallocated balance on the general fund has increased by £0.1m and this balance remains above the minimum level agreed by Council in February 2021.
- The Council held usable reserves (including earmarked reserves) of £31.8m at 31 March 2021, however £13.6m of this will need to be paid into the collection fund to offset deficits over the coming years.

Part F: Treasury Management 2020/21

- The Council held short-term investments of £16.16m and had £11.0m in outstanding borrowing as at 31st March 2021.

Part G: Maidstone Property Holdings Ltd. (MPH)

- MPH net rental income for the fourth quarter of 2020/21 was £138,274. Rent arrears as at 31st March 2021 totalled £8,044.

Part B

Fourth Quarter Revenue Budget 2020/21



B1) Revenue Budget: Council

B1.1 At the Quarter 4 stage, the Council has incurred net expenditure of £20.065m against a profiled budget of £21.287m, representing an underspend of £1.222m.

B1.2 Tables 1, 2 and 3 below provide further insight into the Council's income and expenditure position for Quarter 4 2020/21 by providing alternative analyses: by Committee, Priority and Subjective Heading. The budget figures shown are the revised estimate for 2020/21.

Table 1: Net Expenditure 2020/21 (@ 4th Quarter): Analysis by COMMITTEE

Committee	Full Year Budget £000	Actual £000	Variance £000
Policy & Resources	11,605	7,715	3,890
Strategic Planning and Infrastructure	-468	1,251	-1,719
Communities, Housing & Environment	8,915	8,326	589
Economic Regeneration & Leisure	1,235	2,772	-1,537
Net Revenue Expenditure	21,287	20,065	1,222

Table 2: Net Expenditure 2020/21 (@ 4th Quarter): Analysis by PRIORITY

Priority	Full Year Budget £000	Actual £000	Variance £000
Safe, Clean and Green	6,514	6,256	259
Homes and Communities	2,057	2,121	-64
Thriving Place	1,423	2,705	-1,282
Embracing Growth and Enabling Infrastructure	-395	1,252	-1,647
Central & Democratic	11,687	7,731	3,956
Net Revenue Expenditure	21,287	20,065	1,222

Table 3: Net Expenditure 2020/21 (@ 4th Quarter): Analysis by SUBJECTIVE SPEND

Subjective	Full Year Budget £000	Actual £000	Variance £000
Employees	22,034	21,496	538
Premises	5,554	5,423	131
Transport	670	527	143
Supplies & Services	11,741	12,268	-527
Agency	5,780	5,855	-75
Transfer Payments	45,027	43,958	1,069
Asset Rents	1,094	1,891	-796
Income	-70,615	-71,354	739
Net Revenue Expenditure	21,287	20,065	1,222

B2) Revenue Budget: Policy & Resources (PRC)

B2.1 Table 4 below provides a detailed summary of the budgeted net expenditure position for the services reporting directly into PRC at the end of Quarter 4. The financial figures are presented on an 'accruals' basis (e.g. expenditure for goods and services received, but not yet paid for, is included).

Table 4: PRC Revenue Budget: NET EXPENDITURE (@ 4th Quarter 2020/21)

(a)	(b)	(c)	(d)
Cost Centre	Approved Budget for Year £000	Actual £000	Variance £000
Civic Occasions	42	16	25
Members Allowances	389	360	30
Members Facilities	29	24	6
Contingency	-304	-5,425	5,121
Performance & Development	14	2	12
Corporate Projects	0	0	0
Press & Public Relations	24	27	-2
Corporate Management	117	589	-472
Unapportionable Central Overheads	304	238	66
Council Tax Collection	66	65	1
Council Tax Collection - Non Pooled	-358	-59	-299
Council Tax Benefits Administration	-152	-146	-7
NNDR Collection	1	3	-2
NNDR Collection - Non Pooled	-234	-195	-39
MBC- BID	0	-14	15
Registration Of Electors	49	76	-27
Elections	1	1	0
KCC Elections	0	0	0
PCC Elections	0	0	0
General Elections	0	2	-2
European Elections	0	-3	3
Emergency Centre	27	16	11
Brexit	0	-0	0
Medway Conservancy	120	120	0
External Interest Payable	1,362	152	1,210
Interest & Investment Income	-100	-36	-64
Palace Gatehouse	-10	-7	-3
Archbishops Palace	-95	-99	3
Parkwood Industrial Estate	-308	-323	15
Industrial Starter Units	-28	-20	-8
Parkwood Equilibrium Units	-85	-84	-1
Sundry Corporate Properties	-381	-85	-297
Phoenix Park Units	-216	-212	-3
Granada House - Commercial	-117	-113	-4
MPH Residential Properties	-279	-133	-146
Heronden Road Units	-162	-171	9
Boxmend Industrial Estate	-93	-126	33

(a)	(b)	(c)	(d)
Cost Centre	Approved Budget for Year £000	Actual £000	Variance £000
Lockmeadow	60	62	-2
NEW Lockmeadow Complex	-1,020	-530	-489
Wren Industrial Estate	-140	-76	-65
Pensions Fund Management	1,674	1,687	-13
Non Service Related Government Grants	-4,472	-4,472	0
Rent Allowances	-125	-99	-25
Non HRA Rent Rebates	-11	-26	15
Discretionary Housing Payments	1	-10	11
Housing Benefits Administration	-354	-345	-9
Innovation Centre Section	123	102	21
Democratic Services Section	207	211	-4
Mayoral & Civic Services Section	127	110	17
Chief Executive	206	203	3
Communications Section	203	194	9
Policy & Information Section	276	270	6
Head of Policy and Communications	129	123	6
Revenues Section	592	593	-1
Registration Services Section	145	118	27
Benefits Section	567	566	1
Fraud Section	58	42	16
Mid Kent Audit Partnership	298	253	45
Director of Finance & Business Improvement	161	158	4
Accountancy Section	807	745	61
Legal Services Section	507	605	-97
Director of Regeneration & Place	160	101	60
Procurement Section	123	94	29
Property & Projects Section	500	513	-13
Corporate Support Section	272	265	6
Improvement Section	395	383	11
Executive Support Section	190	172	19
Head of Commissioning and Business Improvement	121	114	7
Mid Kent ICT Services	736	714	21
GIS Section	138	137	1
Customer Services Section	732	694	38
Director of Mid Kent Services	60	58	1
Mid Kent HR Services Section	457	432	25
MBC HR Services Section	95	26	69
Head of Revenues & Benefits	80	80	-1
Revenues & Benefits Business Support	131	131	0
Dartford HR Services Section	-30	-6	-24
IT Support for Revenues and Benefits	49	48	1
Emergency Planning & Resilience	26	28	-2
Salary Slippage	-212	0	-212
Town Hall	97	85	12
South Maidstone Depot	185	191	-6
The Link	82	71	11
Maidstone House	1,017	973	44
Museum Buildings	269	305	-36
I.T. Operational Services	581	551	30
Central Telephones	15	11	4
Apprentices Programme	35	34	1
Internal Printing	-5	-15	10
Debt Recovery Service	-11	20	-31
Debt Recovery MBC Profit Share	-144	-15	-129
General Balances	856	857	-1
Earmarked Balances	6,727	6,727	0
Invest To Save	10	0	10
Appropriation Account	1,094	1,892	-797
Pensions Fund Appropriation	-2,868	-2,880	12
Totals	11,605	7,715	3,890

B2.2 The table shows that, at the Quarter 4 stage, for the services reporting directly to PRC, net expenditure of £7.715m has been incurred against an annual budget of £11.605m, representing an underspend of £3.890m. These underspends arise largely from the receipt of government grants for Covid-19 which will be used to cover overspends across all the service committees. These grants are show against the 'Contingency' line in the above table.

B3) PRC Revenue Budget: Significant Variances

B3.1 Within the headline figures, there are a number of both adverse and favourable net expenditure variances for individual cost centres. It is important that the implications of variances are considered at an early stage, so that contingency plans can be put in place and, if necessary, be used to inform future financial planning. Variances have been reported to each of the service committees on a quarterly basis throughout 2020/21.

B3.2 Table 5 below highlights and provides further detail on the most significant variances at the end of Quarter 4.

Table 5: PRC Variances (@ 4th Quarter 2020/21)

	Positive Variance Q4	Adverse Variance Q4
Policy & Resources Committee	£000	
Contingency – This underspend is largely represented by central government funding for Covid-19, and it will offset various overspends as detailed elsewhere in this section of the report.	5,121	
Corporate Management - As a result of Covid-19 there has been a significant increase in the corporate bad debt provision.		-472
Unapportionable Central Overheads – Actual costs for pensions backfunding were lower than had been forecast.	66	
Council Tax & NNDR Collection (Non-pooled) - As courts were not open for much of 2020/21, it was not possible for revenues team to apply costs to Council Tax and Business Rates accounts in arrears for a large part of the year.		-338
External Interest Payable - £0.797m of this variance represents the budget that was set aside for the minimum revenue provision (MRP) for capital borrowing. For accounting purposes this entry is posted to the appropriation account, so there is a compensating adverse variance shown against that budget below. The remaining balance relates to savings on interest costs due to slippage in the capital programme, and through utilising short term borrowing.	1,210	
Interest & Investment Income – Investment rates have remained low, and a decision was taken to keep funds in liquid accounts which have lower yields than longer term deposits.		-64

	Positive Variance Q4	Adverse Variance Q4
Policy & Resources Committee	£000	
Sundry Corporate Properties – This variance relates to a budget strategy item for income from future property purchases. In the event, only one significant purchase (Wren Industrial Estate) was identified, and both government policy and the pandemic have constrained the acquisition strategy.		-296
Maidstone Property Holdings Residential Properties – Adverse variances have arisen from increased repairs and maintenance costs had Granada House. We have received less income than anticipated owing to the timing of completion of new developments.		-146
Lockmeadow Complex – This heading includes income due to the Council arising from the long leasehold interest that it acquired in 2019/20. Due to the closure of the complex during periods of lockdown there will be a shortfall in rental income in cash terms.		-489
Wren Industrial Estate – The budget was set for the full year, but the acquisition of the property only took place part way through the year.		-65
Debt Recovery Service - There was a reduction in council cases being received as there were no court dates in 2020/21 so there was a significant reduction in income. In addition, at times enforcement agents were unable to call due to the high number of Covid cases in the area. Enforcement agent posts were not filled when they became vacant and other costs were reduced, including renting a vehicle out, which has helped to partially offset the reduction in income.		-159
Salary Slippage - There is a credit budget for 'salary slippage' being the savings arising from staff vacancies. These are reflected in the actual figures for individual sections (i.e. staff teams). The section codes underspent in aggregate by £362,000. This was significantly more than the budget for salary slippage and reflects a policy of deliberately holding posts vacant to address the budget risks that it was originally thought would be posed by Covid-19.		-212
Appropriation Account – This is a compensating variance for MRP referenced above against the External Interest Payable budget		-797

B4) Other Revenue Budgets: Significant Variances

B4.1 Tables 6, 7 and 8 below highlight and provide further detail on the most significant variances

Table 6: SPI Variances (4th Quarter 2020/21)

	Positive Variance Q4	Adverse Variance Q4
Strategic Planning & Infrastructure Committee	£000	
PLANNING SERVICES		
Building Control Chargeable – The service has achieved additional income through the year as well as a slight reduction in running costs.	61	
Development Control Appeals – This variance is primarily down to costs incurred for the Church Road Otham appeal.		-78
Development Control Majors - The reduction in income is explained by a number of factors, primarily new legislation relating to affordable housing introduced in response to the pandemic and issues around the Local Plan. However, the reduction has been less than was initially forecast earlier in the year.		-105
Development Control Other - The reduction in income has been less than was initially forecast, around 10% for the year to date.		-91

Local Plan Review

B4.1 The Local Plan Review (LPR) process is an important, high profile and continuous task undertaken by the Planning Services team. The associated revenue spending profile however is cyclical and does not fit the conventional 12-month financial planning process for general revenue expenditure. Instead, spending tends to follow the five-year production period of each Local Plan with various peaks and troughs over that time period.

B4.2 The LPR process is therefore funded through an annual £200,000 revenue contribution, in addition to the existing service budget, with any remaining unspent balances at year end automatically rolled forward into the following financial year. The table below shows the available revenue resources currently allocated to fund LPR activities, and the spend as at 31st March 2021.

Opening Balance 01/04/2020 (including 2020/21 allocation)	Budget Adjustments	Actual Spend 2020/21	Variance against adjusted budget
£'s	£'s	£'s	£'s
508,280	73,210	638,847	-57,357

Table 6a, Local Plan Review budget (Q4, 2020/21)

B4.3 The primary reasons for the variance arise from increased spending in relation to sustainability appraisals, transport modelling, the accelerated timetable for LPR completion and the extension of contracts for specialist contractors.

B4.4 As previously agreed by Policy & Resources committee, the in-year overspend has been addressed as follows:

- £55,750 will be offset against a reduction in revenue costs for the Director of Regeneration and Place. This is a result of work which the Director of Regeneration and Place is currently undertaking relating to the Garden Community project, which will be capitalised.
- A £15,000 underspend on a project which was funded from the business rates pilot (Affordable Housing Supplementary Planning Guidance) has been reallocated to the Local Plan Review budget.
- The residual overspend has been funded through corporate contingency budgets.

2021/22

B4.5 Looking ahead to the 2021/22 financial year, spend for April and May has been summarised below:

Staffing costs	£76,637
Commissioned work	<u>£7,281</u>
Total	£83,918

The cost for commissioned work represents expenditure incurred to date on economic impact consultancy.

B4.6 Funding for the work in the current financial year is as follows:

Annual LPR budget	£200,000
Section 106 funding for Town Centre Planning	£78,333
Vacancies within permanent staffing budget	£45,000
Capitalisation of Director of Regeneration & Place	<u>£41,813</u>
Total	£365,146

B4.7 This budget is now managed by Head of Planning and Development who is seeking to ensure that expenditure can be met from the available resources. Spend in this area continues to be carefully monitored with the support of finance officers.

	Positive Variance Q4	Adverse Variance Q4
Strategic Planning & Infrastructure Committee	£000	
PARKING SERVICES		
On Street Parking – Penalty Charge Notice (PCN) and parking meter income recovered during quarters 2 and 3 but fell again in the final quarter due to the last lockdown.		-146
Pay & Display Car Parks – Income levels recovered during quarters 2 and 3 and occupancy rates levelled off, but income fell again during the final quarter due to the last lockdown.		-1,310
Off Street Parking Enforcement - PCN and parking meter income had recovered during quarters 2 and 3 but fell again in the final quarter due to the last lockdown.		-129
Mote Park Pay & Display – Despite the lockdowns occupancy rates were high throughout the year leading to increased income.	52	

Table 7: CHE Variances (@ 4th Quarter 2020/21)

	Positive Variance Q4	Adverse Variance Q4
Communities, Housing & Environment Committee	£000	
Parks & Open Spaces - There were savings from a number of vacant posts which were partially offset by the costs of some additional tree works	51	
Crematorium – Income levels increased significantly due to increased demand from Covid-19 related deaths.	277	
CCTV - Mobile cameras were not deployed through the year and not all the static cameras were powered up, so costs were reduced this year.	59	
Public Conveniences – This variance has arisen from a number of factors, primarily due to water leaks and increased running costs.		-59
Street Cleansing – Increased income and vacant posts have led to the underspend in this area.	52	
Recycling Collection – Green bin income has increased significantly and there has been a reduction in running costs.	126	
Community Hub – These costs will be funded by the central government grants referenced earlier in this section (Policy & Resources).		-85

Table 8: ERL Variances (@ 4th Quarter 2020/21)

	Positive Variance Q4	Adverse Variance Q4
Economic Regeneration & Leisure Committee	£000	
Leisure Centre - The leisure centre was closed for a substantial part of the year. Serco Leisure are taking advantage of their contractual position to recover their losses from MBC, less £5,000 payable by the Leisure Trust. This is partially offset by a contribution from the National Leisure Recovery Fund. In addition, Serco have not paid the annual £0.200m contribution due under the contract.		-1,201
Mote Park Adventure Zone – The contractor (Serco) has been granted contract relief owing to closure of the facility due to Covid-19.		-159
Mote Park Café – The contract expired in March 2020, and the temporary replacement facility was not established until later in the year.		-68
Market – Income was reduced due to Covid-19 impacting on lettings of both stalls and the Market Hall.		-115

B5) Grants

B5.1 The Council has received a significant amount of grant funding over the past year, in relation to its role in responding to the impact of the Covid-19 pandemic. The grants fall into three broad categories:

- Money which has been (or is due to be) passported to businesses and others;
- Service specific grants which are paid to the Council with the expectation that the money will be used for a particular purpose; and
- Unringfenced grants which have been paid to the Council to support with the additional costs incurred in responding to Covid-19, or to compensate for income losses.

B5.2 A summary of grant activity falling under each of these three headings is set out below.

Passported Funds

B5.3 At 31 March 2021, £46.3m had been paid out to businesses and others under the following grant schemes:

Table 9: Summary of grants paid out to businesses and others 2020/21

Grant Description	Total Paid	
	No.	Value
Retail, Hospitality and Leisure & Small Businesses	2,247	£28,890,000
Discretionary Scheme	252	£1,425,250
LRSO Mandatory November Lockdown2	924	£1,564,384
LRSO Tier 3 Closed	411	£360,583
Wet Led Pubs	77	£77,000
Tier 3 Open	3	£31,822
LRSO Tier 4 Closed	1,116	£746,819
LRSO Lockdown 3	1,836	£6,957,579
LRSO Extension 16 February to 31 March 2021	886	£2,324,585
Additional Restrictions Grant 1	125	£155,630
Additional Restrictions Grant 2	231	£251,648
Additional Restrictions Grant 3	417	£1,696,493
Additional Restrictions Grant 4	257	£1,368,338
Track & Trace Grant - Mandatory Scheme		£99,506
Track & Trace Grant - Discretionary Scheme		£124,027
Emergency Assistance Grant		£55,088
Winter Grants		£72,072
Totals as at 31/03/2021	8,782	£46,200,824

Service Specific Grants

B5.4 Table 9 below shows the service-specific grants received during the 2020/21 financial year. Where funding remains unspent at the end of the year, this will be carried forward to ensure

that it can be spent as intended during 2021/22. Under some circumstances, the Council may be required to repay funding if conditions have not been met.

Table 10: Summary of service specific grants 2020/21

Grant Description	Amount
Contain Outbreak Management Fund Tranche 1	£371,103
Clinically Extremely Vulnerable Grant Tranche 1	£84,484
Test & Trace Grant	£50,000
Compliance & Enforcement Grant	£78,004
New Burdens Funding	£566,527
Reopening High Streets Safely funding	£tbc
Council Tax Hardship Funding	£1,177,877
Section 31 Grant - Covid-19 Business Rate Reliefs	£27,904,758
Total	£30,232,753

B5.5 These grants have been used to fund a variety of different activities linked to the Council's Covid-19 response. Some of the grants, such as the Council Tax Hardship funding and Business Rates Section 31 Grants for Covid-19 reliefs, compensate the Council for income foregone during the year as a result of government interventions in these areas of the economy.

Unringfenced Funding

B5.6 As stated elsewhere in this report, the government has provided councils with a series of unringfenced grants to offset the financial impacts of Covid-19. For Maidstone, this funding received for 2020/21 amounts to £2.5m.

B5.7 In addition it is anticipated that the council will be able to recover income losses of £2.3m under the government's Sales, Fees and Charges and Tax Income Guarantee compensation schemes which reimburse councils for 75% eligible income losses.

B6) Virements

B6.1 In accordance with the Council's commitment to transparency and recognised good practice, virements (the transfer of individual budgets between objectives after the overall budget has been agreed by full Council) are reported to the Policy & Resources Committee on a quarterly basis.

B6.2 Virements may be temporary, meaning that there has been a one-off transfer of budget to fund a discrete project or purchase, or permanent, meaning that the base budget has been altered and the change will continue to be reflected in the budget for subsequent years.

B6.3 The virements made in Quarter 4 are presented in Table 9 below. These were all temporary virements.

Table 9: Virements (@ 4th Quarter 2020/21)

Reason	From	To	Value £	Perm/Temp
Fund Fourth Quarter Membership of 'Let's do Business'	YA11 (Business Rates Growth Earmarked Balances)	EL20 (Business Support & Enterprise-Borough Wide Support)	7,000	Temporary
Fund Quarterly Subscription for Springboard Membership	YA11 (Business Rates Growth Earmarked Balances)	EN40 (Economic Development)	850	Temporary
Business Rates Pool Funding for Economic Development Strategy Report	YA11 (Business Rates Growth Earmarked Balances)	EN40 (Economic Development Strategy)	5,000	Temporary
Move Unused Budgets Back to Earmarked Reserve	PN20 (Homelessness Prevention)	PN20 (Homelessness Prevention)	195,260	Temporary
Fund Local Plan Review Costs from Contingency	GC10 (Contingency)	EE10 (Planning Policy Local Plan Review)	69,830	Temporary
Fund Additional Local Plan Review Costs from Business Rates Pool Reserve	YA11 (Business Rates Pilot Projects Reserve)	EE10 (Planning Policy Local Plan Review)	15,000	Temporary
			292,940	

Part C

Fourth Quarter Capital Budget 2020/21



C1) Capital Budget: Council

- C1.1 The overall five-year Capital Programme for 2020/21 to 2024/25 was approved by the Council on 26th February 2020. Some capital funding will now come from prudential borrowing as other sources of funding are not sufficient to cover the costs of the programme, although funding does continue to be available from the New Homes Bonus (NHB).
- C1.2 The 2020/21 element of the Capital Programme (including unused resources brought forward from 2019/20) has a revised budget of £28.509m. At the Quarter 4 stage, capital expenditure of £20.123m had been incurred, representing an underspend of £8.387m. It should be noted that slippage of budgets into 2021/22 for a number of schemes totalling £6.947m was identified as part of the third quarter report.

C2) Capital Budget: Policy & Resources Committee (PRC)

- C2.1 Progress towards the delivery of the 2020/21 PRC element of the Capital Programme at the Quarter 4 stage is presented in Table 10 below.
- C2.2 At the Quarter 4 stage, expenditure of £11.565m has been incurred against an adjusted budget of £12.871m million for PRC. This is an underspend of £1.214m.

Table 10: Capital Expenditure (@ 4th Quarter 2020/21)

Capital Programme Heading	Adjusted Estimate 2020/21 £000	Actual to March 2021 £000	Budget Remaining £000
Communities, Housing & Environment			
Housing - Disabled Facilities Grants Funding	591	660	-69
Temporary Accommodation	1,887	1,406	482
Brunswick Street - Costs of Scheme	4,233	2,489	1,745
Brunswick Street - Receipts	-1,502	-1,843	341
Union Street - Costs of Scheme	5,201	2,599	2,602
Union Street - Receipts	-2,100	-740	-1,360
Springfield Mill - Phase 1	1,807	1,366	441
Springfield Mill - Phase 2	1,322	787	535
Granada House Extension	125	62	63
Private Rented Sector Housing Programme	822	175	647
Affordable Housing Programme	800	16	784
Acquisitions Officer - Social Housing Delivery P/ship	80	86	-6
Street Scene Investment	96	113	-17
Flood Action Plan	50	7	44
Electric Operational Vehicles	100	16	84
Rent & Housing Management IT System	50	31	19
Installation of Public Water Fountains	15		15
Crematorium & Cemetery Development Plan	230	22	208
Continued Improvements to Play Areas	123	98	26
Parks Improvements	99		99
Total	14,029	7,348	6,681
Economic Regeneration & Leisure			
Mote Park Visitor Centre & Estate Services Building	20	17	3
Mote Park Lake - Dam Works	1,041	1,051	-10
Mall Bus Station Redevelopment	400	84	316
Total	1,461	1,153	308
Policy & Resources			
Corporate Property Acquisitions	1,983	2,007	-24
Kent Medical Campus - Innovation Centre	5,800	4,740	1,060
Lockmeadow Ongoing Investment	4,000	4,068	-68
Garden Community	200	308	-108
Asset Management / Corporate Property	437	270	167
Biodiversity & Climate Change	50	12	39
Feasibility Studies	150	27	123
Digital Projects	20	25	-5
Software / PC Replacement	231	109	122
Total	12,871	11,565	1,306
Strategic Planning & Infrastructure			
Bridges Gyrotory Scheme	86		86
Total	86		86
Section 106 Contributions	62	57	5
TOTAL	28,509	20,123	8,387

C3) Capital Budget Variances (@ 4th Quarter 2020/21)

Policy and Resources Committee

C3.1 The most (financially) notable PRC items in the table above are as follows:

Kent Medical Campus (Innovation Centre) – Works are continuing with the opening of the centre scheduled for summer 2021. There have been some delays during the construction phase which means expenditure has been less than was forecast for this year.

Garden Community - Expenditure during the final quarter was greater than had been forecast but resources are available from the 2021/22 budget to fund this.

Communities, Housing and Environment Committee

C3.2 The most (financially) notable CHE items in the table above are as follows:

Crematorium & Cemetery Development Plan – The budget is for the construction of a new mess hut at the cemetery. Works are progressing and the project will be completed during 2021/22.

Springfield Mill – Phase 1 & 2 – Both these schemes are scheduled for completion during the first quarter of 2021/22.

Brunswick Street/Union Street - Both these schemes are scheduled for completion during the first quarter of 2021/22. Part of the 2020/21 budget for both schemes was identified for slippage as part of the third quarter report.

Temporary Accommodation – Five properties were purchased during the year. The remaining balance will be rolled forward and added onto the approved budget for 2021/22.

Private Rented Sector Housing and Affordable Housing Programmes – Work is progressing on the Heather House scheme, and the acquisition of Trinity Foyer was completed. Parts of the 2020/21 budgets for both schemes were identified for slippage as part of the third quarter report.

Economic Regeneration and Leisure Committee

C3.3 The most (financially) notable ERL items in the table above are as follows:

Mall Bus Station Project – the works are now taking place, and the majority of the expenditure will be incurred during 2021/22. The unused budget from 2020/21 will be carried forward to fund this.

Part D

Fourth Quarter Local Tax Collection 2020/21



D1) Collection Fund

- D1.1 A large proportion of the Council's income is generated through local taxation (Council Tax and Business Rates), which is accounted for through the Collection Fund.
- D1.2 Due to the risk in this area, including the risk of non-collection and the pooling arrangements in place for Business Rates growth, the Council monitors the Collection Fund very carefully.
- D1.3 There are statutory accounting arrangements in place which minimise the in-year impact of collection fund losses on the general fund revenue budget, however, losses incurred in one year must be repaid in subsequent years so there is a consequential impact on future budgets and the medium term financial strategy.

D2) Collection Rates & Reliefs

- D2.1 The collection rates achieved for local taxation are reported in the table below, alongside the target and the equivalent position for the previous financial year.

Table 11: Local Tax Collection Rates (Q4 2020/21)

Description	Target	Actual 2020/21	Actual 2019/20
Council Tax	95.75%	96.77%	97.49%
Business Rates	95.20%	95.43%	97.52%

- D2.2 Note that although these collection rates are close to target, the targets have been adjusted in the light of what is considered to be collectible. The amount of Council Tax collected is 0.72% below the level achieved at this time last year and the amount of Business Rates collected is 2.09% below the equivalent level achieved at this time last year. It will be possible to partially offset the impact of the reductions through the government's Tax Income Guarantee scheme, which compensates local authorities for 75% of eligible losses.
- D2.3 Collection rates for Council Tax have been impacted by the Covid-19 pandemic as measures to pursue non-payment were put on hold at the end of March. Therefore telephone chasing and additional reminder letters which would normally have taken place over the first quarter of the year were suspended and are likely to have adversely impacted on the overall collection rate.
- D2.4 Since the start of lockdown, hardship fund discounts of £150 have been awarded to 7,692 working age local council tax support (LCTS) recipients, using funding from the government's Covid-19 Hardship Fund scheme. A 13.6% increase in LCTS caseload has been observed since pre-Covid-19 budget expectations were set for 2020/21.
- D2.5 As part of the government's support package to businesses in response to the Covid-19 pandemic, 100% business rates relief was granted to retail, hospitality, leisure businesses and nurseries for 2020/21. The government has reimbursed the council for its lost business rates income through grants amounting to £27.9m, of which £12.3m will be retained by

Maidstone. This has improved the council's cash flow position for 2020/21, and also reduced risks associated with non-collection, to some extent.

D2.6 The grants do introduce some additional risks and complications to future business rates income. Firstly, if businesses cease trading during 2020/21 then the entitlement to rates relief is lost and the council will need to repay its share of the compensating grant to government. Secondly, since the reliefs were announced after councils had set their budgets for 2020/21, the reduction in income from business rates will create a significant deficit within the collection fund. It will be necessary to set aside a proportion of the grants to make good this deficit over the coming years.

D3) Kent Business Rates Pool

D3.1 The council has continued to participate with other Kent authorities during 2020/21 in order to maximise the proportion of business rates growth it is able to retain. Forecast pooling gains for Maidstone Borough Council amount to £0.335m for 2020/21, which is in line with our projections at the start of the financial year. The impact of the grants received from government to offset Covid-19 reliefs has helped to ensure that the pool has not been adversely impacted by the pandemic. As in previous years, this funding is allocated to spending which supports the delivery of the council's Economic Development Strategy.

D3.2 As part of the pooling arrangements, pool members share the risks, as well as the rewards of pool membership. The additional reliefs and associated grant funding mentioned previously within section D2 help to minimise the risks of pooling during 2020/21.

D3.3 The eventual impact of Covid-19 on the business rates retention scheme is extremely difficult to forecast, due to the number of unknowns e.g. how long the government's containment and business support measures will be in place for, and the longer term impacts on local, national and global economies.

D3.4 Some external analysis was therefore commissioned to inform thinking around the future of the Kent Business Rates Pool. The results of this initial work indicate that pool members would need to incur uniform reductions in business rates income of over 11.9% before the pool would make an overall loss. At present, none of the pool members are forecasting losses at or close to this level, however, we will continue to monitor this closely over the next year.

Part E

Reserves & Balances 2020/21



E1) Reserves & Balances

E1.1 The combined total of the General Fund balance and Earmarked Reserves as at 1 April 2020 was £16.6 million. The makeup of the balance, and the forecast movements during 2020/21 are presented in Table 13 below. The provisional year end position reflects an overall increase of £0.1m in the unallocated general fund balance.

E1.2 The closing balance enables a minimum general fund balance of £4.0 million to be maintained, as agreed by full Council in February 2021.

Table 13: Reserves & Balances at 31 March 2021

	Balance at 1 April 2020	Movement in 2020/21	Estimated Balance at 31 March 2021
	£000		
General Fund			
Unallocated balance	8,819	91	8,910
Sub-total	8,819	91	8,910
Earmarked Reserves			
Local Plan	309	-309	0
Neighbourhood Plans	75	22	97
Planning Appeals	286	0	286
Civil Parking Enforcement	165	4	169
Homelessness Prevention & Temporary Accommodation	681	92	773
Business Rates Earmarked Balances	3,887	-99	3,788
Occupational Health & Safety	31	-31	0
Lockmeadow Complex	335	-335	0
Future Funding Pressures	1,589	-620	969
Trading Accounts	30	0	30
Future Capital Expenditure	432	699	1,131
Invest to Save Reserve	0	500	500
Commercial Risk Reserve	0	500	500
Funding for future collection fund deficits	0	13,595	13,595
Resources carried forward from 2020/21 to 2021/22	0	1,077	1,077
Sub-total	7,820	15,095	22,915
Total General Fund Balances	16,639	15,186	31,825
Total excluding collection fund deficits	16,639	1,591	18,230

Table 13: General Fund and Earmarked Balances at 31 March 2021

- E1.3 The movement in the unallocated general fund balance reflects the anticipated underspend of £1.2m for 2020/21, in accordance with the recommendations set out in the covering report. In the event that this recommendation is not agreed, or the final outturn figure should change, then this may change the closing balance on the general fund. The 2020/21 underspend is offset against amounts brought forward from 2019/20 and spent during 2020/21, and balances totalling £1m for the Invest to Save and Commercial Risk Reserves which have been formally earmarked from the unallocated general fund balances. These amounts had previously been notionally set aside within the general fund but not formally earmarked.
- E1.4 Earmarked balances have increased significantly, however this is largely due to amounts set aside to offset future deficits on the collection fund, particularly in relation to business rates. In response to the Covid-19 pandemic, the government announced that business rates relief to the retail, leisure and hospitality and nursery sectors would be expanded to 100%, with the loss of income to billing authorities being compensated through section 31 grants. As section 31 grants can only be paid into the general fund, this has created a significant deficit on the collection fund for 2020/21, which will need to be repaid by the general fund and preceptors over the next 3 years in accordance with regulations. Maidstone Borough Council's share of this deficit is £13m. It is therefore prudent to set aside the grant funding in order to mitigate the impact of the collection fund deficits on future revenue budgets. This reserve has also been used to fund the correction of a historical incorrect debit balance on the balance sheet in 2020/21.
- E1.5 Removing the impact of the balances which relate to the collection fund, the overall movement in reserves including earmarked reserves is a net increase of £1.76m.

Part F

Treasury Management 2020/21



F1) Introduction

- The Council has adopted and incorporated into its Financial Regulations, the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code).
- The CIPFA Code covers the principles and guidelines relating to borrowing and investment operations. On 26th February 2020, the Council approved a Treasury Management Strategy for 2020/21 that was based on this code. The strategy requires that Policy & Resources Committee should formally be informed of Treasury Management activities quarterly as part of budget monitoring.

F2) Economic Headlines

- During the Quarter ended 31st March 2021, the Council's Advisors, Link Asset Services, reported:
 - Bank of England's Monetary Policy Committee kept Bank Rate and quantitative easing (QE) unchanged on 4th February and on 18th March 2021. The minutes of the Monetary Policy Committee in February 2021 made it clear that commercial banks could not implement negative rates within six months, and by that time the economy would be expected to be recovering strongly and so there would be no requirement for negative rates.
 - The Budget on 3rd March increased fiscal support to the economy and employment during 2021 and 2022 followed by substantial tax rises in the following three years to help to pay the cost for the pandemic. This will help further to strengthen the economic recovery from the pandemic and to return the government's finances to a balanced budget on a current expenditure and income basis in 2025/26.

F3) Interest Rates

- The Council has appointed Link Group as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1st November 2012.

	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
BANK RATE	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
3 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
6 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
12 month ave earnings	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
5 yr PWLB	1.20	1.20	1.20	1.20	1.20	1.20	1.30	1.30	1.40	1.40	1.40	1.40
10 yr PWLB	1.60	1.60	1.60	1.70	1.70	1.70	1.80	1.80	1.90	1.90	1.90	1.90
25 yr PWLB	2.10	2.10	2.20	2.30	2.30	2.30	2.40	2.40	2.50	2.50	2.50	2.50
50 yr PWLB	1.90	1.90	2.00	2.10	2.10	2.10	2.20	2.20	2.30	2.30	2.30	2.30

- The coronavirus outbreak has had huge economic impact on the UK and to economies around the world. After the Bank of England took emergency action in March 2020 to cut Bank Rate to first 0.25%, and then to 0.10%, it left Bank Rate unchanged at its subsequent meetings.

- As the interest forecast table for PWLB certainty rates, (gilts plus 80bps), above shows, there is likely to be little upward movement in PWLB rates over the next three years as the Bank of England is not expected to raise Bank Rate during that period as inflation is not expected to be sustainably over 2%.

F4) Council Investments

- The council held investments totalling £16.16m as at 31st March 2021. A full list of investments held at this time is shown at Table 14 below. All investments are held in either short term notice accounts or as short-term fixed rate deposits, to be readily available when required for business grants and to fund the capital programme.

Table 14: Short-Term Investments (4th Quarter 2020/21)

Counterparty	Type of Investment	Principal £	Start Date	Maturity Date	Rate of Return	MBC Credit Limits	
						Maximum Term	Maximum Deposit
Goldman Sachs International Bank	Callable Deposit	2,000,000			0.23%	6 Months	£5,000,000
Lloyds Bank Plc	Callable Deposit	1,000,000			0.10%	6 Months	£5,000,000
Handelsbanken	Callable Deposit	2,280,000			0.10%	12 Months	£5,000,000
Santander	Callable Deposit	5,000,000			0.35%	6 Months	£5,000,000
HSBC Bank	Callable Deposit	2,880,000			0.05%	12 Months	£5,000,000
Brentwood Borough Council	Fixed Term Deposit	3,000,000	05/03/2021	07/04/2021	0.10%	5 Years	£8,000,000
		16,160,000					

- Investment income to 31st March 2021 totals £28,900 against a budget of £100,000 with an average rate of 0.16%. The Bank of England brought down rates in March 2020 and it is expected that they will remain low for the foreseeable future (as explained above). This has resulted in investment rates being very low, especially in liquid instruments, which has meant the Council has received low returns and will continue to do so.

F4) Council Borrowing

- The Council held external borrowing amounting to £11m at 31st March 2021, all with Local Authorities. A list is shown at Table 15 below. Short term borrowing rates have been extremely low and cash has been readily available from local authorities, which has been the preferred type of borrowing to date. However, the Council is currently looking at other borrowing options such as UK Municipal Bonds Agency, PWLB (after the positive result of the consultation) and other financial institutions. It is the Council's aim to have a mixture of short and long term borrowing in order to spread the risks associated with interest rates and refinancing.

Table 15: Council Borrowing (4th Quarter 2020/21)

Counterparty	Type of Institution	Principal £	Start Date	Maturity Date	Rate of Return
Bridgend County Borough Council	Local Authority	3,000,000	30/12/2020	30/06/2021	0.12%
Warwick District Council	Local Authority	2,000,000	30/12/2020	30/06/2021	0.12%
London Borough of Tower Hamlets	Local Authority	4,000,000	20/11/2020	20/05/2021	0.10%
Lincolnshire County Council	Local Authority	2,000,000	22/03/2021	22/04/2021	0.06%
		11,000,000			

Part G



Maidstone Property Holdings 2020/21



G1) Maidstone Property Holdings Ltd. (MPH)

- G1.1 MPH is a wholly-owned subsidiary of the Council and was incorporated on 30th September 2016. It is primarily a vehicle for letting residential properties on assured short-hold tenancies. The company currently holds two properties on 22 year leases from the council.
- G1.2 An Internal Audit review identified that there should be a mechanism in place to enable the company to formally report to the Council. Given the current level of activity within the company is relatively low, it was decided that this would be done via the quarterly budget monitoring process (to the Policy and Resources Committee). This section of the report provides an overview of the activity and performance of the company for the year to date.
- G1.3 The MPH financial year-end was changed to 31 March, in order to align with the Council's financial reporting period. The external audit of the 2019/20 accounts is complete and an unqualified audit opinion was received from the company's auditors, UHY Hacker Young. The audit accounts have now been filed in accordance with Companies House requirements.
- G1.4 On 18th December 2019, full Council accepted the Policy and Resources Committee recommendations and formally adopted the new Articles of Association, Operational Agreement, Services Agreement and Business Plan. The Services Agreement and Operational Agreement have subsequently been signed and sealed, and the amended Articles of Association submitted to Companies House.

G2) MPH Headlines

- G2.1 Net rental income for 2020/21 totals £138,274 (2019/20 £174,630). This represents rent charged to tenants, less costs recharged by the managing agent. The year on year reduction in net rent has arisen from increased repairs and maintenance costs, and a proportion of 2019/20 costs charged in 2020/21.
- G2.2 As at 31 March 2021, rent arrears totalled £8,044. £4,749 of this balance has now been paid and the accommodation team will continue to pursue recovery of the amounts which remain outstanding. There were two vacant flats at 31 March, however both have since been occupied. At the date of writing the report there is one vacant flat at Lenworth House which is being marketed by the managing agent.
- G2.3 The Council receives income from the company through charges made for services provided, and the property lease. After these charges and other expenses, it is expected that the company will achieve a breakeven position for 2020/21.
- G2.4 As company activity increases over time, governance and reporting arrangements will be kept under review to ensure that they remain appropriate and commensurate with the scope of activity and associated risks.
- G2.5 Since the end of the 2020/21 financial year, management of these units has transferred from an external agent to the Council's in-house accommodation team. Market rental units at Brunswick and Union Street were transferred to MPH on 22-year leases from the Council. The units consist of 24 2-bedroom flats at Brunswick Street and 16 flats at Union Street which are 1- and 2-bedroom units. 23 of the 40 flats had been let to tenants at the date of writing the report. In addition to these units, a residential house has transferred from the Council to MPH on a similar lease, and further 14 flats at Springfield Place are due to transfer shortly.

**Fourth Quarter Performance Monitoring
2020/21**

P&R: Part A – Quarter 4 Performance

Key to performance ratings

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

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

Strategic Scorecard

Performance Indicator	Q4 2020/21				
	Value	Target	Status	Short Trend (Last Quarter)	Long Trend (Last Year)
The percentage of relevant land and highways that is assessed as having acceptable levels of litter	N/A	N/A	N/A	N/A	N/A
Percentage of successful Relief Duty outcomes	39.34%	60%			
Percentage of successful Prevention Duty outcomes	66.06%	60%			
Satisfaction with Local Area as a place to live (Annual KPI)	52.19%	60.00%		N/A	
Net additional homes provided (NI 154) (Annual KPI)	Awaiting Data	883	TBC	N/A	TBC
New Businesses started in borough (Annual PI)	1030			N/A	
Council Investment in long term assets (Annual PI)	£17,836,398			N/A	

Notes

- As per the DEFRA guidance, the 'The percentage of land and highways with acceptable levels of litter' KPI is measured three times per year.
- New businesses started in the borough data is sourced from the 'Business births & Business deaths' data from the Office for National Statistics (ONS). The figures detailed in the table above are from the 2019 UK Business Demography which the ONS released in November 2020. It is anticipated that data for 2020 will be released in November 2021. The figure for 2018 was 920.
- Figure for 20/21 for '**Net additional homes provided (NI 154)**' is not yet available, but figures are expected in August 2021. The outcome will be reported to this committee at the next update.

- Detailed breakdown of Council’s investments can be found in Part B of this report, summarising the year 2020/21.
- Further commentary of the residents’ satisfaction survey can be found in Part B of this report, summarising the year 2020/21.

Q4 2020/21 Targets that were missed by more than 10%

Performance Indicator	Q4 2020/21				
	Value	Target	Status	Short Trend (Last Quarter)	Long Trend (Last Year)
Contamination: Tonnage per month rejected (<i>Safe, Clean & Green</i>)	374.38	287.50			N/A
Percentage of successful Relief Duty outcomes (<i>Homes & Communities</i>)	39.34%	60%			
Number of houses of multiple occupation brought to compliance by private rented sector licensing (Bi-annual KPI) (<i>Homes & Communities</i>)	13	15			
Footfall in the Town Centre (<i>A Thriving Place</i>)	1,090,366	1,847,000.4			
Number of students benefitting from the museums educational service (<i>A Thriving Place</i>)	0	2,250			
Footfall at the Museum and Visitors Information Centre (<i>A Thriving Place</i>)	0	7,373.55			
Number of users at the Leisure Centre (<i>A Thriving Place</i>)	0	209,367			
Percentage of Priority 2 enforcement cases dealt with in time (<i>Embracing Growth & Enabling Infrastructure</i>)	76.09%	90%			

Safe, Clean & Green

The ‘**Contamination: Tonnage per month rejected**’ KPI also missed its Q4 target, achieving 374.38 tonnes against a target of 287.50 tonnes. Once again, the Waste Management team are partly attributing this to the increase in residents working from home, and in some cases, misusing their recycling bins due to their waste bins filling up quicker. This causes rejections of loads at the sorting facility. The delivery of ‘bin hangers’ to half of the properties in the borough throughout Winter did show a limited improvement in rejections. Therefore, more bin hangers have been ordered to deliver to the remaining half of properties in the borough in early June.

Homes & Communities

The ‘**Percentage of successful Relief Duty outcomes**’ achieved a figure of 39.34% this quarter compared to a target of 60%. Performance has improved since last quarter (35.29%) but has declined since last year (55.77%). This quarter saw a total of 122 applicants whose relief duty ended, and 48 of these had their duty ended because they had suitable accommodation for at least 6 months. The team highlight that the target set is ambitious and

is higher than national figures reported on the percentage of successful outcomes. The latest published homelessness statistics at national level (Jul-Sep 2020) demonstrate that the percentage of successful relief duty outcomes were 41.7%, with the South East achieving 36.8%. Although this does not allow for seasonal/trend variations, it does give a benchmark to measure performance against.

Furthermore, if the Council is unable to relieve homelessness within a 56-day period, applicants who are unintentionally homeless and in priority need proceed to be owed the main housing duty by the authority from day 57. Whilst these applicants are subsequently secured settled accommodation, these outcomes are not recorded as a successful relief of homelessness. In this quarter, 56.9% of applicants whose relief duty ended after day 56 were owed the main housing duty.

The '**Number of houses of multiple occupation brought to compliance by private rented sector licensing**' KPI missed its target of 15 by 2 in the second half of 2020/21. Overall, the annual 2020/21 target has been achieved. Over the last 6 months, proactive visits to houses of multiple occupancy (HMOs) for licensing have been affected by access difficulties due to the lockdowns imposed around COVID-19. HMOs continue to be licensed, and some inspection visits being rescheduled to take place in the 2021/22 year.

A Thriving Place

The '**Number of students benefitting from the museums educational service**', '**Footfall at the Museum and Visitors Information Centre**', and '**Number of users at the Leisure Centre**' KPIs all achieved 0 in the quarter, and hence missed their quarterly targets by more than 10% as well. These were also due to government restrictions in place, due to COVID-19.

The museum couldn't welcome schools into the venue, nor were staff members allowed to visit schools. However, the museum continues to develop a series of virtual workshops to deliver via Microsoft Teams. The museum team have trialled sessions with two schools and have promoted this offering to schools for take up over the Summer terms. Additionally, the museum's loan boxes have been popular in the quarter (10+ boxes per term), and the team have also received requests for further themes, which are expected to further increase the museum's interaction with schools once completed.

The museum is in touch with Kent schools, and have responded with requests made for resources and the team continue to add resources to its webpage, for use by both schools and families.

As the museum was unable to open during the quarter, there was no footfall at the museum and Visitors Information Centre. This is expected to pick up as lockdown eases and visitors begin to be welcomed back in May.

The number of users at the leisure centre was also zero, also due to the latest period of national lockdown. The leisure centre was closed from 20 December 2020, as part of local Tier 4 restrictions and later a national lockdown, and partially reopened in April 2021, as expected. The 'Outdoor Adventure' reopened for the Easter weekend. The leisure centre is currently fully open (May 2021) but with a booking system in place to limit numbers. COVID-19-management systems are in place across the site.

Embracing Growth & Enabling Infrastructure

The '**Percentage of Priority 2 enforcement cases dealt with in time**' KPI achieved a figure of 76.09%, missing its target of 90% by more than 10%. Performance has improved

since last quarter (70.59%) and has declined when comparing to the same quarter last year (97.12%). This quarter saw 138 priority 2 enforcement cases received, and 105 priority 2 enforcement cases dealt with in time. The team has struggled to meet the target set this quarter because of the departure of a member of the team, the restructure of the team, and staff sickness over the period. In addition, the quarter saw a higher number of priority 2 enforcement cases received than last quarter.

However, the team has had a successful recruitment campaign, and in early May two new employees shall commence employment within the team. These new team members are expected to give greater resilience to the team and enable it to tackle the relatively high number of cases.

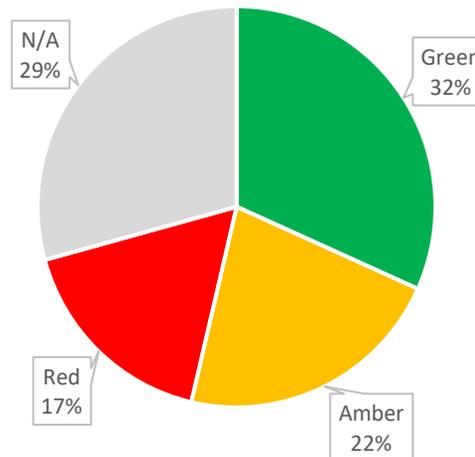
P&R: Part B – 2020/2021 End of Year Outturn



A summary of all Committees

Annual Performance of KPIs

Outcome of KPI targets across all Committees
2021/21



107

Strategic Priority	Green	Amber	Red	N/A
A Thriving Place (ERL)	2	0	4	4
Embracing Growth & Enabling Infrastructure (SPI)	2	4	0	1
Homes & Communities (CHE)	6	2	1	3
Safe, Clean & Green (CHE)	3	3	2	4
Total	13	9	7	12

Strategic Scorecard

Performance Indicator	Q1 2020/21	Q2 2020/21	Q3 2020/21	Q4 2020/21	Annual 2020/21	Annual Target 2020/21	Annual Status	Direction of travel (Last Year)
The percentage of relevant land and highways that is assessed as having acceptable levels of litter	98.18%	94.16%	97.17%	N/A	96.48%	98.00%		
Percentage of successful Relief Duty outcomes	51.97%	57.48%	35.29%	39.34%	46.26%	60%		
Percentage of successful Prevention Duty outcomes	68.35%	74.29%	74.88%	66.06%	71.38%	60%		
Satisfaction with Local Area as a place to live	Annual KPI				52.19%	60.00%		
New Businesses started in borough	Annual PI				1030			
Council Investment in long term assets	Annual PI				£17,836,398			

Notes

- Direction of travel for targeted performance indicators shows if performance has improved or declined. For data only performance indicators direction of travel shows if there has been an increase or decrease in volume.
- As per the DEFRA guidance, the '**The percentage of land and highways with acceptable levels of litter**' and the '**The percentage of land and highways with acceptable levels of detritus**' KPIs are measured three times per year, hence the Q4 2020/21 figures are 'N/A'.
- The '**Satisfaction with Local Area as a place to live**' KPI has slightly missed its target. This question was asked during the budget survey in November 2020. At the time the area was in the second national lockdown, and resident's perception of the geographical area they live in had necessarily become much smaller over the last year. The question was asked during winter when there is less opportunity for people to spend time outdoors and we know during the period

of lockdowns that complaints of noise and neighbour dispute have gone up, as people are forced into confinement and not able to be out and about. It is therefore highly likely that some residents were feeling less satisfied with their area at the time of responding.

- New businesses started in the borough data is sourced from the 'Business births & Business deaths' data from the Office for National Statistics (ONS). The figures detailed in the table above are from the 2019 UK Business Demography which the ONS released in November 2020. It is anticipated that data for 2020 will be released in November 2021. The figure for 2018 was 920.
- Council Investments in long term assets, as detailed in the Capital Programme summary:
 - Brunswick Street – Net Cost of Scheme (works in progress) = £645,304.00
 - Union Street – Net cost of scheme (works in progress) = £1,859,974
 - Mote Park Dam/Spillway = £1,051,416
 - Springfield Mill Phase 1 (works in progress) = £786,574
 - Springfield Mill Phase 2 (works in progress) = £1,366,033
 - Temporary Accommodation (5 properties) = £1,354,254
 - Kent Medical Campus Innovation Centre – Net cost of scheme (works in progress) = £4,717,751
 - Lockmeadow Complex Refurbishment Works = £4,048,246
 - Acquisition of Wren Industrial Estate = £2,006,846

109

KPIs where the annual target was missed by more than 10% in 2020/21

Indicator	Q1 2020/21	Q2 2020/21	Q3 2020/21	Q4 2020/21	Annual 2020/21	Annual Target 2020/21	Annual Status	Direction of travel (Last Year)
Percentage of unauthorised encampments on Council owned land removed within 5 working days (<i>Safe, Clean & Green</i>)	100%	100%	0%	100%	83.33%	100%		
Contamination: Tonnage per month rejected (<i>Safe, Clean & Green</i>)	314.46	395.43	468.19	374.38	1552.46	1150.0		N/A

Indicator	Q1 2020/21	Q2 2020/21	Q3 2020/21	Q4 2020/21	Annual 2020/21	Annual Target 2020/21	Annual Status	Direction of travel (Last Year)
Percentage of successful Relief Duty outcomes (<i>Homes & Communities</i>)	51.97%	57.48%	35.29%	39.34%	46.26%	60%		
Footfall in the Town Centre (<i>A Thriving Place</i>)	1,043,484	2,274,557	1,706,128	1,090,366	6,114,535	7,695,835		
Number of students benefitting from the museums educational service (<i>A Thriving Place</i>)	0	0	60	0	60	9,000		
Footfall at the Museum and Visitors Information Centre (<i>A Thriving Place</i>)	0	3,200	3,625	0	6,825	29,494.2		
Number of users at the Leisure Centre (<i>A Thriving Place</i>)	0	52,016	49,630	0	101,646	805,257		

End of year summary by Committee

Communities, Housing & Environment

Head of Housing & Communities Comments:

The early stages of the pandemic lockdown affected both the willingness of vulnerable people to have staff visit them at home and our ability to deliver the disabled facilities grant scheme, which requires the involvement of a range of external agencies and contractors. However, as we came out of the more extreme measures associated with the early lockdown and as our Housing & Health Team together with other services adapted to the new environment, more disabled facilities grants were able to be delivered. This is reflected in the final quarter's spend which increased exponentially compared with the first

quarter's figure. The Housing & Health Team continued to deal with properties reported as being in disrepair or affected by other issues, which resulted in over 340 interventions and 30 houses in multiple occupation being able to be licensed.

A similar pattern emerged with activity around lettings from the Housing Register. This indicator relies on the performance of our housing association colleagues together with our Homechoice Team. During the early stages of the pandemic, most housing partners closed down their operations and vacant properties reduced significantly. Over the year, we worked closely with our partners to ensure that a steady flow of accommodation could be achieved and new build developments could come forward. The strenuous efforts made collectively within the profession enabled more lettings to take place than in the previous financial year. This has proved to be one of the contributory reasons why temporary accommodation (particularly for families) has remained relatively low despite the consistent demand on service as the through flow of families into settled housing could be maintained.

Other contributory factors to the relatively low use of temporary accommodation for families has been the successful application of new ways of preventing homelessness delivered through the Housing Advice Team. A range of options have been delivered, including the use of predictive analytics; proactive grants for individual households; and the change in the Allocation Scheme. In addition, the government measures around the moratorium on possession proceedings and evictions from rented accommodation also contributed to the management of numbers having to enter temporary accommodation.

11

Where growth in emergency accommodation did occur was in response to the "Everyone In" campaign sponsored by government, as a result of the pandemic and separately during the harsh weather experienced during the winter months. Due to the achievements of the Outreach Service, the numbers of persons sleeping on the streets remained low but as the impact of the pandemic was felt, more households who have tenuous housing arrangements such as 'sofa-surfing' found these options reducing. As a result, we had a steady flow throughout the year in the number of people who were new to the street but they were rapidly assisted before succumbing to the worst aspects of street homelessness. Flexible use was made of the Council's own temporary accommodation by the Accommodation Team to make best use of the stock in a deft and responsive way. The Ministry of Housing, Communities & Local Government was equally impressed by the combined efforts of the various teams within the Housing Service to assist those accommodated into emergency housing to more settled accommodation in a relatively short space of time.

Throughout the period the Accommodation Team has ensured that the Council's accommodation is compliant with a range of safety measures, with all of the temporary accommodation compliant. The Team is also tackling a historic compliance issue relating to a small number of properties transferred into the Housing Service earlier in the financial year.

Street Cleansing Manager Comments:

During the various lockdown periods of 2020/21, Street Cleansing have identified a number of changes to the public attitude and behaviour with general increases of request for litter picks and reporting of fly tips. We can only presume that this is due to an increase on the public walking in localised areas and spotting environmental issues. As a result of these addition reports we have needed to increase the resource to deal with reaction requirements.

Waste Services Manager Comments:

Annual performance has been affected by the continued Covid-19 lockdown, which has increased the volume (and type) of waste collected from households. Every Local Authority has seen a slight dip in recycling performance, caused by an increase in contamination in 20/21. We also were affected by the service disruption in early February 2021, caused by severe weather. During this period, the snow reduced garden waste tonnage to zero for weeks and affected the usual waste/recycling collection regime for about 35,000 households. This dramatically reduced recycling performance for February, which contributed to the dip in the annual result.

Additionally, the large increase in homeworking over the year has resulted in residents generating more waste at home. In some cases, the recycling bin has been misused causing more rejections at the sorting facility than previous years. The delivery of information (bin hangers) to half of the properties in the borough during November 2020 did show a limited improvement. Therefore, we will be rolling out the delivery of information to the remainder of the Borough in early June 2021.

Economic Regeneration & Leisure

The outbreak of COVID-19 has had a significant effect on the Borough's economy, with impacts still unfolding as the economic disruption continues. Whilst a quarter of Maidstone's residents were furloughed at one point, it has not stopped unemployment rising, particularly in the 18-24-year-old group. The impact on individual sectors has varied significantly reflecting the extent to which lockdown measures and ongoing restrictions have forced some industries to temporarily 'shut down'. Hospitality, recreation and retail and those that supply to these sectors have been amongst those hardest hit. This is reflected in the KPIs with the Hazlitt Theatre, Museum and Leisure Centre closed for long periods of the year. Footfall in the town centre plummeted as non-essential retail was required to close for long periods of the year and Government advised that people should work from home where possible. Traffic to Visit Maidstone has remained strong as content was kept up to date about access to Parks, what was happening regarding events, which visitor attractions were open and how to visit them safely, together with campaigns to support Eat out to Help Out.

Strategic Planning & Infrastructure

COVID-19 has had an impact on productivity, perhaps felt hardest in Planning Enforcement, because of the need to adhere to rules and, moreover, to prioritise the personal safety of Enforcement Officers. Despite these hurdles throughout the year, performance standards remain high.

Similarly, the change in the way we now work (due to COVID-19) means that there has been a significant impact on the determination of planning applications. Yet strong performance has been maintained and improved with regard to both 'major' and 'other' applications.

There were no performance indicators this year for the Strategic Policy team, but significant progress has been made with the Local Plan Review. Similarly, the Building Control Team has continued to perform well and in a cost effective manner.

FOURTH Quarter Risk Update 2020/21

June 2021

Maidstone Borough Council

Introduction

Risk management is concerned with the *impact of uncertainties on objectives*. Effective risk management is a key principle for good corporate governance and its importance is recognised explicitly in the Local Code of Governance, the Annual Governance Statement, the Internal Audit Charter and through the Risk Management Framework. By being aware of risks, and actively seeking to manage risks to acceptable levels, we are more likely to achieve objectives, safeguard our resources and be better prepared in the event of major uncertainty.

The Council has embedded risk management at the corporate (strategic) and operational levels and reports risks openly and confidently to Members via the Policy & Resources Committee and the Audit, Governance & Standards Committee. Since November 2020 we have reported the corporate risk portfolio each quarter as part of the wider financial and performance monitoring. This enables us to flag risk issues and to keep Members up to date with any changes to the risk profile as they arise. This report includes the most recent updates to the existing corporate risks but also explores in more detail the outcomes of the operational risk refresh completed March 2021.

Corporate risk issues are formulated by reviewing risk themes across the Council at the operational level. As we develop these themes over the coming months, they will take the place of the existing corporate risks, this ensures that corporate risk issues remain up to date and accurately reflect the uncertainties being faced across the Council services.

The risk management framework is the guide that sets out how the Council identifies, manages, and monitors risks. This includes the risk appetite statement, which articulates the Council's appetite for and tolerance of risk. In summary, the risk management process for the Council can be broken down into the following key components:



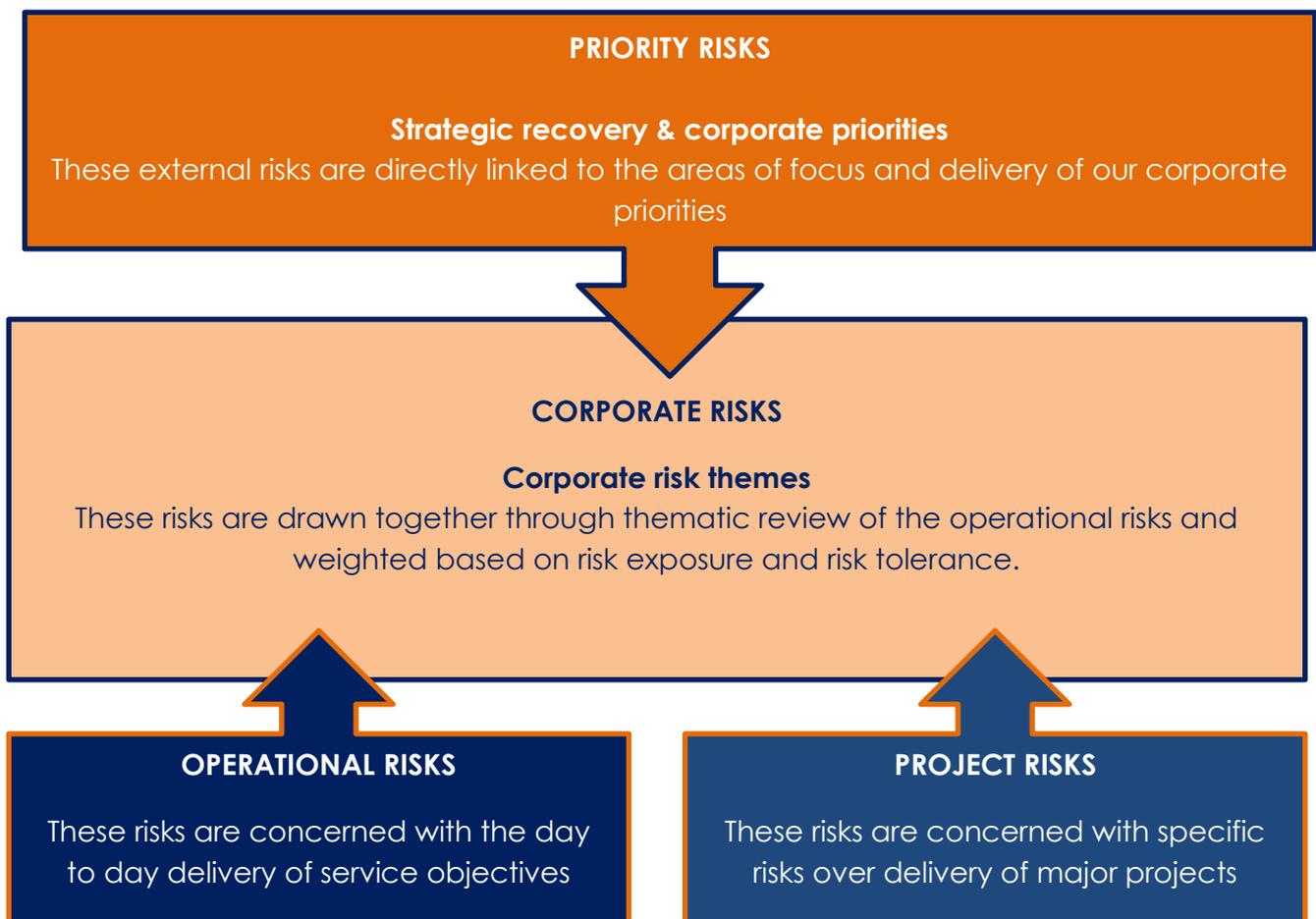
The guidance used to inform the evaluation of risks is included in **Appendix 3B**.

Risk levels

We currently identify risks across **3** levels, corporate (strategy), operational and projects. All Council services maintain an operational risk register, including Shared Services. These risks are updated, monitored, and reported through Wider and Corporate Leadership Team. As we move into a period of recovery from the Pandemic and refocus priorities, we will be looking to evolve the risk levels to more explicitly link external risks to the delivery of our priorities, as well as to escalate risk themes to the corporate level. This will ensure greater clarity over the strategic level risks facing the Council and will enable us to more clearly articulate and measure risk issues.

We will continue to draw up corporate risk themes from across the Council but will link them specifically to individual operational risks (including those from project, contracts, and other specialist risk registers). Oversight will be provided by the Corporate Leadership Team and Members, but risks will be more dynamic and able to be adjusted based on the real time movement of operational risk issues.

The illustration below shows how this will work and how the relationships between the different levels will work in practice:



Corporate risk profile

Our corporate risks are reported to Corporate Leadership Team on a regular basis to ensure effective oversight. Since the last update in January we have maintained a watching eye on the top risks and updated controls accordingly to reflect any changes. A desktop review of these risks was undertaken in advance of the annual risk management report to the Audit, Governance and Standards Committee in **March 2021**.

As the table below illustrates, we continue to bear uncertainty from 11 top scoring risks (those scored 12 and over). Further detail on the corporate risks, including a description of the risk and details of existing and planned key controls can be found in **Appendix 3A**.

Risk Title	Score before mitigation			
	Nov 20	Jan 21	Jun 21	Movement
Contraction in retail & leisure sectors	25	25	25	-
Financial restrictions	20	20	20	-
Environmental damage	16	16	16	-
Brexit / EU transition	16	16	16	-
Major unforeseen emergency	15	15	15	-
Covid-19: Restrictions to Council operations	12	12	12	-
Covid-19: Community & business recovery	12	12	12	-
Housing pressures increasing	12	12	12	-
IT security failure	12	12	12	-
Not fulfilling residential property responsibilities	12	12	12	-
Major contractor failure	12	12	12	-

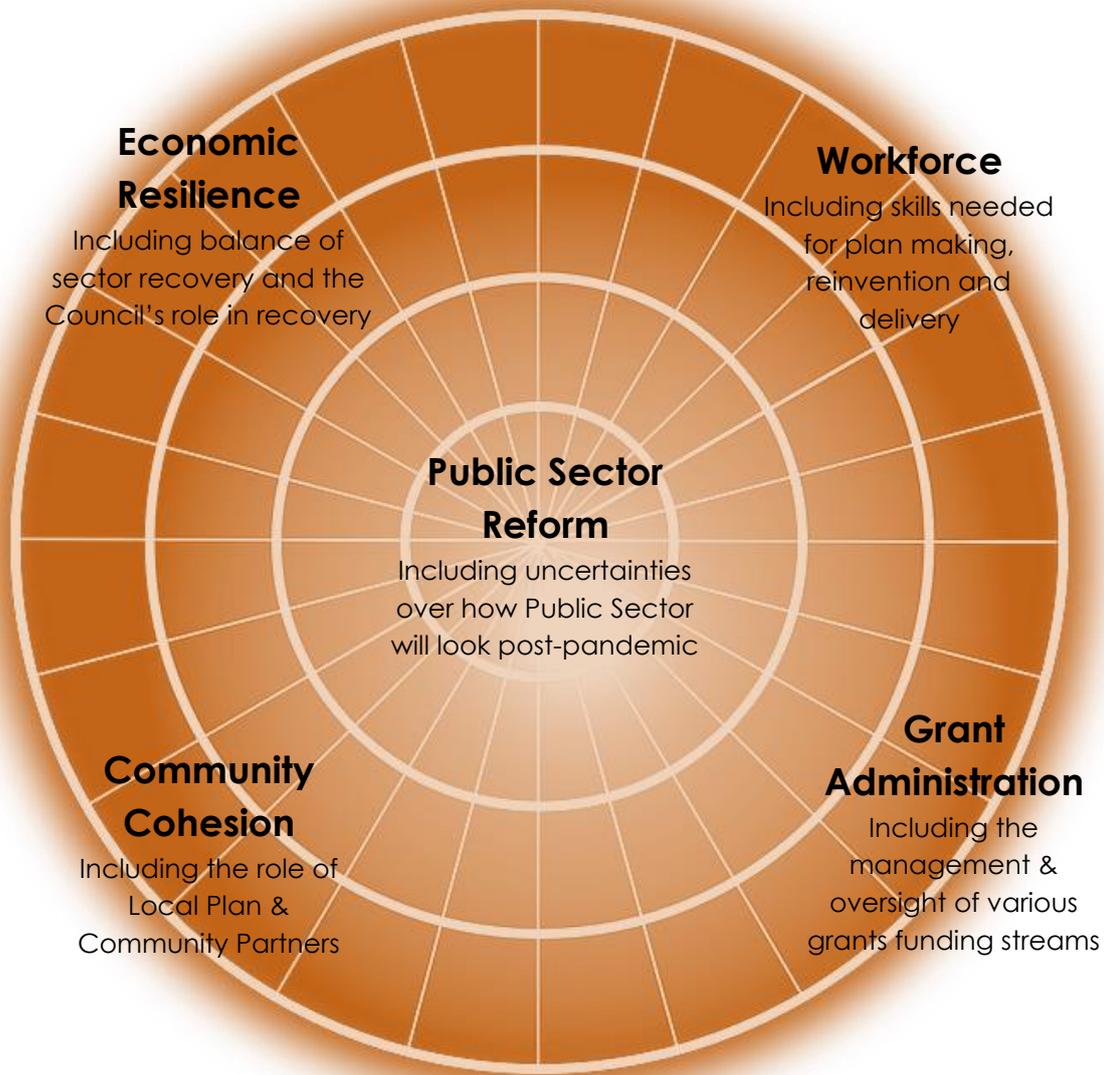
We have not made any significant changes to corporate risks since their last review earlier in the year. This is because we continue to face increased threats and uncertainties following the Pandemic, and as such, they remain as high-level risks for us and under regular review and monitoring.

We will be running a risk workshop with the Corporate and Wider Leadership Teams in July 2021 which will include a refocussed look at the risks facing our recovery and corporate priorities. This workshop, which we usually run annually, gives us chance to re-cast the corporate risks and to look ahead at future risk issues. We include a 'risk horizon' scan on the next page.

Risk Horizon

Long-term horizon scanning allows us to be aware of key risks which are, as yet, too uncertain to assess or quantify. By keeping our eye on and tracking these issues we are able to consider their impact and likelihood when the timing is right and add them to the relevant risk register for monitoring and review.

The chart below shows some of issues we are keeping on our radar:



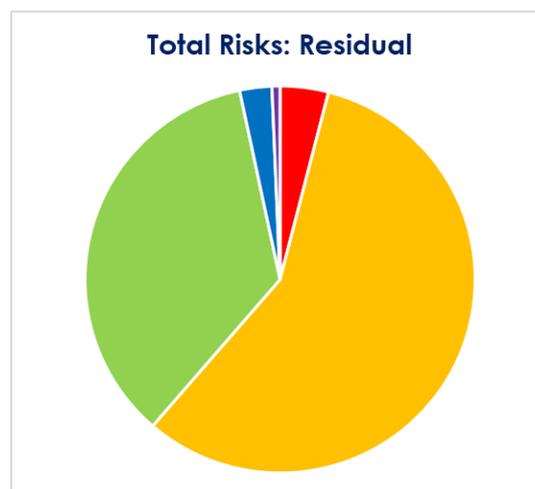
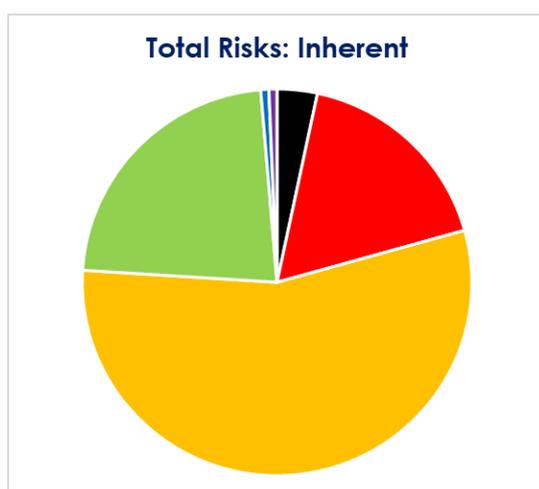
Having a longer-term view of these risks also enables us to be aware of local, sector-wide, and even global issues.

Operational risk profile

Operational risks are directly linked to the delivery of services across each Council department. Between January and March 2021, we ran workshops with Managers to facilitate the review and refresh of all operational risk registers. In total, there are 30 operational risk registers to support Council service areas, a full list is attached at **Appendix 3C**.

The table below shows the overall output and the total number of risks at the operational level:

Risk Severity	Total Risks Inherent	Total Risks Residual
BLACK	5	0
RED	26	6
AMBER	83	86
GREEN	34	53
BLUE	1	4
PURPLE	1	1
TOTAL	150	150



As an overall illustration of the direction of travel for risks, it is possible to see (in the charts above) the reduction in risk exposure, this happens as risks move from red to amber, and from amber to green. While this is positive, there are still a high proportion of risks in the amber line, this line is where our risk owners and managers apply their judgement whether to take further action or not. The general rule applied to these risks, is that they are reviewed every 6 months.

As outlined above, we are seeking to draw risks together from other sources, as such, the risk data above does not include individual **project risks**. The Council's project management toolkit requires corporate level projects to have full regard of risks and issues. This process currently sits with project sponsors and project boards, so we will be looking to incorporate projects risks into the overall risk profile in due course.

There are also some other specific risk registers that are reported separately. One example is the **budget risk assessment** which is reviewed quarterly by the Audit, Governance and Standards Committee. We have also been running risk workshops for key contracts (starting with the Leisure Centre and parks). This work has been well received and has generated a handful of additional risk registers which will also be integrated into the risk profile in the near future.

Operational risks: Top 5

Based on the outcomes of the operational risk update there are 5 risks that sit in the highest section of the risk matrix. Details of these **top 5** are set out below. These risks will be regularly reviewed by the service and reported to the Corporate Leadership Team as part of their quarterly monitoring and review of risks across the Council.

Tourism Numbers & Economy

Service Area: Visitor Economy	Ownership: John Foster	Score: 15 x L5	25
Risk <i>As a result of national and local lockdown measures, tourism visitors to Maidstone reduces, negatively impacting the local economy</i>	Existing Controls <ul style="list-style-type: none"> Marketing Maidstone as a destination both to leisure and business visitors and our own residents Engaging with local audiences Developing new products, helping businesses pivot Working with partners such as Visit Kent Tourism South East and Visit England on campaigns. Supporting national campaigns - Eat out to Help Out, Good to Go etc Delivery of Tourism Destination Management Plan Commissioning Cambridge Model research on data from 2019 and 2020 Business support grants 	Risk Response <ul style="list-style-type: none"> Revision of the DMP and Actions Revision of tourism marketing plan - recovery Support national campaigns, Escape the Everyday etc. - Prioritisation of tasks Review market segments Continued monitoring and reporting 	
Risk review: July 2021	Risk direction over time: 	Score: 13 x L3	9

Infrastructure Improvements

Service Area: Economic Development	Ownership: John Foster	Score: 14 x L5	20
Risk <i>Infrastructure improvements to road, rail, public transport, cycling and broadband fail to take place due to lack of investment or change to government priorities</i>	Existing Controls <ul style="list-style-type: none"> Work with KCC on Broadband Work with KCC, Network Rail, DfT to secure Thameslink services and further improvements KCC Transport Planner seconded to MBC KCC MBC Strategic working in place to deliver improvements to Loose Road corridor 	Risk Response <ul style="list-style-type: none"> Continue to monitor what will replace the SE Rail franchise Helen Grant to raise with the Minister the need to safeguard High Speed Services and not to delay further the introduction of Thameslink Services Dedicated officer will be appointed to deliver the Integrated Transport Strategy. Ongoing agenda item in RED Manager regular 121's 	
Risk review: May 2021	Risk direction over time:	Score: 14 x L3	12



Business Rates Volatility

Service Area: Revs & Bens	Ownership: Sheila Coburn	Score: 14 x L5	20
Risk <i>Council is unable to respond to volatility in business rates, or financial modelling is inaccurate, not identifying all business not on valuation list causing uncertainty in appeal provision. Uncertainty has increased during the Covid-19 pandemic.</i>	Existing Controls <ul style="list-style-type: none"> Proactive business support through economic development initiatives Appeal monitoring and modelling Kent business rates pool Analyse local - providing more accurate provision data Joint working with finance teams KIN board Additional resources available to respond to Govt business relief schemes 	Risk Response <ul style="list-style-type: none"> Plan for property identification and closer working with other services (licensing, commercial waste). To call on resources from departments elsewhere in the Council. Service to review quarterly 	
Risk review: July 2021	Risk direction over time:	Score: 13 x L3	9

Collection Rates (Pandemic)

Service Area: Revs & Bens	Ownership: Sheila Coburn	Score: 14 x L5	20
Risk <i>Collection rates for CT, NDR and HB overpayments may continue to decrease during the Covid-19 pandemic</i>	Existing Controls <ul style="list-style-type: none"> Robust recovery plan in place In discussions with courts as to scheduling cases Different methods of engagement e.g. discussions over the phone, discussing arrangements 	Risk Response <ul style="list-style-type: none"> Continuing to aid those financially vulnerable e.g. signpost to debt advice agencies Work with consultants to target help towards the most vulnerable Review progress 	
Risk review: April 2021	Risk direction over time:	Score: 13 x L3	9

Covid-19 Grant Processing

Service Area: Revs & Bens	Ownership: Sheila Coburn	Score: 14 x L5	20
Risk <i>The service may not be able to respond effectively to the continuing effects of Covid-19, e.g. introduction of further grants/relief schemes, increase in CT support claims. This may significantly impact on resources and the chances of fraudulent payments</i>	Existing Controls <ul style="list-style-type: none"> Regular meetings to discuss grants Monitoring the situation nationally and locally Partnership working - e.g. with Finance, Digital team, senior leadership 	Risk Response <ul style="list-style-type: none"> Increase preparedness e.g. identifying resources available now and those to call on in future Set aside some normal work to deal with urgent work Weekly meetings with Revenues/Director of Mid Kent Services/Economic Development/Finance 	
Risk review:	Risk direction over time:	Score:	9



Next Steps

This is the first time that we are reporting the outcomes of the operational risk registers since being updated in March 2021. We will continue to work with and support risk owners and Council services to keep their risks up to date. Over the next couple of months, we will develop the new **priority risks, corporate risk themes** and continue work to collate all risk data into a single format to enable greater reporting and monitoring. Risk updates will be reported quarterly to the Corporate Leadership Team including any changes to our risk profile or risk exposures.

In November 2020 the Council adopted a **risk management plan** for 21/22 which outlined 6 priority areas for the year. This work included refreshing operational risks, corporate risks, and ensuring that processes were implemented to keep risk registers and actions up to date. In addition, the plan included ongoing work to improve risk culture, including exploring the use of risk software to improve efficiency, engagement, and accountability.

We will report progress throughout the year as we progress through this plan and include updates as part of our quarterly reporting to Members. An extract of the plan is attached below:

<p>1 </p> <p>Risk Software</p> <p>Apr - Jun 2021</p> <p>Implement specialist risk software to improve the efficiency of the risk process, enable more powerful reporting, monitoring and increasing engagement with risk owners.</p>	<p>2 </p> <p>Training & Development</p> <p>Jan - Jun 2021</p> <p>Deliver a series of training briefings to support the rollout of risk software and to refresh knowledge and expertise of risk management and the risk management process.</p> <p>Briefings to be delivered to Officers & Members.</p>
<p>3 </p> <p>Operational Risks</p> <p>Dec - Jan 2021</p> <p>Refresh operational risk registers. Workshops will be made available for services and teams to facilitate the process and to ensure that risks are identified and assessed in accordance with the agreed framework and guidance.</p>	<p>4 </p> <p>Corporate Risks</p> <p>Jan - Feb 2021</p> <p>Refresh the corporate risk register to reflect the outcomes of revised operational risk work. A workshop will be delivered to align corporate risks to the Council Plan. Risks will be assessed alongside the corporate risk appetite and tolerance levels.</p>
<p>5 </p> <p>Risk Actions</p> <p>Jun - Sept 2021</p> <p>Implement mechanisms to ensure that actions are taken to address risks that fall above the risk tolerance level. We will work with risk owners to identify control measures and to assess the reduction on the overall level of risk.</p> <p>Sharing of effective control measures to be incorporated.</p>	<p>6 </p> <p>Reporting & Monitoring</p> <p>Throughout 2020 / 21</p> <p>Undertake continuous monitoring of risk information and rethink / redesign risk reporting to ensure that data is valuable and supportive.</p> <p>Report corporate risk issues to Policy & Resources and Audit, Governance & Standards Committee.</p>

Appendix 3A

Corporate Risk Register

The table below sets out each of the corporate risks in detail. Risk owners have assessed the impact and likelihood of the risks and identified the key controls and planned actions necessary to further manage the risk to an acceptable level where possible:

Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Controls planned	Mitigated rating (I x L)
Major unforeseen emergency with national / international impact (e.g. new pandemic, environmental disaster) 125	Alison Broom	<ul style="list-style-type: none"> Strong existing emergency planning framework Active engagement with Local Resilience Forum Flexible, committed and appropriately trained workforce Quarterly oversight & monitoring through the Emergency Planning Group (EPG) Some financial reserves Good partnership working as demonstrated during Covid-19 pandemic Continued update to Business Continuity Plans and arrangements 	(5 x 3) 15	<ul style="list-style-type: none"> Plan for dealing with different types of major emergencies Review of the level of financial reserves Review and update of the Council's IT Disaster Recovery arrangements Embedding arrangements over the quarterly review of emergency threats and risks through the EPG including horizon scanning and early warnings 	(5 x 3) 15
Covid-19: Restrictions impact negatively on our ability to deliver core / statutory services	Alison Broom	<ul style="list-style-type: none"> Strong existing business continuity planning arrangements Emergency response plans have been made Covid secure Learning from current pandemic has been captured Member Covid-19 consultative forum established Risk assessments in place for all Council buildings Plans in place to enable staff who cannot work from home to work safely in our workplaces/activities including grounds maintenance, street cleansing, museum, and some office activities Plans in place to enable return to work in our offices safely when appropriate Flexible / remote working arrangements in place and embedded Regular internal communications with all staff Embedded performance monitoring and reporting 	(4 x 3) 12	<ul style="list-style-type: none"> Build up stocks of appropriate equipment and PPE Regular review of flexible and remote working arrangements Ongoing review and development of new ways of working because of Covid-19 	(4 x 2) 8

Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Controls planned	Mitigated rating (I x L)
<p>Covid-19: Inability to support the response and recovery from Covid for the community and local businesses</p>	<p>Alison Broom</p>	<ul style="list-style-type: none"> Active engagement with Local Resilience Forum Member consultative forum on recovery arrangements Continued engagement with community groups and volunteers Continuing engagement with local public health officers to ensure rapid response Support model for residents and businesses is well embedded Enforcement with respect to non-compliant businesses is in place Funding has been provided to the Council Core officer group established for recovery Joint working with partners through the Inclusion Board & Maidstone Economic Business Partnership Strategic approach to engagement with voluntary sector agreed by Communities Housing and Environment Committee in November 2020 	<p>(4 x 3) 12</p>	<ul style="list-style-type: none"> Continued scanning of horizon with respect to changes to legislation, regulations, and guidance Implementation, development and strengthening of the agreed strategic approach to engagement with community groups Completion and monitoring of action plan themes for recovery 	<p>(4 x 3) 12</p>
<p>Increased effects from climate change or reduction in air quality causes environmental damage reducing residents' quality of life and increasing risks from adverse weather events</p>	<p>Angela Woodhouse</p>	<ul style="list-style-type: none"> Biodiversity and Climate Change Strategy and action plan in place Air Quality Action Plan in place (2) Emergency planning arrangements (3) Parks strategy Budget available to deliver actions Communication / engagement strategy for adverse weather events Member of the Kent Climate Change Network Fixed-term Biodiversity and Climate Change officer in post 	<p>(4 x 4) 16</p>	<ul style="list-style-type: none"> Review by Carbon Trust towards the Council becoming carbon neutral by 2030 Implementation of the B&CCS action plan Review of our own estate in line with ambition to be carbon neutral by 2030 Seeking to recruit into a permanent Biodiversity and Climate Change officer Review of governance for delivery and oversight of BD&CC Strategy 	<p>(4 x 4) 16</p>

Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Controls planned	Mitigated rating (I x L)
<p>General financial downturns, unexpected changes to government funding or failure to achieve income or savings targets places further financial restrictions on the Council resulting in difficulty maintaining standards or meeting aims.</p>	<p>Mark Green</p>	<ul style="list-style-type: none"> • Agreed work programmes in transformation and commissioning • Budget monitoring in place • MTFS in place and monitored • Scenario planning in budget setting • Financial independence strategy to maximise our income • Strategies for maintaining income (e.g. pricing policies and purchase of Lockmeadow) • Commercial investment strategy • Holding reserves to mitigate impact of financial restrictions 	<p>(4 x 5) 20</p>	<ul style="list-style-type: none"> • Currently updating MTFS to reflect impact of Covid-19 and need to support recovery due to go to Policy and Resources in November 2020 • Review of reserves policy as part of MTFS development • Lobbying to avoid unfavourable financial changes to government funding • Cost recovery through bidding for additional government support for one-off costs (e.g. Brexit) • Identifying measures to address future budget gaps 	<p>(4 x 4) 12</p>
<p>127 Security breach or system weakness leading to IT security failure results in system unavailability and increased legal and financial liability.</p>	<p>Steve McGinnes</p>	<ul style="list-style-type: none"> • Regular backup programmes • External testing of IT security by specialists –resulting findings and actions are implemented and tested • ICT policies & staff training, including disaster recovery plan • Mandatory cyber security training was rolled out and completed • CLT monitoring of performance indicators, including ICT incidents • Nessus scanning software reporting daily on system vulnerabilities • New firewall tested and installed 	<p>(4 x 3) 12</p>	<ul style="list-style-type: none"> • Ongoing programme of awareness raising through Cyber events, training, and tests • Ongoing programme of IT campaigns including phishing • IT infrastructure replacement programme being considered to ensure that IT equipment is fit for purpose 	<p>(4 x 3) 12</p>

Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Controls planned	Mitigated rating (I x L)
<p>The broader housing crisis leads to housing pressures increasing on the Council, affecting both costs associated with homelessness and ability to meet wider housing needs in the borough.</p> <p>128</p>	William Cornall	<ul style="list-style-type: none"> Homelessness prevention team in place with increased resource Access to our own housing stock to use for temporary accommodation & market rented housing (within Maidstone Property Holdings) Closer working with private sector & housing associations Key policies are in place: Temporary Accommodation Strategy Implementation of Housing Management Team CHE approval in place for MBC to develop up to 250 affordable homes of its own We work closely with the voluntary sector and community partners Home Finders scheme in place and supported through Government funding Affordable Housing supplementary guidance adopted in Summer 2020 	<p>(4 x 3) 12</p>	<ul style="list-style-type: none"> Continued progress towards the temporary accommodation acquisition programme funded through the MBC capital programme Approval secured to provide hostel and 'move on' type TA in the town centre Purchase of more housebuilder stock off plan. Recent approval to acquire a further 21 units of PRS accommodation 	<p>(3 x 3) 9</p>

Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Controls planned	Mitigated rating (I x L)
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">129</p> <p>Insufficient awareness / expertise leads to not fulfilling residential property responsibilities resulting in possible health & safety breaches.</p>	<p>William Cornall</p>	<ul style="list-style-type: none"> Faithfull Farrell & Timms have been retained as a critical friend to allow the new housing management function to up skill. West Kent Housing Association (WKHA) engaged to provide an asset management service for the whole MBC residential portfolio. The whole MBC residential portfolio is now being managed by a single team within Housing & Communities, where previously it was split between Housing & Property. H&S KPI's are now recorded and reported through an interim software solution, FIXFLO. The H&S KPI's are reported monthly to Corporate Leadership Team. Good level of awareness from officers around H&S obligations and compliance 	<p>(4 x 3) 12</p>	<ul style="list-style-type: none"> A permanent replacement housing management software package has been procured and be implemented early 2021. This will incorporate KPI and management information. This will take over from the previous system, and the interim system (FIXFLO). Possible due diligence review by Mid Kent Audit to advise on integrity with respect of KPI production and reporting. Eventual goal of real time reporting in terms of gas safety, via the WKHA contractor. Review of existing resources and skills underway to support the housing portfolio and management of properties 	<p>(3 x 3) 9</p>

Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Controls planned	Mitigated rating (I x L)
<p>General and localised economic pressure leads to contraction in retail & leisure sectors, limiting the appeal of Maidstone town centre threatening social cohesion and business rates income.</p> <p>130</p>	William Cornall	<ul style="list-style-type: none"> Working with Key stakeholders including One Maidstone to safely reopen the High Street. Regular network meetings with town centre retailers Town Centre strategic advisory board Public realm improvement work Supporting One Maidstone Business Improvement District Acquisition of key property (Royal Mail / Grenada House) Work commissioned to promote Maidstone as business destination Planning Guidelines documents have now been approved by SPI for the Five town Centre Opportunity sites Active management of Lockmeadow to enhance the local economy Support delivered to the sector through Business Rates grants and assistance grants Town Centre Opportunity guidance published and actively being used 	(5 x 5) 25	<ul style="list-style-type: none"> Taking advantage of opportunities to support infrastructure investment Consider a targeted programme of place promotion campaign activities Launch of town centre shop fronts improvement grant scheme closer to being made available Development of a Town Centre action plan to guide the reallocation of land uses within the Town Centre (including retail) 	(4 x 5) 20
<p>Failure of a major contractor: One of the Council's contractors goes into liquidation / administration</p>	Mark Green	<ul style="list-style-type: none"> Regular contract monitoring and communication with contractors Procurement expertise made available through the Partnership with Tunbridge Wells Financial performance and sustainability embedded into the procurement process Contractor business continuity plans in place 'Exit plan' included as a requirement in the ITT document for all relevant contracts 	(4 x 3) 12	<ul style="list-style-type: none"> Ongoing financial performance and resilience checks of our suppliers and contractors Risk register work being completed for each of the Council's strategic contracts 	(4 x 3) 12

Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Controls planned	Mitigated rating (I x L)
Exit of EU on unfavourable terms results in adverse short-term Brexit / EU transition impacts disrupting the Council's ability to offer services and increasing liabilities.	Mark Green	<ul style="list-style-type: none"> • Close working with other members of KRF on the EU transition planning • Regular briefings for officers & members 	(4 x 4) 16	<ul style="list-style-type: none"> • Continued liaison with partners • More frequent updates and communication in the run up to 31.12.20 with Members and Officers • Liaison with local business about the support that could be provided • Refresh business continuity and contingency plans to reflect possible impacts of EU transition, specifically with regards to transport 	(3 x 4) 12

Appendix 3B - Impact and Likelihood Definitions

The Risk Management Framework provides guidance on the Councils risk management processes. The framework sets out the definitions of the impact and likelihood scales:

RISK IMPACT

Level	Service risk	Reputation Risk	H&S	Legal Risk	Financial Risk	En'ment Risk
Catas-trophic (5)	Ongoing failure to provide an adequate service	Perceived as failing authority requiring intervention	Responsible for death	Litigation almost certain and difficult to defend. Breaches of law punishable by imprisonment or significant fines	Uncontrollable financial loss or overspend over £500k	Permanent, major environmental or public health damage
Major (4)	Failure to deliver Council priorities Poor service. Disrupted 5 days+	Significant adverse national publicity	Fails to prevent death, causes extensive perm injuries or LT sick	Litigation expected, but defensible Breaches of law punishable by fines	Financial loss or overspend greater than £250k	Long term major public health or environmental incident (1yr+)
Moderate (3)	Unsatisfactory performance Service disrupted/ stopped 3-5 days	Adverse national publicity or significant adverse local publicity	Fails to prevent extensive, permanent injuries or LT sickness	Complaint likely, litigation possible Breaches of regs or standards	Financial loss or overspend greater than £50k	Medium term major public health or environmental incident (up to 1yr)
Minor (2)	Marginal reduction in performance Service disrupted/ stopped 1-2 days	Minor adverse local publicity	Medical treatment required, potential long term injury or sickness	Unlikely to cause complaint Breaches of local procedures	Financial loss or overspend greater than £10k	Short term public health or environmental incident (weeks)
Minimal (1)	No significant service impact Service disruption up to 1 day	Unlikely to cause adverse publicity	First aid level injuries		Financial loss or overspend under £10k	Environmental incident with no lasting detrimental effect

RISK LIKELIHOOD

Type	Probability	Detail description
Almost certain (5)	90%+	Without action is likely to occur; frequent similar occurrences in local government/Council history
Probable (4)	60%-90%	Strong possibility; similar occurrences known often in local government/Council history
Possible (3)	40%-60%	Might occur; similar occurrences experienced in local government/Council history
Unlikely (2)	10%-40%	Not expected; rare but not unheard of occurrence in local government/Council history
Rare (1)	0%-10%	Very unlikely to occur; no recent similar instances in local government/Council history

Council Services
MBC CIL & Section 106
MBC Building Control
MBC Communications
MBC Community & Strategic Partnerships
MBC Customer Services
MBC Democratic & Electoral Services
MBC Development Management
MBC Economic Development
MBC Emergency Planning
MBC Environment & Public Realm
MBC Finance
MBC Housing
MBC Museum
MBC Parks & Open Spaces
MBC Policy & Information
MBC Procurement
MBC Property & Facilities
MBC Strategic Planning
MBC Transformation & Digital Services
MBC Visitor Economy
MKS Enforcement Services
MKS Audit
MKS Compliance
MKS Environmental Health
MKS HR
MKS ICT
MKS Legal Services
MKS Planning Support
MKS Revenues & Benefits
Parking Services Partnership

Agenda Item 20

MAIDSTONE BOROUGH COUNCIL
POLICY AND RESOURCES COMMITTEE

23 JUNE 2021

REPORT OF THE STRATEGIC PLANNING AND INFRASTRUCTURE
COMMITTEE HELD ON 13 APRIL 2021

LOCAL PLAN REVIEW BUDGET

Issue for Decision

The Strategic Planning and Infrastructure Committee have requested that the Local Plan Review Budget become a standing agenda item for the Policy and Resources Committee, to have full surveillance on it.

Recommendation Made

That the Committee consider the request to make the Local Plan Review Budget a standing agenda item.

Reasons for Recommendation

The Local Plan Review budget was presented to the SPI Committee on 13 April 2021.

Extract of Minute 357 from the above-mentioned meeting is outlined below:

'The Director of Finance and Business Improvement introduced the report and referenced the Committee's request to the Policy and Resources Committee, for additional funding to be allocated to the Local Plan Review (LPR) budget. In response, the Policy and Resources Committee had requested that officers re-examine the budget allocated for the LPR, with the outcomes of the review presented to that Committee in March 2021.

The work undertaken by the Finance and Planning Teams was highlighted, with the projected expenditure up until 2023 outlined in Appendix A to the report. The expenditure had been split into Core Funding, New Requirements and Discretionary categories.

The projections included a £30,000 contingency fund for both 2021/22 and 2022/23, with the proposed work relating to the Town Centre Plan to be funded separately through Section 106 contributions. The additional £200,000 required for 2021/22 would be funded through the Corporate Contingency Fund, which would be supported by additional income that the Council was expecting. The £135,000 required for 2022/23 would be considered as part of the annual review of the Council's budget proposals, with it likely that another £100,000 would be brought forward from future year's expenditure to supplement the funding.

Several Members of the Committee expressed concerns over the LPR budget's viability and the feasibility of the actions proposed, which were felt to be overly

optimistic, particularly in reference to Development Plan Documents (DPD). However, as mitigating actions had been proposed, it was felt that the budget should continue to be monitored'.

In noting the report, the request was made for the Policy and Resources Committee to have the Local Plan Review Budget as standing item to have full surveillance on the matter, as the body that is responsible for overseeing the Council's Medium-Term Financial Strategy.

Alternatives Considered and Why Not Recommended

None.

Background Documents

[Minutes Template \(maidstone.gov.uk\)](https://www.maidstone.gov.uk) – Minutes of the Strategic Planning and Infrastructure Committee Meeting held on 13 April 2021.

Appendices

None.

Agenda Item 21

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

Document is Restricted