

CORPORATE SERVICES POLICY ADVISORY COMMITTEE MEETING

Date: Wednesday 18 January 2023
Time: 6.30 pm
Venue: Town Hall, High Street, Maidstone

Membership:

Councillors Brice (Chairman), Mrs Gooch (Vice-Chairman), Brindle, Cannon, Cooke, Cox, Harper, Hinder and Khadka

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

AGENDA

Page No.

1. Apologies for Absence
2. Notification of Substitute Members
3. Urgent Items
4. Notification of Visiting Members
5. Disclosures by Members and Officers
6. Disclosures of Lobbying
7. To consider whether any items should be taken in private because of the possible disclosure of exempt information
8. Minutes of the Meeting Held on 14 December 2022 - To Follow
9. Presentation of Petitions (if any)
10. Question and Answer session for Local Residents (if any)
11. Questions from Members to the Chairman (if any)
12. Forward Plan relating to the Committee's Terms of Reference 1 - 5
13. Provision of Cycle Ramp Off Church Road Otham 6 - 15
14. Strategic Plan refresh 2023-28 16 - 26
15. Council Tax Base 2023/24 and Collection Fund Adjustment. 27 - 41

Issued on Tuesday 10 January 2023

Continued Over/:

Alison Broom

Alison Broom, Chief Executive

- | | |
|---|---------|
| 16. Medium Term Financial Strategy and Saving Proposals 2023/24
(CS PAC) | 42 - 72 |
| 17. Medium Term Financial Strategy – Capital Programme | 73 - 93 |

INFORMATION FOR THE PUBLIC

In order to ask a question at this meeting, please call **01622 602899** or email committee@maidstone.gov.uk by 5 p.m. one clear working day before the meeting (i.e. by 5 p.m. on Monday 16 October 2022). 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 16 October 2022). You will need to tell us which agenda item you wish to speak on.

If you require this information in an alternative format please contact us, call **01622 602899** or email committee@maidstone.gov.uk.

To find out more about the work of the Committee, please visit www.maidstone.gov.uk.

MAIDSTONE BOROUGH COUNCIL FORWARD PLAN FOR THE FOUR MONTH PERIOD 1 JANUARY 2023 TO 30 APRIL 2023

This Forward Plan sets out the details of the key decisions which the Executive or Lead Members expect to take and the non-Key decisions that the Executive or Lead Members expect to take during the next four-month period. The plan will be updated weekly for the relevant period and a new plan for a new four-month period, published monthly on the last Friday of the month.

A Key Decision is defined as one which:

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

The current members of the Executive are:

→	 Councillor David Burton Leader of the Council DavidBurton@maidstone.gov.uk 07590 229910	 Councillor John Perry Deputy Leader and Lead Member for Corporate Services JohnPerry@Maidstone.gov.uk 07770 734741	 Councillor Lottie Parfitt-Reid Lead Member for Communities and Public Engagement LottieParfittReid@Maidstone.gov.uk 07919 360000	 Councillor Martin Round Lead Member for Environmental Services MartinRound@maidstone.gov.uk 07709 263447
	 Councillor Simon Webb Lead Member for Housing and Health SimonWebb@Maidstone.gov.uk 07878 018997	 Councillor Claudine Russell Lead Member for Leisure and Arts ClaudineRussell@Maidstone.gov.uk	 Councillor Paul Cooper Lead Member for Planning and Infrastructure PaulCooper@Maidstone.gov.uk 01622 244070	

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

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

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

Copies of the Council's constitution, forward plan, reports and decisions may be inspected at the Maidstone House, King Street, Maidstone, ME15 6JQ or accessed from the Council's website: www.maidstone.gov.uk

Members of the public are welcome to attend meetings of the Executive which are normally held at the Town Hall, High St, Maidstone, ME14 1SY. The dates and times of the meetings are published on www.maidstone.gov.uk or you may contact the Democratic Services Team on telephone number 01622 602899 for further details.

David Burton
Leader of the Council

Details of the Decision to be taken	Decision to be taken by	Lead Member	Expected Date of Decision	Key	Exempt	Proposed Consultees / Method of Consultation	Documents to be considered by Decision taker	Representations may be made to the following officer by the date stated
Provision of Cycle Ramp Off Church Road Otham	Executive	Lead Member for Corporate Services	25 Jan 2023	No	No Open	Corporate Services Policy Advisory Committee 18 Jan 2023	Provision of Cycle Ramp Off Church Road Otham	Victoria Kellett, Jacqueline Tolhurst victoriakellett@maidstone.gov.uk, jacquelinetolhurst@maidstone.gov.uk
Council Tax Base 2023/24 and Collection Fund Adjustment. Update on the Council tax base figures and Collection fund adjustment - for decision by Executive as they are needed to set Council Tax levels.	Executive	Lead Member for Corporate Services	25 Jan 2023	Yes	No Open	Corporate Services Policy Advisory Committee 18 Jan 2023	Council Tax Base 2023/24 and Collection Fund Adjustment.	Adrian Lovegrove adrianlovegrove@maidstone.gov.uk
Medium Term Financial Strategy 2023 - 2028 - Capital Programme Details of the draft Capital Programme.	Executive	Lead Member for Corporate Services	25 Jan 2023	Yes	No Open	Corporate Services Policy Advisory Committee 18 Jan 2023	Medium Term Financial Strategy 2023 - 2028 - Capital Programme	Mark Green markgreen@maidstone.gov.uk

Details of the Decision to be taken	Decision to be taken by	Lead Member	Expected Date of Decision	Key	Exempt	Proposed Consultees / Method(s) of Consultation	Documents to be considered by Decision taker	Representations may be made to the following officer by the date stated
4 Medium Term Financial Strategy and Saving Proposals 2023/24	Executive	Lead Member for Environmental Services	25 Jan 2023	Yes	No Open	Economic Regeneration and Leisure Policy Advisory Committee 10 Jan 2023 Planning and Infrastructure Policy Advisory Committee 11 Jan 2023 Communities, Housing and Environment Policy Advisory Committee 17 Jan 2023 Corporate Services Policy Advisory Committee 18 Jan 2023	Medium Term Financial Strategy and Saving Proposals 2023/24 (CHE PAC)	Mark Green markgreen@maidstone.gov.uk
Strategic Plan refresh 2023-28 This report proposes refreshed areas of focus for the Council's Strategic Plan for the period 2023-2028.	Executive	Leader of the Council	8 Feb 2023	Yes	No Open	Economic Regeneration and Leisure Policy Advisory Committee 10 Jan 2023	Strategic Plan refresh 2023-28	Anna Collier annacollier@maidstone.gov.uk

Details of the Decision to be taken	Decision to be taken by	Lead Member	Expected Date of Decision	Key	Exempt	Proposed Consultees / Method(s) of Consultation	Documents to be considered by Decision taker	Representations may be made to the following officer by the date stated
5						<p>Planning and Infrastructure Policy Advisory Committee 11 Jan 2023</p> <p>Communities, Housing and Environment Policy Advisory Committee 17 Jan 2023</p> <p>Corporate Services Policy Advisory Committee 18 Jan 2023</p>		
Medium Term Financial Strategy and Budget Proposals 2023 - 2024 budget report detailing the budget for 23/24 and associated financials for capital, council tax and NDR To allow sign off of balanced budget by council on 22nd Feb 23	Executive Full Council	Lead Member for Corporate Services	8 Feb 2023 22 Feb 2023	Yes	No Open	Corporate Services Policy Advisory Committee 6 Feb 2023	Medium Term Financial Strategy and Budget Proposals 2023 - 2024	Adrian Lovegrove adrianlovegrove@m aidstone.gov.uk

Agenda Item 13

CORPORATE SERVICES POLICY ADVISORY COMMITTEE

18th January 2023

Provision of Cycle Ramp and Linkway, Land off Church Road and Woolley Road, Otham

Timetable

Meeting	Date
Corporate Services PAC	18 th January 2023
Executive	25 th January 2023

Will this be a Key Decision?	No
Urgency	Not Applicable
Final Decision-Maker	EXECUTIVE
Lead Head of Service	Mark Green Director of Finance, Resources & Business Improvement
Lead Officer and Report Author	Victoria Kellett Interim Estates Manager
Classification	Public
Wards affected	Downswood and Otham Shepway South

Executive Summary

Bellway Homes received full planning permission on appeal for the development of 421 homes at Land West of Church Road, Otham, Kent ME15 8SB.

Two conditions were included in the Inspector's report relating to the provision of a cycle ramp (ramp) and pedestrian linkway (linkway), the details of which were approved by planning committee.

Both the ramp and linkway are to be constructed on Council land and will thereafter become the responsibility of the Council.

The proposed works do not form part of any S106 Agreement. The provision of the ramp and linkway has therefore been reached by negotiation subject to Cabinet approval.

This matter is to be considered by the Corporate Services PAC before being passed to the Executive.

Purpose of Report

Decision

This report recommends that the Committee recommends to the Executive:

1. The provision of the cycle ramp is approved
2. The provision of the link way is approved

Provision of Cycle Ramp and Linkway, Land off Church Road and Woolley Road, Otham

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<p>Impact on Corporate Priorities</p>	<p>The four Strategic Plan objectives are:</p> <ul style="list-style-type: none"> • Embracing Growth and Enabling Infrastructure • Safe, Clean and Green • Homes and Communities • A Thriving Place • Accepting the recommendations will materially improve the Council’s ability to deliver its Corporate Priorities. The proposed licences will facilitate and support of the Council’s priority of planning for sufficient homes to meet the Borough’s needs. 	<p>Head of Property and Leisure</p>
<p>Cross Cutting Objectives</p>	<p>The four cross-cutting objectives are:</p> <ul style="list-style-type: none"> • Heritage is Respected • Health Inequalities are Addressed and Reduced • Deprivation and Social Mobility is Improved • Biodiversity and Environmental Sustainability is respected <p>The report recommendation(s) supports the achievement(s) of the cross cutting objectives by:</p> <ul style="list-style-type: none"> • improving connectivity and accessibility to public open space and the wider vicinity • Respecting and improving bio-diversity through a planned landscaping scheme and considered approach to any arboriculture work 	<p>Head of Property and Leisure</p>

Risk Management	Not agreeing the proposed licences could lead to the risk of an agreed housing development being materially delayed.	Head of Property and Leisure
Financial	<p>The granting of the Licences supports the Council's overall strategy of planning for new homes, which will promote economic development and alleviate the housing shortage in the Borough.</p> <p>The commuted sum received by the Council will support the maintenance of the new facilities. This contribution is only capable of being realised in the specific context described in this report.</p>	Section 151 Officer & Head of Finance
Staffing	<ul style="list-style-type: none"> We will deliver the recommendations with our current staffing. We will need access to extra expertise to deliver the recommendations, as set out in section 3. The cost of the required expertise being met by the developer. 	Head of Property and Leisure
Legal	<ul style="list-style-type: none"> The planning conditions have been imposed by an inspector and there are both planning and reputational issues for the Council if the infrastructure is not delivered. The Licence and associated documentation will need to be prepared by legal to ensure the terms protect the Council against ongoing risks. 	Team Leader Contentious and Corporate Governance
Information Governance	<ul style="list-style-type: none"> The recommendations do not impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council Processes. 	Information Governance Officer
Equalities	The recommendations do not propose a change in service therefore will not require an equalities impact assessment	Equalities and Communities Officer
Public Health	<ul style="list-style-type: none"> We recognise that the recommendations will have a positive impact on population health or that of individuals. 	Housing and Inclusion Team Leader

	<ul style="list-style-type: none"> In accepting the recommendations the Council would be fulfilling the requirements of the Health Inequalities Plan 	
Crime and Disorder	<ul style="list-style-type: none"> The proposed licenses will not affect the safety of current or potential users of the open space and the resulting cycle and linkway may benefit road and pedestrian safety. 	Head of Property and Leisure
Procurement	<ul style="list-style-type: none"> On accepting the recommendations, the Council will then follow procurement exercises for the appointment of external consultants. We will complete those exercises in line with financial procedure rules. 	Head of Property and Leisure & Section 151 Officer
Biodiversity and Climate Change	The implications of this report on biodiversity and climate change have been considered through the development of landscape strategy plans and Arboracultural Method Statements. Both the ramp and linkway align with the aims of the biodiversity and climate change action plan to support active travel.	Biodiversity and Climate Change Manager

2. INTRODUCTION AND BACKGROUND

2.1 Bellway Homes received planning for 421 houses on appeal on 7 January 2021.

2.2 In granting the full planning permission, the Inspector imposed by condition the provision of both an off-site of a ramp and a linkway. These were contained in conditions 9 and 11(b) for the ramp; and Condition 35 for the southern link. Extracts are below:

Ramp:

- 9) Before any part of the development hereby permitted is first commenced, details of a ramp to provide accessibility for all users including disabled persons, wheelchairs, pushchairs and cycles at the steps to the north west of the site along PROW KM86 shall be submitted to and approved in writing by the local planning authority. The approved scheme shall be provided before any of the dwellings hereby permitted are first occupied and shall be retained as such thereafter.

- 11) Before any part of the development hereby permitted is first commenced, a plan and construction design specification shall be submitted to and approved by the local planning authority, which shows:
 - b) measures to ensure that cyclists can gain cycle access to 'The Beams' and the Play area to the north west of the site from the cycle routes.

Linkway:

- 35) The development shall not be occupied until details of the pedestrian and cycle link to and across the area of Council owned land to the south of the site providing a link to Woolley Road and the timing of its delivery have been submitted to and approved in writing by the local planning authority. The development shall be carried out in accordance with the approved details.

- 2.3 The details of the ramp and linkway were contained in application 21/503538/SUB and approved by Planning Committee on 24 February 2022.
- 2.4 Relating to the ramp, attached as Appendix 1 are drawings showing the layout and levels.
- 2.5 Relating to the linkway, attached as Appendix 2 is a plan of the area subject to the licence. The full design details of the linkway are to be submitted by Bellway for Council approval.
- 2.6 These off-site infrastructure provisions affect Council land. Both areas are designated as public open space and this designation is to remain.
- 2.7 Ordinarily off-site infrastructure improvements would be covered under a S106 agreement. However, as these conditions have been imposed by the Planning Inspector on appeal the mechanism for their provision was not addressed.
- 2.8 The wording of the conditions is 'prior to development' for the ramp and 'prior to occupation' for the linkway. It should be noted that Bellway have the right to appeal the conditions and seek their removal on the grounds that agreement could not be reached with a third party land owner.
- 2.9 Bellway are in a position to commence the development and therefore agreement needs to be reached on whether the Council will permit Bellway, through the provision of a licence, to access onto Council owned land to provide the infrastructure.

3. AVAILABLE OPTIONS

- 3.1 The Council do not grant a licence for either the ramp or the linkway. This is likely to result in Bellway appealing the conditions. This could result in:

- a delay to the provision of additional housing units (both private and social) in the borough
 - no off-site infrastructure improvements being delivered
 - the stepped access to the park remaining thereby limiting accessibility
 - potential adverse publicity for the Council from, but not exclusively from, cycling lobby, access groups and the house builder
- 3.2 The Council agree to either the ramp or the linkway being provided. The possible adverse implications could be as in 3.1 above
- 3.3 The Council grant Bellway a licence to access Council land in order to construct the ramp and linkway as per the plans approved by the Planning Committee. The Council would:
- receive an undertaking as to costs for legal and surveying fees
 - receive an undertaking for engineers' fees to ensure the ramp and linkway are built out in accordance with the plans and are free from defects
 - require a 12 months' warranty period prior to taking on responsibility for maintenance of both the structures and associated landscaping. During this time Bellway would remain responsible for their maintenance, remedying defects and ensuring establishment of landscaping
 - receive a commuted sum of £40,000 in lieu of on-going maintenance obligations once the warranty period has expired. This figure has been approved by Parks and Open Spaces as representing a reasonable sum to cover the additional expenses that will be incurred by the Council.

This would deliver:

- support the housing scheme and the amenity of not only its residents but existing residents too
- improve accessibility to open spaces
- improve connectivity of the proposed development to the immediate environs thereby supporting sustainability
- a commuted sum to the Council to support the maintenance and upkeep of the open space in the future

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 The third option described above is the preferred option because it achieves the delivery and compliance with planning conditions aimed at improving infrastructure, connectivity and accessibility for residents.
- 4.2 The Council will benefit from improved infrastructure which incorporates ecological improvements and greater diversity.
- 4.3 The Council's position has been safeguarded by the inclusion of a monitoring period together with the use of consultants to warranty the

quality of the infrastructure and planting being provided. In addition, a commuted sum is being provided to support the upkeep and maintenance in the long term.

5. RISK

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

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 The proposal forms part of a planning permission which was subject to wide consultation as part of the usual determination process. In addition, the provision of these facilities has been approved by Planning Committee as outlined in section 2 paragraph 2.3.
-

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 Should the Corporate Services PAC and Executive recommend that the licences be granted, officers within Corporate Services and Mid Kent Legal Services complete the relevant documentation with Bellway Homes, oversee the provision of the proposed infrastructure during construction and warranty period prior to the Council taking over responsibility and long-term maintenance.
-

8. REPORT APPENDICES

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

- Appendix 1: Cycle Ramp Documents and Details
 - Appendix 2: Linkway Proposed Licence Area
-

9. BACKGROUND PAPERS

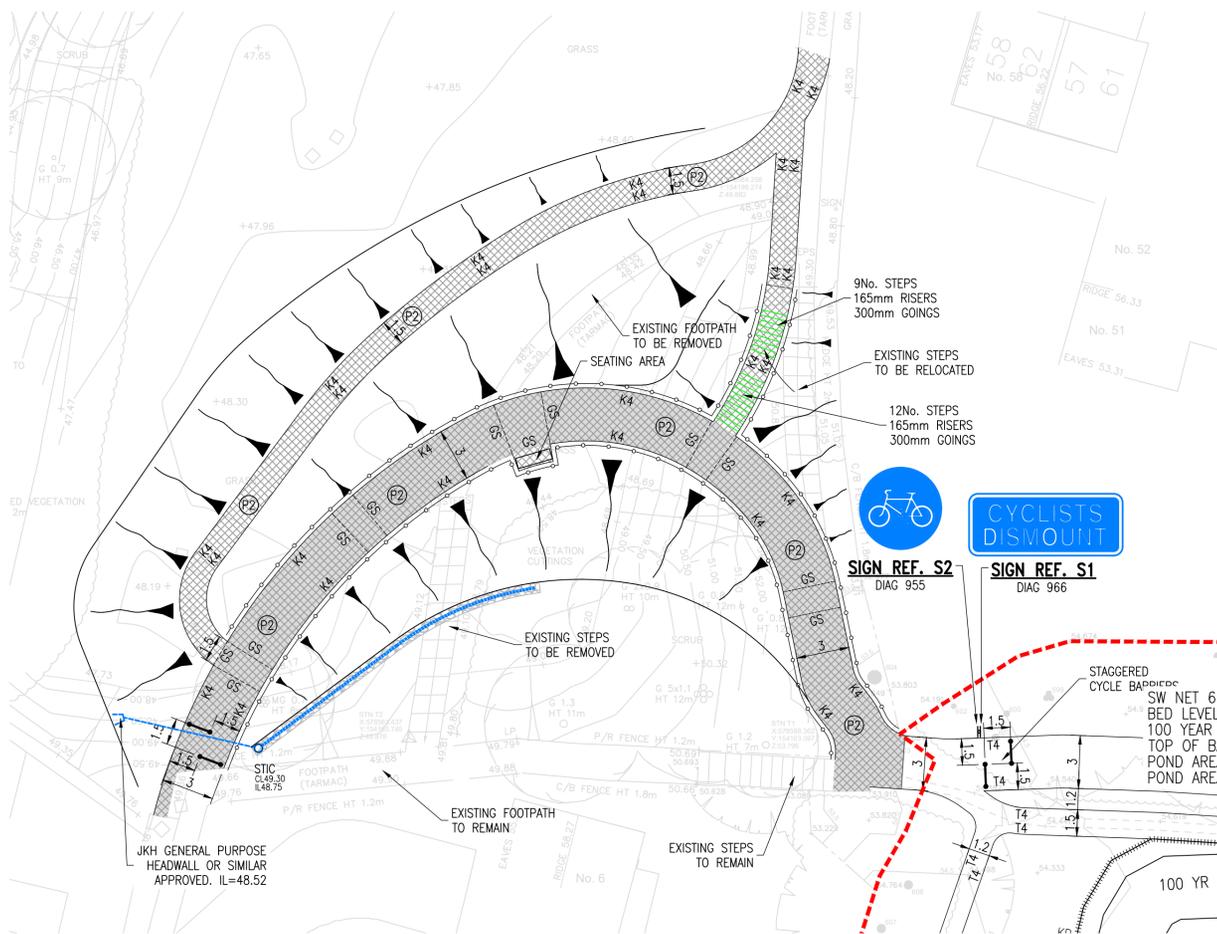
None.

OFF-SITE CYCLE RAMP NOTES & LEGEND

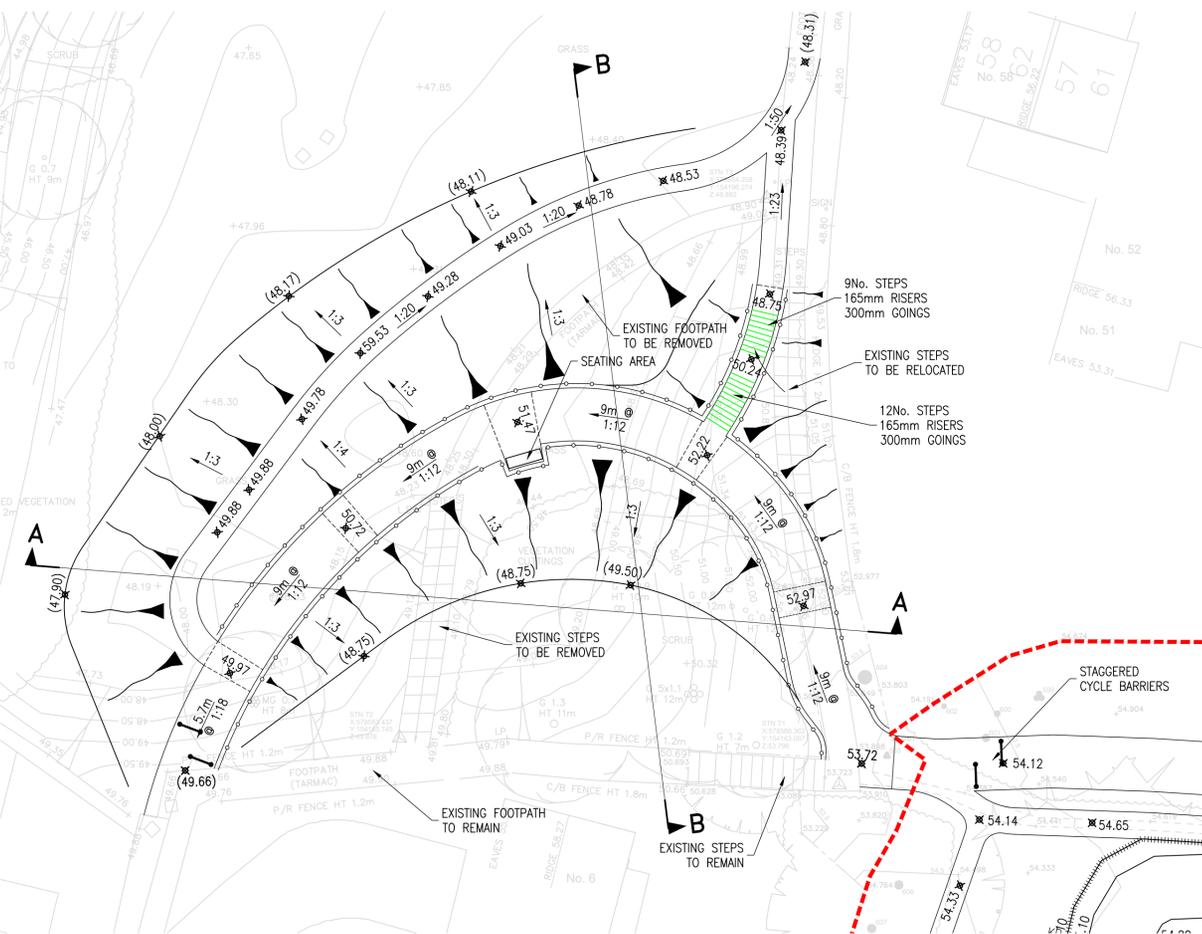
- DENOTES SITE BOUNDARY
- PAVING TYPE 2 (FOOTWAYS) ASPHALT CONCRETE CONSTRUCTION, ADAPTABLE AND PRIVATE
- BLACK COLOURED HIGH FRICTION SURFACING
- DENOTES GALVANISED STEEL HANDRAIL
- DENOTES SURFACE WATER DRAIN AND SILT TRAP INSPECTION CHAMBER
- DENOTES LAND DRAIN

KERB TYPES:
 K4 - 150 x 50mm FLAT TOP KERB
 GS - 200 x 100mm GRANITE SETTS

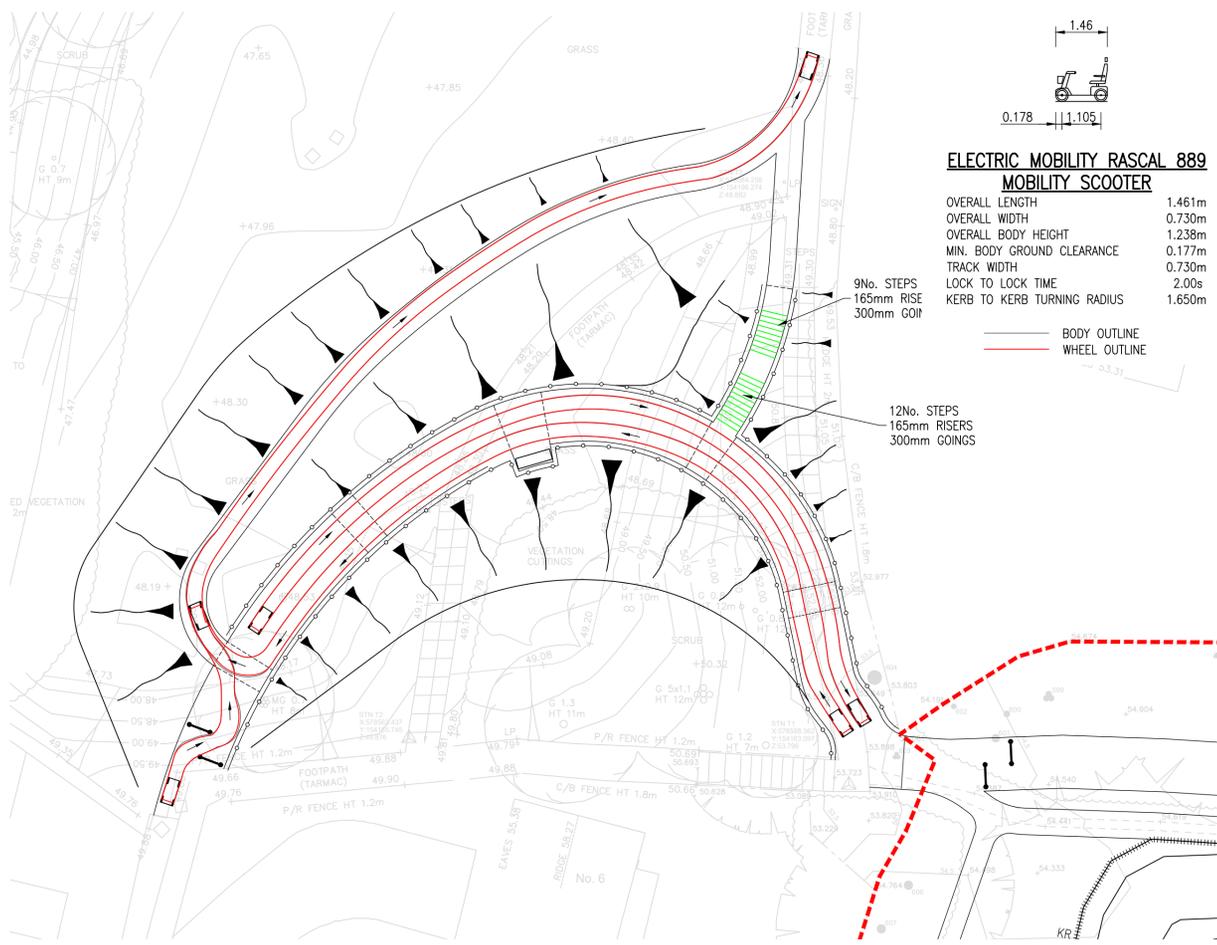
HEALTH & SAFETY:
 ALL WORKS TO BE CARRIED OUT BY A CONTRACTOR COMPETENT TO UNDERTAKE THE CONSTRUCTION OF WORKS AS INDICATED ON THIS DRAWING. THIS DRAWING IS TO BE READ IN CONJUNCTION WITH THE JOB SPECIFIC RISK ASSESSMENT. THE HAZARDS NOTED ARE IN ADDITION TO THE NORMAL HAZARDS AND RISKS FACED BY A COMPETENT CONTRACTOR WHEN DEALING WITH THE TYPE OF WORKS DETAILED ON THIS DRAWING



OFF-SITE CYCLE RAMP LAYOUT
 SCALE - 1:200



OFF-SITE CYCLE RAMP LEVELS
 SCALE - 1:200



OFF-SITE CYCLE RAMP MOBILITY SCOOTER SWEEPED PATH ANALYSIS
 SCALE - 1:200

SECTION A-A
 SCALE 1:200

CHAINAGE	EXISTING LEVEL	PROPOSED LEVEL
0.000	47.593	47.611
5.000	48.000	49.906
10.000	48.078	49.944
15.000	48.200	50.338
20.000	48.500	50.413
25.000	48.791	50.413
30.000	48.940	48.750
35.000	50.000	48.750
40.000	51.000	50.500
45.000	52.000	50.500
50.000	52.820	53.033
55.000	53.128	53.108
60.000	53.520	53.108
65.000	54.000	53.108

SECTION B-B
 SCALE 1:200

CHAINAGE	EXISTING LEVEL	PROPOSED LEVEL
0.000	48.403	48.348
5.000	48.238	48.642
10.000	48.254	48.680
15.000	48.350	81.820
20.000	48.410	51.895
25.000	48.675	49.000
30.000	49.387	49.500
35.000	49.500	49.667
40.000	49.818	49.818
45.000	50.000	50.000
50.000	50.320	50.320
55.000	50.500	50.500
60.000	50.538	50.538
65.000	50.508	50.494

Rev.	Date	Description
C2	27/05/22	K4 KERBS ADDED
C1	25/02/22	CONSTRUCTION ISSUE

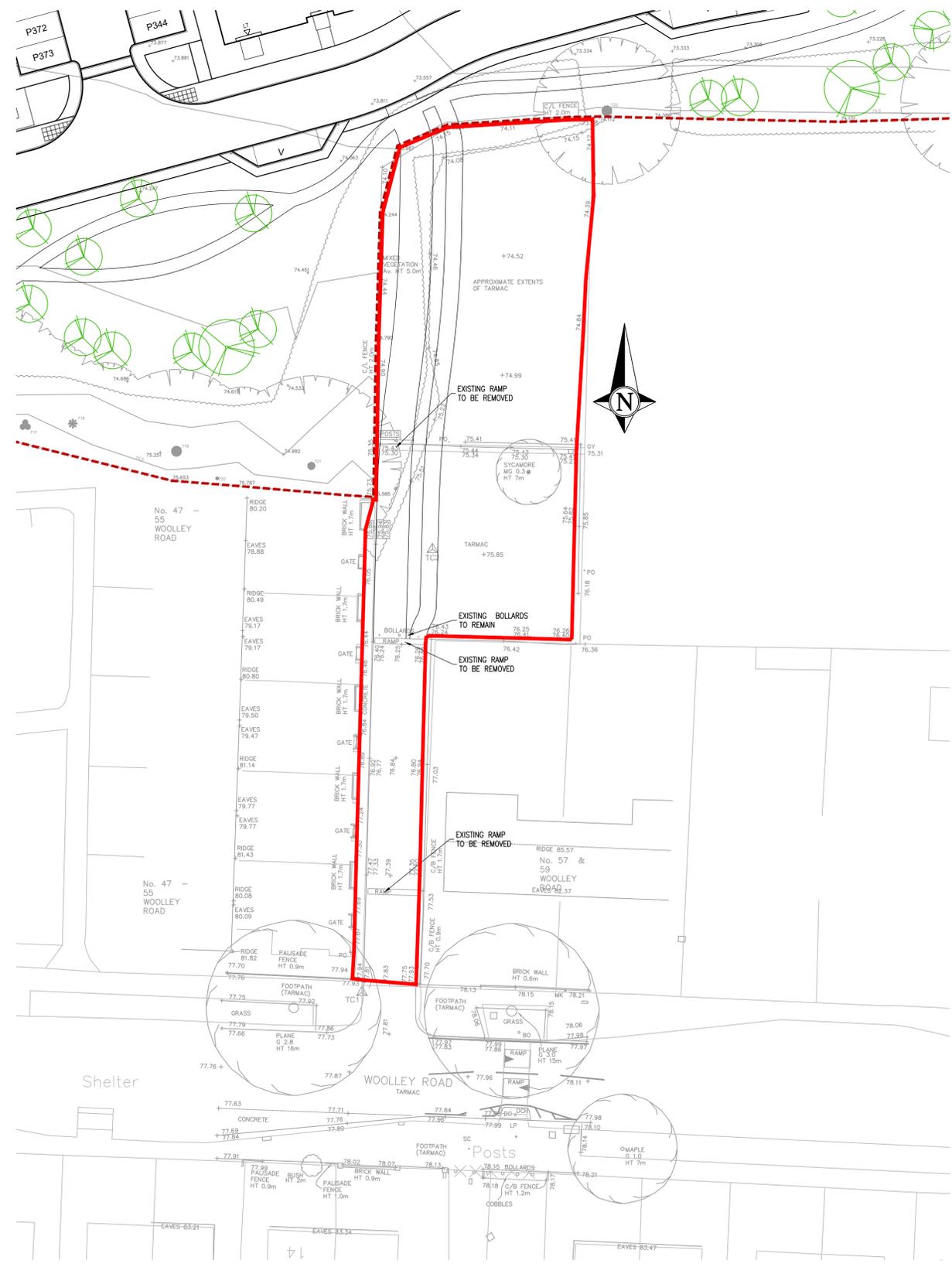
Note: All dimensions, materials and workmanship in accordance with NHBC standards and Building Regulations. Do not scale from this drawing. All dimensions to be verified with the drawing office. All dimensions shown are structural unless otherwise stated.

Bellway
 Kent
 30 Tower View
 Kings Hill
 West Malling
 Kent ME19 4UY
 Telephone 01732 879750
 www.bellway.co.uk

Project **CHURCH ROAD OTHAM**
 Drawing Title **OFF-SITE CYCLE RAMP LAYOUT AND LEVELS**

Scale	Date	Drawn	Approved
1:250	06/21	PJ	RHB

Drawing No	Rev.
CK_CIVIL_1010-1	C2



LEGEND

	DENOTES SITE BOUNDARY
	DENOTES WORKING AREA FOR FOOTPATH/CYCLE LINK

HEALTH & SAFETY:
 ALL WORKS TO BE CARRIED OUT BY A CONTRACTOR COMPETENT TO UNDERTAKE THE CONSTRUCTION OF WORKS AS INDICATED ON THIS DRAWING. THIS DRAWING IS TO BE READ IN CONJUNCTION WITH THE JOB SPECIFIC RISK ASSESSMENT. THE HAZARDS NOTED ARE IN ADDITION TO THE NORMAL HAZARDS AND RISKS FACED BY A COMPETENT CONTRACTOR WHEN DEALING WITH THE TYPE OF WORKS DETAILED ON THIS DRAWING

PRELIMINARY

Rev.	Date	Description
C1	25/02/22	CONSTRUCTION ISSUE

Original size 100mm - this print may be reduced

Note: All dimensions, materials and workmanship in accordance with NHBC standards and Building Regulations. Do not scale from this drawing. All dimensions to be verified with the drawing office. All dimensions shown are structural unless otherwise stated.

Bellway
 Kent
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 Kings Hill
 West Malling
 Kent ME19 4UY
 Telephone 01732 879750
 www.bellway.co.uk

Project
**CHURCH ROAD
 OTHAM**

Drawing Title
**WOOLLEY ROAD
 OFF-SITE CYCLE/FOOTPATH
 LINK**

Scale	Date	Drawn	Approved
1:250	12/22	PJ	MD

Drawing No	Rev.
CK_CIVIL_1010-2	P1

Agenda Item 14

Corporate Services Policy Advisory Committee

18 January 2023

Strategic Plan Refresh 2023-28

Timetable	
Meeting	Date
Economic Regeneration and Leisure PAC	10 January 2023
Planning and Infrastructure PAC	11 January 2023
Communities, Housing and Environment PAC	17 January 2023
Corporate Services PAC	18 January 2023
Executive	8 February 2023
Council	22 February 2023

Will this be a Key Decision?	Yes
Urgency	Not Applicable
Final Decision-Maker	Executive
Lead Head of Service	Angela Woodhouse Director of Strategy, Insight and Governance
Lead Officer and Report Author	Anna Collier Insight, Communities and Governance Manager
Classification	Public
Wards affected	All

Executive Summary

This report proposes refreshed areas of focus for the Council's Strategic Plan for the period 2023-2028.

Committee are asked to consider the changes and recommend any amendments to

the Executive for consideration.

Purpose of Report

Decision

This report makes the following recommendations:

1. That the Committee consider the proposed refreshed areas of focus for the Council's Strategic Plan for the period 2023-2028, set out in Appendix A, and recommend that they be approved by the Executive subject to any suggested amendments.

Strategic Plan Refresh 2023-28

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>This report considers the proposed areas of focus for the Strategic Priorities for the next five years and identifies action for progressing the shaping of the areas of focus for 2023-2028.</p>	Insight Communities and Governance Manager
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>Consideration has been given to the crosscutting objectives in formulating the proposed areas of focus for the Strategic Plan</p>	Insight Communities and Governance Manager
Risk Management	The Council's corporate risk strategy includes strategic risks associated with the Strategic Plan.	Insight Communities and Governance Manager
Financial	The Strategic Plan sets the Council's Priorities and the direction for the Medium-Term Financial Strategy.	Section 151 Officer & Finance Team
Staffing	We will deliver the recommendations with our current staffing.	Insight Communities and

		Governance Manager
Legal	<p>The Council has a statutory duty to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. The Council's Strategic Plan demonstrates compliance with this duty. This review of the Council's priorities within the Strategic Plan will enable the Council to deliver services in an efficient and effective manner which meets the needs of the borough and aspirations of local inhabitants and stakeholders.</p> <p>In reviewing the priorities, the Council is obliged to ensure that its financial obligations are adhered to. The Council has a legal duty to set a balanced budget and continue to monitor the budget during the course of each municipal year and take remedial action if at any time.</p>	Interim Team Leader (Contentious and Corporate Governance)
Information Governance	The recommendations do not impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council Processes. If as a result of the update to the milestones and the emerging MTFs for 2023-2028 changes are required to services involving personal data, then Data Protection Impact Assessments will be undertaken.	Insight Communities and Governance Manager
Equalities	The recommendations do not propose a change in service therefore will not require an equalities impact assessment. If as a result of the update to the milestones and the emerging MTFs for 2023-2028 changes are required to services involving personal data, then an Equalities Impact Assessment will be undertaken.	Insight Communities and Governance Manager
Public Health	One of the Council's cross cutting objectives is that Health Inequalities are addressed and reduced. The recommendations do not propose a change in service therefore will not require an impact assessment. If as a result of the update to the milestones and the	Public Health Officer

	emerging MTFS for 2023-2028 changes are required to services involving personal data, then Data Protection Impact Assessments will be undertaken.	
Crime and Disorder	The recommendations include proposals for amendments to the areas of focus under Safe Clean and Green.	Insight Communities and Governance Manager
Procurement	No implications	Insight Communities and Governance Manager
Biodiversity and Climate Change	The recommendations includes proposals for amendments to the areas of focus under Safe Clean and Green	Biodiversity and Climate Change Manager

2. INTRODUCTION AND BACKGROUND

- 2.1 The Strategic Plan was adopted in December 2018 and covers the period until 2045. The decision was taken for it to be a 26-year plan to ensure continuity, and a basis on which all other Maidstone Borough Council plans and strategies could be developed. The Strategic Plan was developed involving a wide cross section of Councillors, staff and other stakeholders before being adopted in December of that year. The vision and priorities are clear and remain relevant.
- 2.2 The areas of focus were last refreshed in 2021 to respond to the significant impact of the pandemic and to plan the Council's approach to the recovery.
- 2.3 In July the Executive approved a recommendation that the Strategic Plan 2019-45 milestones be refreshed for 2023-28. The Council's Wider Leadership Team reviewed the existing areas of focus at an away day and the proposals were discussed and amended by the Executive.
- 2.4 This report proposes refreshed areas of focus for 2023-2028 consistent with the Council's Vision and four priorities; it reflects both the long-term ambitions of the Council whilst also responding to the current national and local environment including recovery from the pandemic, increased housing need, financial insecurity and the climate crisis.
- 2.5 The revised areas of focus proposed can be seen at Appendix A. Column A shows the existing milestones and Column B shows the proposed milestones. An overview of the changes and the purpose are outlined below under each priority heading.

Embracing Growth Enabling Infrastructure.

- 2.6 Minimal changes have been made under this priority but some amendments have been made to language to show emphasis and to reflect progress on the local plan, and the importance of engagement.

Safe Clean and Green

- 2.7 There is a broadening of the action on parks and public spaces, to reflect not only enforcement activities but also promotion of these spaces.
- 2.8 Language has been changed on milestones on community safety and cleanliness to make them stronger, and on Climate Change and Biodiversity to demonstrate that Council activity goes beyond the action plan.
- 2.9 An additional action has been included to reflect the work and investment being made in the service and to reflect the need to meet the requirements of all new government legislation.

A Thriving Place

- 2.10 On initial sight it may appear there has been substantial change under this priority. However, many of the changes have been combined to demonstrate focus.
- 2.11 The area of focus on community resilience and to encourage pride in our borough has been merged under homes and communities.
- 2.12 Existing actions on Maidstone East and the opportunity sites have been merged and a new milestone created to reflect the large programme of work and significant investment being made in the town centre.

Homes and Communities

- 2.13 Two new actions have been added. The first has been added to reflect the Council's commitment to support residents and reflect the current financial crisis. The second is the commitment to deliver 1,000 affordable homes.
- 2.14 Some changes have been made to the language on the milestone for rough sleeping to reflect the proactive and innovative actions taken by the council.
- 2.15 There is a change of emphasis on the milestone on temporary accommodation from reduction in use to increase in supply. Whilst the use of temporary accommodation is not desirable the change in emphasis reflects the current climate of financial insecurity which has resulted in an increased demand which the Council is required to support. The new milestone reflects that the Council will meet this demand but do so by investing in accommodation.
- 2.16 The specific action on working with the Integrated Care Partnership has been removed as it is felt that this is covered under the action working in partnership for community resilience.

3. AVAILABLE OPTIONS

- 3.1 The Strategic Plan was adopted in December 2018 and covers the period until 2045. It was developed involving a wide cross section of Councillors, staff and other stakeholders. The vision and priorities are clear and remain relevant. The proposed refresh to the areas of focus for the next 5 years has been set out in Appendix A.
 - 3.2 The Committee could recommend the amendments as set out in the final column of the table, or they could recommend amending the wording, adding or deleting areas of focus.
 - 3.3 Members could recommend retaining the current areas of focus as they were when they were last updated in 2021. However, those areas of focus reflected the current environment and immediate recovery from the pandemic.
-

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 The Committee is recommended to consider the new areas of focus as presented at Appendix A and recommend that they be approved by the Executive subject to any suggested amendments. The Council is now facing fresh challenges and opportunities and the proposed areas of focus reflect these developments
-

5. RISK

- 5.1 The risks associated with this proposal, including the risks if the Council does not act as recommended, have been considered in line with the Council's Risk Management Framework.
-

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 Key officers and the Executive have been consulted in the development of these areas of focus at independent away days.
-

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 The approved refreshed areas of focus will be submitted to Council for approval as the Strategic Plan is a budget and policy framework document.
 - 7.2 Once approved the new areas of focus will be shared with all officers to ensure the delivery of the Council's priorities. The refreshed Strategic Plan will be made available on the Council's website.
-

8. REPORT APPENDICES

- Appendix A: Strategic Plan Proposed Areas of Focus 2023-28
-

9. BACKGROUND PAPERS

Strategic Plan 2019-2045 -

https://maidstone.gov.uk/_data/assets/pdf_file/0009/269721/Strategic-Plan2019.pdf

Embracing Growth and Enabling Infrastructure		
Ref	A -Current Areas of Focus (2021-26)	B- Proposed Areas of Focus (2023-28)
1.1	Engaging with our communities on the Local Plan Review	Undertake engagement throughout the continuous process of the local plan development
1.2	The Council will take a proactive role in creating and consider investing in new places	The Council will take a proactive role in creating and consider investing in new places
1.3	Working with partners to get infrastructure planned, funded and delivered	Working with partners to get strategic infrastructure planned, funded and delivered
1.4	Intervening where necessary in the market, to deliver key employment sites	Intervening where necessary in the market, to deliver key employment sites
Safe, Clean and Green		
Ref	A- Current Areas of Focus (2021-26)	B- Exec Proposed Changes (2023-28)
2.1	Taking action against those who do not respect our public spaces, streets, green spaces and parks	Promote our parks and open spaces and ensuring that we enhance their natural qualities and meet the needs of residents and visitors. Take action against those who do not respect our public spaces.
2.2	Improving community safety by working with our partners to make people less vulnerable to crime	For people to be safe and feel safe we'll work with our partners to take action against those who break the law.
2.3	Maintain resident satisfaction with the cleanliness of the borough	Working to ensure resident satisfaction with the cleanliness and appearance of the whole borough
2.4	Implementation of the biodiversity and climate change strategy and action plan Changed to have a stronger emphasis	The impact on climate change and biodiversity will be central to all decisions.
2.5		Continue to maintain the quality and ensure the resilience of the waste service
Thriving Place		
Ref	A-Current Areas of Focus (2021-26)	B-Exec Proposed Changes (2023-28)

3.1	Deliver a sustainable and vibrant leisure and cultural offer	Deliver a sustainable and vibrant leisure and cultural offer. For example utilising opportunities such as the UK Shared Prosperity Fund and Rural England Prosperity Fund investment plans
3.2	Promote inward investment in the Borough to ensure a diverse employment and business offer	Promote inward investment in the Borough to ensure a diverse employment and business offer
3.3		Develop an ambitious Town Centre Strategy which reflects the needs of the wider community and creates a vibrant and transformed town centre for all.
	Working with community groups and parish councils, to develop more sustainable community resilience and to encourage pride in our borough	Merge into new – Action under Homes and communities at 4.3
	Working with partners to redevelop the Maidstone East site and modernise the bus station in the County Town	Merge into new – The bus station project is now completed and the Maidstone East site forms part of the town centre strategy action above at 3.3
	Developing and delivering plans for the five opportunity sites in the town centre and the staplehurst regeneration project	Merge into new – this now forms part of the town centre strategy which is covered in a new action at 3.3. The Staplehurst regeneration has moved on.

Homes and Communities		
Ref	A-Current Areas of Focus (2021-26)	B-Exec Proposed Changes (2023-28)
4.1	Reducing Rough Sleeping in a sustainable way	Continue our holistic and innovative approach to reduce rough sleeping in Maidstone
4.2	Reducing the use of temporary accommodation for homeless families	Increase supply of TA to assist with need and bring down the unit cost whilst working towards long-term housing solutions.
4.3.		Work with Anchor Institutions and partners to develop community resilience, improve well-being and taking action to support residents in financial crisis, aiming for no-one to be left behind
4.4		Urgent identification and delivery of 1000 affordable homes to ensure availability of good quality housing for Maidstone's residents
4.5	Improving housing through use of our statutory powers to promote good health and wellbeing	Improving the quality of housing through the consistent use of our statutory powers to promote good health and wellbeing
	Working with the integrated care Partnership to identify opportunities to reduce health inequalities in the borough	Deleted as covered in action 4.3. working with partners and 4.5

**CORPORATE SERVICES POLICY
ADVISORY COMMITTEE**

18 JANUARY 2023

Council Tax Base 2023-24 and Collection Fund Adjustment

Timetable	
Meeting	Date
Corporate Services Policy Advisory Committee	18th January 2023
Executive	8th February 2023
Council	22nd February 2023

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

Executive Summary

This report advises members on the estimated tax base for Council Tax purposes. It identifies potential changes to the tax base expected in the forthcoming year and recommends the tax base for 2023-24 for the council and parish areas.

The report also provides the anticipated balance on the Council Tax account as at 31 March 2023 which will be credited to major preceptors and this Council in accordance with regulations.

The distribution of balances to precepting authorities is an important part of their respective budget setting processes and a decision at this time enables timely advice to those authorities. It also enables timely consideration in relation to the Council's own budget strategy for the coming financial year.

Purpose of Report

Decision.

Recommendations to the Corporate Services Policy Advisory Committee:

That the Committee recommend to the Executive to approve the following three recommendations :

1. Pursuant to this report and in accordance with the Local Authority (Calculation of Council Tax Base) (England) Regulations 2012, the amount calculated by this Authority as its Council Tax Base for the year 2023-24 will be 67,161.69;
2. In accordance with the Local Authority (Calculation of Council Tax Base) (England) Regulations 2012, the amount calculated by this Authority as the Council Tax Base for each parish area for the year 2023-24 will be as identified in Appendix 2 to this report.
3. The 2022-23 Council Tax projection and proposed distribution detailed in Appendix 3 of this report is agreed.

Council Tax Base 2023-24 and Collection Fund Adjustment

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	<ul style="list-style-type: none"> We do not expect the recommendations will by themselves materially affect achievement of corporate priorities. However, they will support the Council’s overall achievement of its aims as set out in section 3 [preferred alternative]. 	Adrian Lovegrove, Head of Finance.
Cross Cutting Objectives	<ul style="list-style-type: none"> We do not expect the recommendations will by themselves materially affect achievement of cross cutting objectives. However, the recommendations do form a statutory part of the process of setting the budget for the forthcoming financial year and support the council’s objectives in this respect. 	Adrian Lovegrove, Head of Finance.
Risk Management	<ul style="list-style-type: none"> Risk implications are detailed within section 5 of this report. 	Adrian Lovegrove, Head of Finance.
Financial	<ul style="list-style-type: none"> The results of this decision affect the overall budget strategy process and therefore the pressure on the Council Tax requirement in creating a balanced budget. The setting of the tax base is an essential part of the budget process which is required by legislation. Any increase in the tax base effectively means that the cost of services provided by this Authority and others in the area is being spread over more Council Tax payers which would effectively reduce the Council Tax burden on any individual tax payer. However, this relationship must be realistic in that any underachievement on the collection of Council Tax will result in cash flow pressures for this Council as a billing authority. 	Adrian Lovegrove, Head of Finance.

Staffing	<ul style="list-style-type: none"> The recommendations do not give rise to any direct staffing implications. 	Adrian Lovegrove, Head of Finance.
Legal	<ul style="list-style-type: none"> Accepting the recommendations regarding the tax base will fulfil the Council's duties under the Local Authority (Calculation of Council Tax Base) (England) Regulations 2012. Failure to accept the recommendations without agreeing suitable alternatives may place the Council in breach of these regulations. Billing authorities are required by the Local Authorities (Funds) (England) Regulations 1992 to estimate any surplus/deficit on their collection fund for the year. Accepting the recommended projection in Appendix 3 will enable the Council to meet this requirement. The Local Authorities (Collection Fund: Surplus and Deficit) (Coronavirus) (England) Regulations 2020 amend the Local Authorities (Funds) (England) Regulations 1992 and the Non Domestic Rating (Rates Retention) Regulations 2013 which govern the calculation and apportionment of Collection Fund surpluses and deficits for council tax and non-domestic rates respectively. These amendments amend the way in which billing authorities calculate their estimated surplus or deficit on their collection fund in respect of non-domestic rating income for the relevant years beginning on 1st April 2021 and 1st April 2022. These amendments require billing authorities to spread their exceptional balance for a relevant year over a period of three relevant years ending with the relevant year beginning on 1st April 2023. The exceptional balance for council tax within appendix 3 has been calculated in accordance with these regulations. 	Interim Team Leader (Contentious and Corporate Governance)

Information Governance	<ul style="list-style-type: none"> The recommendations do not impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council Processes. 	[Information Governance Team].
Equalities	The recommendations do not propose a change in service therefore will not require an equalities impact assessment	Equalities & Communities officer
Public Health	<ul style="list-style-type: none"> We recognise that the recommendations will not negatively impact on population health or that of individuals. 	[Public Health Officer]
Crime and Disorder	<ul style="list-style-type: none"> The recommendations do not give rise to any direct crime and disorder implications. 	Adrian Lovegrove, Head of Finance.
Procurement	<ul style="list-style-type: none"> The recommendations do not give rise to any direct procurement implications. 	Adrian Lovegrove, Head of Finance.
Biodiversity and Climate Change	<ul style="list-style-type: none"> We do not expect the recommendations will by themselves materially affect achievement of corporate priorities. However, the recommendations do form a statutory part of the process of setting the budget for the forthcoming financial year and support corporate priorities in this respect. 	[Biodiversity and Climate Change Officer]

2. INTRODUCTION AND BACKGROUND

- 2.1 Setting the tax base is an integral part of the Council tax collection process which is a basic financial function of this Authority. It is essential for the efficient funding of all Local Authorities in the area. The income received from Council Tax, within the overall context of the budget process, provides resources for the achievement of all the Council's priorities.
- 2.2 Regulations prescribe that a decision on the tax base for the forthcoming financial year must be made between 1st November and 31st January.
- 2.3 The basis of the calculation of the tax base is the valuation information received from the Valuation Office on 12 September 2022 and the latest information on exemptions and discounts available as at 3 October 2022.
- 2.4 This information has been collated for the whole of the Borough area and for individual Parish areas. Information for the whole area has been supplied to the Government for their use in the monitoring of:

- The Local Council Tax Support Scheme;
 - This Council's needs baseline for business rates; and
 - Property changes that will be used to calculate the Council's New Homes Bonus award next year.
- 2.5 The tax base figure supplied to central government is given at Appendix 1. This shows a net tax base of 67,374.80 as at 3 October 2022. Starting from this figure an estimate of the tax base for 2023-24 can be made by considering movements that may occur in the factors that influence the tax base over the forthcoming year.
- 2.6 It is necessary that a realistic assessment is made of the potential changes to the tax base for 2023-24 as an under or over recovery of Council tax income will affect the Council's cash flow. If the tax base is overestimated, there will inevitably be a deficit on the collection fund which will need to be recovered through the Council tax in the following financial year. In addition, during the course of the year, the borrowing necessary to cover the under recovery of the tax would need to be paid for by this Council. If the tax base is underestimated there will be a surplus on the collection fund because the Council will have asked tax payers to contribute more than necessary in this financial year. The surplus would then be used to reduce the need for resources in the following year.
- 2.7 It is also necessary at this time to provide the parish councils, which set a precept, with the element of the tax base of the borough that equates to their area. Attached at Appendix 2 to this report is the detail of the calculation of the tax base for each parish.

Collection Fund Adjustment

- 2.8 As a billing authority, this Council has a statutory obligation to maintain a Collection Fund for transactions relating to the collection of Council Tax and Business Rates from taxpayers and distribution to preceptors.
- 2.9 For proper maintenance of the Collection Fund, it is necessary to assess, on an annual basis, the projected balance as at 31 March of each year. Any balance, either positive or negative, must be taken into account in the following financial year. Under the statutory arrangements for the Collection Fund, the balance remaining does not become a credit or charge on this Council but is required to be distributed proportionately across the preceptors.
- 2.10 The regulations provide that, in estimating a surplus or deficit on the Collection Fund at the end of the year, account is taken of any difference between the amount estimated for the previous year and the amount shown as the surplus/deficit for that year in the accounts. Surpluses and deficits will be calculated separately for council tax and business rates.
- 2.11 These balances (surplus or deficit) will be distributed between the billing authority, i.e. Maidstone Borough Council, and major preceptors during 2023-24. The amounts are apportioned on the basis of the billing authority's demand, and each major precepting authority's precept, based

on their respective band D Council tax bases to which the estimate relates i.e. the amounts to be distributed during 2023-24 will be apportioned using the 2022-23 demand and precept amounts.

- 2.12 The Collection Fund Adjustment arising from business rates will be estimated at a later stage due to the statutory timetable for calculating the predicted closing balance. This will be reported to the Committee and Executive in February as part of the Medium Term Financial Strategy proposals.

3. AVAILABLE OPTIONS

Tax Base - Option 1

- 3.1 An assessment of the information held by both the Revenues Service and the Planning Service suggests that between October 2022 and March 2024 a total of 1,271 properties will be added to the Council tax records. Distributing this sum evenly over the period and taking the average, to identify the effect on the tax base for 2023-24, the result suggests an increase of 897 band D equivalent properties. Adjusting this figure for the current levels of discount and other allowances suggests a decrease of 213 properties from the CTB1 figure.
- 3.2 This figure is significantly lower than the 1,271 new properties identified because they will not all be band D properties, they will not all start to pay Council tax at the beginning of the year and some will receive the discounts and allowances that are part of the system.
- 3.3 Furthermore, the revised total tax base must be adjusted to allow for non-collection for which has been calculated at 1.5%.
- 3.4 The calculation is set out in the table below:

Tax Base as at Appendix 1	67,374.80
New properties (Avg: by band D & time)	896.71
Adjustment for potential allowances	-89.67
Non-collection allowance (1.5% of above)	-1,020.14
Proposed Tax Base	67,161.69

Table 1: Proposed tax base 2023-24

- 3.5 The overall position represents year on year growth in the tax base estimate of 1.92%. The increase is very close to the current estimate in the strategic revenue projections, which are based on an estimated 2% growth in the tax base.
- 3.6 Appendix 2 to this report provides details of the tax base for each parish based on an identical calculation.

Tax Base - Option 2

- 3.7 It would be possible to vary some of the factors set out above. The exception is the figure from Appendix 1 as this is reconciled to the District

Valuers' records and has been reported to central government. The other figures given above are based on current known data and though they could rise or fall during the year.

- 3.8 The risks of making an inaccurate calculation are set out in paragraph 2.6 above and as the data used in calculating Option 1 is accurate and evidenced any variation the committee may wish to make should be similarly evidence based.

Tax Base - Option 3

- 3.9 The do nothing option is not available to the Council as it has a statutory obligation to set a tax base each year.

Collection Fund Adjustment - Option 1

- 3.10 A projection for 31 March 2023 based on the current position is provided at Appendix 3. This appendix details the precepts and demands on the fund for 2022-23 totalling £137,399,468.
- 3.11 Appendix 3 also details the current position regarding Council tax bills dispatched, incorporating exemptions and discounts, and an allowance for irrecoverable debt. Total income is now anticipated to be £138,448,759; therefore a surplus of £1,049,291 is anticipated for 2022-23.
- 3.12 A forecast surplus of £2,130,839 for the current financial year is being allocated to major preceptors and this Council's general fund. The actual outturn position at 31 March 2022 was a surplus of £4,141,782 in respect of council tax. This brings the forecast cumulative surplus as at 31 March 2023 to £5,191,073.

Deficit Phasing

- 3.13 Ordinarily, this surplus would be apportioned according to preceptors' respective shares of council tax and recovered from the general fund and major preceptors over the next financial year in accordance with the provisions of the Local Government Finance Act 1992 as follows:

Preceptor	£
Maidstone Borough Council	780,120
Kent County Council	3,637,927
Kent Police Authority	568,006
Kent and Medway Towns Fire Authority	205,020
Total projected surplus as at 31 March 2023	5,191,073

Table 2: Forecast cumulative surplus on the council tax account for 2023-24

- 3.14 However, as a result of pressures associated with the Coronavirus pandemic, and the significant deficits in council tax and business rates which resulted from this, the Government amended secondary legislation to allow authorities to spread the estimated deficit on the 2020-21 Collection

Fund over the three years 2021-22 to 2023-24. The provisions do not allow deficits in other financial years to be phased.

- 3.15 Alongside the cumulative estimated surplus as at 31 March 2022, an adjustment is required for the 'exceptional balance' calculated in respect of 2020-21. This represents the estimated 2020-21 deficit, net of any 'prior year' elements (the prior year element is the difference between the estimated and actual surplus/deficits for 2019-20 and is calculated as the difference between the 'opening balance' on the Collection Fund at 1 April 2020 and the sums paid to/from the Collection Fund during the course of 2020-21 in respect of the estimated surplus/deficit calculated by authorities in January 2020). The exceptional balance for council tax was calculated to be a deficit of £3,181,894.
- 3.16 As the exceptional balance calculated for 2020-21 was a deficit, the deficit phasing provisions were triggered and this amount must be spread in three equal portions across the three financial years 2021-22 to 2023-24. In the interests of reducing potential complication as far as possible, the exceptional balance may not be adjusted in the event that the end of year calculation of actual surplus or deficit for 2020-21 produced a different amount. There was no provision in the regulations to allow authorities to opt out of the deficit phasing, or to adopt a different payment profile.
- 3.17 The Local Authorities (Funds) (England) Regulations 1992 require collection fund surpluses and deficits to be apportioned on the basis of each billing authority and major preceptor's share of the aggregate council tax requirement for the billing authority's area for the 'preceding year'. This apportions the share of the estimated exceptional balance which will be spread across 2021-22, 2022-23 and 2023-24 as follows:

Preceptor	£
Maidstone Borough Council	492,546
Kent County Council	2,224,404
Kent Police Authority	334,419
Kent and Medway Towns Fire Authority	130,525
Total projected exceptional balance as at 31 March 2022	3,181,894

Table 3: Forecast exceptional balance on council tax at 31 March 2021

- 3.18 The phasing provisions detailed within the preceding paragraphs require that two thirds of the exceptional balance be removed from the calculation, with the first two thirds having been recovered during 2021-22 and 2022-23, and the remainder to be recovered during 2023-24. The impact of this amendment leaves an adjusted deficit for council tax to be recovered in 2023/24 of £1,060,632 apportioned as follows:

Preceptor	£
Maidstone Borough Council	164,182
Kent County Council	741,468

Kent Police Authority	111,473
Kent and Medway Towns Fire Authority	43,508
Total deficit to be recovered during 2023-24	1,060,632

Table 4: Apportionment of council tax deficit to be recovered in 2023-24

- 3.19 Authorities' shares of the aggregate area council tax requirement can vary from year to year, creating a risk that their shares of the phased exceptional balance could change during the lifetime of the scheme. To prevent this, the regulations require the exceptional balance to be apportioned each year according to the authorities' council tax requirements in 2020-21. All other estimated surpluses or deficits will continue to be apportioned according to the council tax requirements of authorities at the time of the estimate.

Collection Fund Adjustment - Option 2

- 3.20 The committee could choose to vary the figures used in the estimate provided within the appendices. However, these are based on data from the revenues system, projections developed from past experience and known factors. They are considered to represent a reasonable basis for estimating the position on the collection fund at 31 March 2023.
- 3.21 Should the committee choose to vary the data and distribute a different surplus or deficit this could affect the balance on the collection fund and the Council's cash flows.
- 3.22 The apportionment methodology is defined in statute and therefore may not be altered.

Collection Fund Adjustment - Option 3

- 3.23 It is a statutory requirement that any adjustment be calculated annually and the committee cannot choose to take no action in relation to this decision.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

Tax Base

- 4.1 The recommended option is Option 1 (as detailed in paragraph 3.4 above) as this calculation is based on current known data and collection rates.

Collection Fund Adjustment

- 4.2 It is recommended that the committee agrees the projections detailed within option 1 above and within Appendix 3, as they are based on data from the revenues system, projections developed from past experience and known factors. They are considered to represent a reasonable basis for estimating the position on the collection fund as at 31 March 2023.

5. RISK

- 5.1 The risks associated with this proposal, including the risks if the Council does not act as recommended, have been considered in line with the Council's Risk

Management Framework. That consideration is shown in this report within section 2. We are satisfied that the risks associated are within the Council's risk appetite and will be managed as per the Policy.

- 5.2 The main risks relate to an over optimistic estimate of the tax base and/or balance on the Council Tax account at 31 March 2023. Although any deficit arising on the Collection Fund would be recouped in subsequent years, the impact of this risk materialising could be flow problems during the year. As a direct consequence this would reduce interest income generated on the Council's cash balances or, in extreme cases, result in a need to borrow on a temporary basis.
- 5.3 Over pessimistic estimates would lead to increased balances on the Collection Fund. When fed into the overall budget process this can produce yearly variations which need to be managed as part of the Budget Strategy and place unnecessary burdens on tax payers in advance of need.
- 5.4 Monthly monitoring of collection rates and growth seen in the tax base over recent years help the Council to mitigate this risk.

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 No consultation is necessary on this specific issue but consultation has occurred with the public and with service committees on the wider issues relating to the budget and Council tax for 2023-24. The outputs of this exercise are included within a separate agenda item at this meeting.

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 The tax bases approved as part of this decision will be provided, as appropriate, to relevant preceptors.
- 7.2 The Council will use this tax base in setting its 2023-24 budget on 22 February 2023.
- 7.3 The Council is required to notify preceptors of the estimated Council Tax surplus/deficit as at 31 March 2023.

8. REPORT APPENDICES

- Appendix 1 - Calculation of Council Tax Base (CTB1 Return)
- Appendix 2 - Calculation of Individual Parish Tax Bases 2023-24
- Appendix 3 - Council Tax Projection to 31 March 2023

9. BACKGROUND PAPERS

None

CTB(October 2022)

Calculation of Council Tax Base

Please e-mail to : ctb.stats@levellingup.gov.uk

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

Ver 1.0

Please select your local authority's name from this list

Luton
Maidstone
Maldon
Malvern Hills
Manchester
Mansfield

Check that this is your authority :	Maidstone
E-code :	E2237
Local authority contact name :	Zoe Kent
Local authority contact telephone number :	01795 417306
Local authority contact e-mail address :	zoe.kent@midkent.gov.uk

CTB(October 2022) form for Maidstone

Completed forms should be received by DLUHC by Friday 14 October 2022

Dwellings shown on the Valuation List for the authority on Monday 12 September 2022	Band A entitled to disabled relief reduction COLUMN 1	Band A COLUMN 2	Band B COLUMN 3	Band C COLUMN 4	Band D COLUMN 5	Band E COLUMN 6	Band F COLUMN 7	Band G COLUMN 8	Band H COLUMN 9	TOTAL COLUMN 10
Part 1										
1. Total number of dwellings on the Valuation List		4,481	9,394	20,560	19,964	10,722	6,283	4,561	386	76,351
2. Number of dwellings on valuation list exempt on 3 October 2022 (Class B & D to W exemptions)		248	214	467	296	97	50	41	1	1,414
3. Number of demolished dwellings and dwellings outside area of authority on 3 October 2022 (please see notes)		1	0	0	2	1	0	0	0	4
4. Number of chargeable dwellings on 3 October 2022 (treating demolished dwellings etc as exempt) (lines 1-2-3)		4,232	9,180	20,093	19,666	10,624	6,233	4,520	385	74,933
5. Number of chargeable dwellings in line 4 subject to disabled reduction on 3 October 2022		4	15	57	95	82	57	35	16	361
6. Number of dwellings effectively subject to council tax for this band by virtue of disabled relief (line 5 after reduction)	4	15	57	95	82	57	35	16		361
7. Number of chargeable dwellings adjusted in accordance with lines 5 and 6 (lines 4-5+6 or in the case of column 1, line 6)	4	4,243	9,222	20,131	19,653	10,599	6,211	4,501	369	74,933
8. Number of dwellings in line 7 entitled to a single adult household 25% discount on 3 October 2022	1	2,595	4,630	7,270	5,362	2,253	949	611	37	23,708
9. Number of dwellings in line 7 entitled to a 25% discount on 3 October 2022 due to all but one resident being disregarded for council tax purposes	0	22	79	207	212	111	57	28	1	717
10. Number of dwellings in line 7 entitled to a 50% discount on 3 October 2022 due to all residents being disregarded for council tax purposes	0	1	3	11	20	5	9	21	10	80
11. Number of dwellings in line 7 classed as second homes on 3 October 2022 (b/fwd from Flex Empty tab)		23	9	28	43	23	19	27	5	177
12. Number of dwellings in line 7 classed as empty and receiving a zero% discount on 3 October 2022 (b/fwd from Flex Empty tab)		129	202	294	204	104	43	39	3	1,018
13. Number of dwellings in line 7 classed as empty and receiving a discount on 3 October 2022 and not shown in line 12 (b/fwd from Flex Empty tab)		0	0	0	0	0	0	0	0	0
14. Number of dwellings in line 7 classed as empty and being charged the Empty Homes Premium on 3 October 2022 (b/fwd from Flex Empty tab)		23	36	35	22	14	7	3	2	142
15. Total number of dwellings in line 7 classed as empty on 3 October 2022 (lines 12, 13 & 14).		152	238	329	226	118	50	42	5	1,160
16. Number of dwellings that are classed as empty on 3 October 2022 and have been for more than 6 months. NB These properties should have already been included in line 15 above.		61	121	139	95	59	21	21	4	521
16a. The number of dwellings included in line 16 above which are empty on 3 October 2022 because of the flooding that occurred between 1 December 2015 and 31 March 2016 and are only empty because of the flooding.		0	0	0	0	0	0	0	0	0
16b. The number of dwellings included in line 16 above which are empty on 3 October 2022 because of the flooding that occurred between November 2019 and February 2020 and are only empty because of the flooding.		0	0	0	0	0	0	0	0	0
17. Number of dwellings that are classed as empty on 3 October 2022 and have been for more than 6 months and are eligible to be treated under empty homes discount class D (formerly Class A exemptions). NB These properties should have already been included in line 15 above. Do NOT include any dwellings included in line 16a above.		0	0	0	0	0	0	0	0	0
18. Number of dwellings that are classed as empty and have been empty for more than 6 months excluding those that are subject to empty homes discount class D or empty due to flooding (Line 16 - line 16a - line 16b - line 17) (equivalent to Line 18 in previous forms).		61	121	139	95	59	21	21	4	521

CTB(October 2022)

Calculation of Council Tax Base

Please e-mail to : ctb.stats@levellingup.gov.uk

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

Ver 1.0

19. Number of dwellings in line 7 where there is liability to pay 100% council tax before Family Annexe discount	3	1,599	4,474	12,607	14,037	8,216	5,189	3,838	319	50,282
20. Number of dwellings in line 7 that are assumed to be subject to a discount or a premium before Family Annexe discount	1	2,644	4,748	7,524	5,616	2,383	1,022	663	50	24,651
21. Reduction in taxbase as a result of the Family Annexe discount (b/fwd from Family Annexe tab)	0.0	24.0	5.5	4.5	0.0	2.5	1.5	0.5	0.0	39
22. Number of dwellings equivalents after applying discounts and premiums to calculate taxbase	3.8	3,593.0	8,088.8	18,304.7	18,280.5	10,024.0	5,962.5	4,333.3	356.5	68,946.9
23. Ratio to band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
24. Total number of band D equivalents (to 1 decimal place) (line 22 x line 23)	2.1	2,395.3	6,291.3	16,270.8	18,280.5	12,251.6	8,612.5	7,222.1	713.0	72,039.2
25. Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2022-23 (to 1 decimal place)										172.3
26. Tax base (to 1 decimal place) (line 24 col 10 + line 25)										72,211.5

Part 2

27. Number of dwellings equivalents after applying discounts and premiums to calculate tax base (Line 22)	3.8	3,593.0	8,088.8	18,304.7	18,280.5	10,024.0	5,962.5	4,333.3	356.5	68,946.9
28. Reduction in taxbase as a result of local council tax support (b/fwd from CT Support tab)	0.7	891.0	1,530.7	1,983.9	886.6	212.7	75.2	17.9	1.7	5,600.4
29. Number of dwellings equivalents after applying discounts, premiums and local tax support to calculate taxbase	3.0	2,701.9	6,558.1	16,320.8	17,393.9	9,811.3	5,887.3	4,315.4	354.8	63,346.5
30. Ratio to band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
31. Total number of band D equivalents after allowance for council tax support (to 1 decimal place) (line 29 x line 30)	1.7	1,801.3	5,100.7	14,507.4	17,393.9	11,991.6	8,503.9	7,192.3	709.7	67,202.5
32. Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2022-23 (to 1 decimal place)(line 25)										172.3
33. Tax base after allowance for council tax support (to 1 decimal place) (line 31 col 10 + line 32)										67,374.8

Certificate of Chief Financial Officer

I certify that the information provided on this form is based on the dwellings shown in the Valuation List for my authority on 12 September 2022 and that it accurately reflects information available to me about exemptions, demolished dwellings, disabled relief, discounts and premiums applicable on 3 October 2022 and, where appropriate, has been completed in a manner consistent with the form for 2021.

Chief Financial Officer :

Date :

**Corporate Services PAC
Tax Base Calculation for Parish Councils 2023-24**

Parish	Tax Base October 2022	Adjustment Net Changes	Non Collection Allowance	Net Tax Base 2023/24
Barming	834.5	3.6	-12.5	825.7
Bearsted	3,678.3	16.5	-54.9	3,639.8
Bicknor	42.1	0.6	-0.6	42.1
Boughton Malherbe	256.9	2.4	-3.8	255.5
Boughton Monchelsea	1,994.5	8.0	-29.8	1,972.7
Boxley	4,052.7	6.8	-60.7	3,998.8
Bredhurst	202.7	0.6	-3.0	200.3
Broomfield & Kingswood	728.6	1.8	-10.9	719.5
Chart Sutton	435.3	1.8	-6.5	430.6
Collier Street	426.9	0.6	-6.4	421.1
Coxheath	2,008.2	16.3	-29.9	1,994.6
Detling	438.0	0.6	-6.6	432.1
Downswood	859.1	0.0	-12.9	846.2
East Sutton	139.0	0.6	-2.1	137.5
Farleigh East	681.0	1.2	-10.2	672.0
Farleigh West	247.7	0.6	-3.7	244.6
Fristed	73.1	0.0	-1.1	72.0
Harrietsham	1,392.5	5.5	-20.8	1,377.2
Headcorn	1,979.1	69.7	-28.6	2,020.2
Hollingbourne	499.5	0.0	-7.5	492.0
Hucking	38.5	0.0	-0.6	37.9
Hunton	325.4	3.7	-4.8	324.3
Langley	610.9	50.7	-8.4	653.2
Leeds	428.1	3.1	-6.4	424.8
Lenham	1,653.9	67.7	-23.8	1,697.8
Linton	287.5	1.8	-4.3	285.0
Loose	1,148.5	6.7	-17.1	1,138.1
Marden	2,207.9	12.1	-32.9	2,187.0
Nettlestead	327.4	0.6	-4.9	323.1
Otham	628.8	71.6	-8.4	692.1
Otterden	95.9	0.0	-1.4	94.5
Staplehurst	2,953.7	79.6	-43.1	2,990.1
Stockbury	328.6	2.4	-4.9	326.1
Sutton Valence	775.6	12.9	-11.4	777.1
Teston	326.9	0.6	-4.9	322.6
Thurnham	686.3	5.1	-10.2	681.1
Tovil	1,465.8	0.0	-22.0	1,443.8
Ulcombe	412.6	3.6	-6.1	410.1
Wichling	60.4	0.0	-0.9	59.5
Wormshill	106.0	0.0	-1.6	104.4
Yalding	1,107.9	5.5	-16.5	1,096.8

Corporate Services PAC
18-Jan-23
Council Tax Adjustment 2022/23

	£	%
<u>Demands on the fund (2022/23)</u>		
Maidstone Borough Council budget requirement	20,648,499	15.03%
Kent County Council (including adult social care charge)	96,290,193	70.08%
Kent Police	15,034,223	10.94%
Kent Fire & Rescue	5,426,554	3.95%
Council Tax requirement	137,399,468	100.00%

<u>Debit raised</u>	
Charges raised	164,958,112
Less:	
Council Tax Support	-9,991,260
Single Persons Discount	-11,698,345
Discount for disabled people	-137,054
Other exemptions and disregards	-3,571,955
Local Discounts	-78,278
Plus:	
Empty Property Premium	50,393
Second Homes	201,353
	139,732,966
Transfer from general fund for s13A reliefs	78,278
Less allowance for bad and doubtful debts	-3,493,324
Less anticipated deficit recovered during 2022/23	2,130,839
Projected Council Tax Income for 2021/22	138,448,759
Projected surplus for the year	1,049,291

<u>Utilisation of fund balance</u>	£
Actual surplus at 31 March 2022 (b/f)	4,141,782
Cumulative surplus as at 31 March 2022	5,191,073

Exceptional balance to be spread across 2020/21, 2021/22 and 2022/23	3,181,895
Cumulative surplus less 1/3 exceptional balance	4,130,441

Share of adjusted surplus, to be credited in 2023/24	
Maidstone Borough Council	615,937
Kent County Council	2,896,459
Kent Police	456,533
Kent Fire & Rescue	161,512
	4,130,441

Agenda Item 16

CORPORATE SERVICES POLICY ADVISORY COMMITTEE

18 January 2023

Medium Term Financial Strategy and Budget Proposals

Timetable	
Meeting	Date
Corporate Services Policy Advisory Committee	18 January 2023
Executive	25 January 2023
Council	22 February 2023

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

Executive Summary

This report forms part of the process of agreeing a budget for 2023/24 and setting next year's Council Tax. Following consideration by this Committee at its meeting on 8 November 2022 of the draft Medium Term Finance Strategy for 2023/24 – 2027/28, this report sets out budget proposals for services within the remit of the Committee and the other Policy Advisory Committees. These proposals will then be considered by the Executive at its meeting on 25 January 2023. The Executive will subsequently consider all elements of the budget for 2023/24 at its meeting on 8 February 2023, with a view to determining a final set of proposals for submission to Council on 22 February 2023.

Additionally, following a request by the Executive at its meeting on 21 December 2022 that further opportunities for fees and charges relating to Legal Services, Moorings, Parking, and the Town Hall, be explored, this report sets out officer proposals in response.

Recommendation to the Corporate Services Policy Advisory Committee

1. That the Committee recommends to the Executive that it approves the revenue budget proposals set out in Appendix A.
2. That the Committee recommends to the Executive an hourly rate of £258 for legal services.
3. That the Committee notes the revenue budget proposals for services within the remit of the other Policy Advisory Committees set out in Appendix B.

Medium Term Financial Strategy and Budget Proposals

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

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

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

2. INTRODUCTION AND BACKGROUND

Medium Term Financial Strategy

- 2.1 The Medium Term Financial Strategy (MTFS) sets out in financial terms how the Council's Strategic Plan will be delivered over the next five years, given the resources available. In so doing, it establishes the framework for the annual budget setting process.
- 2.2 At its meeting on 16 November 2022, this Committee considered a draft MTFS for the five years 2023/24 to 2027/28. No material amendments were proposed to the MTFS by this Committee or subsequently by the Executive when it considered the MTFS at its meeting on 23 November 2022, so it will now go forward to Council for approval at its meeting on 22 February 2023.
- 3.3 The financial projections underlying the MTFS were prepared under a number of different scenarios, given uncertainty about local government funding and economic conditions generally. In the core scenario (Scenario 4) it was assumed that the Council would increase Council Tax by the maximum possible within the referendum threshold, but there would still be a budget gap of £2.5 million in 2023/24, mainly owing to the impact of inflation on the Council's costs, with a steadily increasing budget gap in subsequent years.
- 3.4 There is now better information about the funding context for 2023/24, given in particular the Chancellor's Autumn Statement on 17 November 2022 and the Provisional Local Government Finance Settlement, announced on 19 December 2022. In addition, savings proposals totalling £1.1 million for 2023/24 have been developed. Whilst the longer term position remains challenging, these recent developments have had a positive impact, such that it is now anticipated that the Council will be able to set a balanced budget for 2023/24, provided that the savings proposals are adopted and Council Tax is increased up to the referendum threshold. Further details are set out below.

Autumn Statement 2022

- 3.5 The Chancellor announced the Autumn Statement on 17 November 2022. The background was the need to demonstrate that the government had a clear plan to meet a shortfall in the public finances of around £55 billion. The shortfall was met through a mix of tax rises and spending cuts, although the real impact of the cuts will not be felt until after 2024.
- 3.6 The key points from the Autumn Statement for local government were as follows.
- Council Tax referendum limit - The core threshold was increased from 1.99% to 2.99%, and the Adult Social Care precept will be 2% in 2023-24.

- Business rates - The multiplier will be frozen in 2023-24, rather than increasing by inflation as in the past. Local authorities will be fully compensated for the loss of income arising.
 - Business rates reliefs - Retail, Hospitality and Leisure reliefs were extended into 2023-24, and a Supporting Small Business Scheme has been introduced.
 - Business rates revaluation – The revaluation scheduled for April 2023 will go ahead but there will be a more generous transitional scheme.
- 3.7 The effect of the increase in Council Tax referendum thresholds is that lower tier authorities like Maidstone may put up Council Tax by up to 2.99%, whilst upper tier authorities may increase their Council Tax by up to 4.99%. If both Maidstone BC and Kent County Council increase Council Tax by the maximum possible, the additional amounts payable by a Band D Council Tax payer would be as follows:
- Maidstone Borough Council - £8.20
 - Kent County Council - £72.90
- 3.8 Maidstone Borough Council retains around 10% of the business rates that it collects and the baseline contribution to the Council’s overall budget is approximately £4 million. The announcement in the Autumn Statement that government will compensate councils for the loss of income from freezing business rates for ratepayers means that, broadly, MBC’s share of business rates will increase in line with inflation.

Local Government Finance Settlement 2023/24

- 3.9 The Provisional Local Government Finance Settlement for 2023/24 was announced on 19 December 2022. This reiterated the key measures in the Chancellor's Autumn Statement relevant to local government. The main items of new information relevant to Maidstone Borough Council are as follows.

New Homes Bonus will be paid in 2023/24, but will be based on housing completions in 2021/22 only. Formerly NHB also included a legacy payment based on historic housing completions.

Services Grant will reduce in 2023-24, in part because there will no longer be an increase in National Insurance Contributions and no related compensation (the increase in NICs was originally planned by Chancellor Sunak, then reversed).

Lower Tier Services Grant – not payable in 2023/24 – the funding will be used along with New Homes Bonus to pay for the Funding Guarantee (see below).

- 3.10 It is proposed to create a new one-off Funding Guarantee, which will ensure that all authorities see at least a 3% increase in their Core Spending Power, before any decision they make about organisational efficiencies, use of reserves, and council tax levels. Core Spending Power is the measure used by government to evaluate what they consider to be the underlying financial

position of local authorities. This guarantee relates to 2023/24 only and there is no indication as to whether a similar guarantee will be offered in 2024/25.

3.11 The following table shows Maidstone Council's Core Spending Power for 2022/23 and 2023/24.

	2022/23	2023/24	Change	
	£000	£000	£000	%
Council Tax	18,207	19,124 ¹	+917	+5.0%
Retained Business Rates ²	3,594	4,186	+592	+16.5%
<i>Sub-total – Core Funding³</i>	<i>21,801</i>	<i>23,310</i>	<i>1,509</i>	<i>6.9%</i>
New Homes Bonus	4,216	1,889	-2,327	-55.2%
Services Grant	225	127	-98	-43.6%
Lower Tier Services Grant	149	0	-149	-100.0%
Funding Guarantee	0	2,640	+2,640	N/A
<i>Sub-total – One-off Funding</i>	<i>4,590</i>	<i>4,656</i>	<i>66</i>	<i>1.4%</i>
Core Spending Power	26,391	27,966	+1,575	+6.0% ⁴

Notes

¹ Assumes Council Tax increased to the referendum threshold. Notwithstanding that the Funding Guarantee is calculated before allowing for any Council Tax increases, the government's Core Spending Power calculations assume that all authorities will increase Council Tax by the maximum permitted.

² Notional Business Rates income based on the government's baseline. Growth above this baseline is not included here.

³ Council Tax and Business Rates are treated as part of the Council's core funding, whereas New Homes Bonus and other unringfenced government grants have historically not been used by the Council to fund ongoing revenue expenditure.

⁴ The government has advertised the Local Government Finance Settlement as giving local authorities an extra 9%. This is a national average and district councils like Maidstone are generally seeing a lower increase.

3.12 It can be seen that the Funding Guarantee has protected the Council against the reduction in the following elements of Core Spending Power:

- New Homes Bonus
- Services Grant
- Lower Tier Services Grant.

Specifically, the main benefit of the Funding Guarantee from Maidstone's perspective is that the Council is protected against the reduction in New Homes Bonus.

3.13 The Council agreed last year to set aside £1 million of New Homes Bonus for strategic policy and plan making and £3.2 million for the 1,000 Affordable Homes Programme, given the requirement over the 10 year life of the programme for a total revenue subsidy of £50,000 per unit. Within

the overall budget proposals for 2023/24, it is now proposed that £300,000 of the one-off funding will be set aside for strategic policy and plan making, with this sum being built into the revenue budget on an ongoing basis. The balance of one-off funding will be set aside for the 1,000 Affordable Homes Programme.

Revenue Budget Proposals

3.14 The draft MTFs described how, in bridging the budget gap, the Council would need to balance the requirement to make savings or generate increased income against the key priorities set out in the Council's Strategic Plan, namely:

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

3.15 It was explained that all budgets would be reviewed in detail to identify opportunities for savings, or increased income, which can be delivered with the minimum impact on the strategic priorities. To the extent that further growth is planned, above and beyond existing budgets, this would need to be offset by further savings.

3.16 The following growth and savings have been identified in the services falling within the remit of the Corporate Services Policy Advisory Committee.

- Property Investment Strategy - £500,000 saving

New acquisitions (especially industrial units) can promote economic development and generate extra income for the Council. This saving represents the income generated from the investment of £2.5 million per annum proposed in the capital programme.

- Office accommodation - £55,000 saving

The acquisition of Maidstone House has already led to a saving in the occupancy costs previously incurred and to additional income from letting space in the building. It has been assumed that further income will be generated and/or savings achieved as occupancy levels improve, following the investment undertaken in the building.

- Corporate Property service improvements - £45,000 saving

A review of our Corporate Property service has identified that, following the growth of the property portfolio in recent years, there is scope for improvement in management of the portfolio, by strengthening the client side of property management and getting more value from external managing agents.

- New Maidstone Property Holdings developments - £270,000 saving

Alongside the Affordable Housing programme, the Council will continue to develop Private Rented Sector housing for letting through its subsidiary Maidstone Property Holdings.

- Service improvements and restructuring - £120,000 saving

The Council's Transformation team continues to carry out regular service design reviews. It is anticipated that these will deliver further savings of £120,000 ongoing from 2023/24.

- Automation of transactional services - £50,000 saving

This specific proposal is to invest in voice recognition technology which would reduce the number of transactions dealt with via customer service advisors in the technical team. £50,000 is the net revenue saving and capital investment will be required in 2023/24 in order to deliver this.

- Review of print and post - £43,000 saving

The Council continues to generate a large volume of paper correspondence and records. This project will generate savings, primarily through a reduction in postage costs.

- Council-wide reduction in travel costs - £40,000 saving

Reimbursement of staff travel has fallen significantly with the increased amount of home working following the Covid-19 pandemic. This cost reduction is already being delivered, so the budget amendment will simply bring budgets into line with actual performance.

- Green Travel - £20,000 saving

Given changes to working arrangements following Covid-19, and given the Council's commitment to achieving carbon neutrality across the borough, the Council has withdrawn Essential Car User Allowances and Leased Car Allowances. The saving in 2023/24 is the residual amount arising from the benefits being protected for a period of time.

- Whole Council elections - £60,000 saving

The Council has now agreed to hold whole council elections every four years. This will reduce the cost of holding elections over the four year electoral cycle. Following the boundary review, initiated in 2021, the first whole council elections will take place in May 2024.

- MKS ICT efficiency improvements - £25,000 saving

A number of efficiency improvements are planned, including new working arrangements and automation of processes, for example in the way new devices are built and in dealing with IT help desk calls. As

with all MKS savings, the benefit is shared with partners, and only the MBC share of the saving is shown here.

- Deleting HR adviser post - £18,000 saving

Following a period of significant staffing changes in the two authorities that form the HR shared service, a reduction in the number of HR advisers is envisaged in 2025/26.

- Review of finance structure - £15,000 saving

Changes in the structure of the finance team, provisionally scheduled for 2024/25, are likely to create a savings opportunity.

- Additional investment income - £50,000 saving in 2023/24, reversing in 2025/26

The increase in interest rates over the past six months has generated better than budgeted returns on the Council's cash balances. However, this additional interest income is likely to fall away by 2025/26 if, as forecast, interest rates revert to lower levels.

- Data monitoring and analysis - £35,000 growth

The Council is improving the quality of data analysis to enable objectives led and evidence-based decision making at operational and strategic levels. Some existing staffing costs in this area are currently being funded through one-off resources. Growth of £35,000 is proposed to ensure that this work is properly resourced from 2023/4 onwards.

Budget proposals have been developed, following a similar approach, for services within the remit of the other Policy Advisory Committees. Details are set out in Appendix B.

Fees and charges

3.17 This Committee recommended a schedule of fees and charges to the Executive at its meeting on 14 December 2022. The Executive subsequently requested that further opportunities for fees and charges relating to Legal Services, Moorings, Parking, and the Town Hall, be explored.

3.18 An initial response is set out below.

- Legal Services

An increase in the blended hourly rate of 5.56% was originally proposed, taking the rate from £234 to £247. In light of the current rate of inflation and the need to maximise cost recovery, an increase of 10%, making the hourly rate £258, is now proposed.

- Moorings

Within the fees and charges schedule for Economic Regeneration and Leisure services, there are charges for moorings on the River Medway. The question arose as to whether these are invoiced and collected on a consistent basis. It is proposed to review our approach during 2023, bearing in mind the twin objectives of income maximisation and making the best use of the river, as a key part of Maidstone's offer as a 'thriving place'.

- Parking

Further consideration of parking charges is reflected in proposals to be submitted to the Planning and Infrastructure Policy Advisory Committee as part of the current committee cycle.

- Town Hall

The Executive felt that the income generation potential of the Town Hall was not being exploited fully. This will be considered during 2023. Amongst the areas to be explored are integrating the Council's offer of meeting room space (so that the Town Hall is offered alongside other venues such as the Museum), better marketing and promotion, a review of the rates charged, and specific targeting of other potential public sector users. For the time being it is not proposed to change the rates charged, bearing in mind that much use of the Town Hall is made by other Council services, so increased income would simply lead to additional costs elsewhere.

3. AVAILABLE OPTIONS

- 3.1 Recommend the budget proposals relating to this Committee as set out in Appendices A for approval by the Executive.
- 3.2 Propose changes to the budget proposals.
- 3.3 Make no comment on the budget proposals.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 The Executive must recommend to Council at its meeting on 8 February 2022 a balanced budget and a proposed level of Council Tax for the coming year. The budget proposals included in this report will allow the Executive to do this. Accordingly, the preferred option is that this Committee agrees the budget proposals at Appendices A.

5. RISK

- 5.1 The Council's finances are subject to a high degree of risk and uncertainty. The draft MTFS includes an evaluation of the Council's financial resilience,

from which it can be seen that it has adequate, but not excessive, reserves and is positioned well to manage the financial challenges that it faces.

- 5.2 In order to address risk on an ongoing basis in a structured way and to ensure that appropriate mitigations are developed, the Council has developed a budget risk register. This seeks to capture all known budget risks and to present them in a readily comprehensible way. The budget risk register is updated regularly and is reviewed by the Audit, Governance and Standards Committee at each of its meetings.

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 The Executive received an initial report on the MTFS at its meeting on 20 July 2022 and it agreed the approach set out in that report to development of an MTFS for 2023/24 - 2027/28 and a budget for 2023/24.
- 6.2 Policy Advisory Committees and the Executive then considered a draft MTFS at their meetings in November 2022.
- 6.3 Public consultation on the budget has been carried out. Details are set out in Appendix C. Members are encouraged to review the findings and assess whether the budget proposals are consistent with public expectations and aspirations.

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 The timetable for developing the budget for 2023/24 is set out below.

<i>Date</i>	<i>Meeting</i>	<i>Action</i>
25 January 2023	Executive	Consider 23/24 budget proposals
8 February 2023	Executive	Agree 23/24 budget proposals for recommendation to Council
22 February 2023	Council	Approve 23/24 budget

8. REPORT APPENDICES

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

- Appendix A: Revenue Budget Proposals 2023/24 – 2027/28 – Corporate Services Policy Advisory Committee
- Appendix B: Revenue Budget Proposals 2023/24 – 2027/28 – Other Policy Advisory Committees

- Appendix C: Budget Survey 2023
-

9. BACKGROUND PAPERS

There are no background papers.

Revenue Budget Proposals 2023/24 - 2027/28

Service	Proposal	23/24	24/25	25/26	26/27	27/28	Total
		£000	£000	£000	£000	£000	£000
Corporate Property	Property Investment Strategy	0	-125	-125	-125	-125	-500
Corporate Property	Office accommodation savings	0	-55	0	0	0	-55
Corporate Property	Service improvements	-20	-25	0	0	0	-45
Housing & Regeneration	New Maidstone Property Holdings developments	-42	-228	0	0	0	-270
Transformation	Service improvements and restructuring	-120	0	0	0	0	-120
Transformation	Automation of transactional services	0	-50	0	0	0	-50
Transformation	Review of print and post including handling and processing cheques	-33	-10	0	0	0	-43
All	Council-wide reduction in travel costs	-40	0	0	0	0	-40
All	Green Travel - changes to essential user and lease car allowance	-20	0	0	0	0	-20
Elections	Whole Council elections	0	-60	0	0	0	-60
MKS ICT	Efficiency improvements	-11	0	0	-14	0	-25
HR	Deleting HR Advisor post	0	0	-18	0	0	-18
Finance	Review of structure	0	-15	0	0	0	-15
Finance	Investment income	-50	0	50	0	0	0
Governance, Communities and Insight	Resource data analytic function to report real time data monitoring and data analytics	35	0	0	0	0	35
OVERALL CHANGE IN BUDGET (£000)		-301	-568	-93	-139	-125	####

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

Revenue Budget Proposals 2023/24 - 2027/28

Service	Proposal	23/24	24/25	25/26	26/27	27/28	Total
		£000	£000	£000	£000	£000	£000
Economic Development	Recharge of salaries to Business Rates Pool	-100					-100
Mote Park Café	Adjust income target	-30					-30
Market	Reduce market income budget	45					45
OVERALL CHANGE IN BUDGET (£000)		-85	0	0	0	0	-85

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

Revenue Budget Proposals 2023/24 - 2027/28

Service	Proposal	23/24	24/25	25/26	26/27	27/28	Total
		£000	£000	£000	£000	£000	£000
Waste Services	Replacement of wheeled bins	-100	0	0	0	0	-100
Garden Waste Collection	Changes to charging arrangements	-20	-80	0	-80	0	-180
Cemetery	Additional income from Cemetery - based on increased volume not price increase.	-60	0	0	0	0	-60
Crematorium	Additional income from Crematorium - based on increased volume not price increase.	-60	0	0	0	0	-60
Communications	Integration of Visitor Economy within Communications team	-30	0	0	0	0	-30
Housing & Regulatory Services	Review of section codes to identify areas of savings.	-26	0	0	0	0	-26
Strategy, Insight and Governance	Digital Borough Insight	-18	0	0	0	0	-18
Housing	Increased pollution control income	-5	0	0	0	0	-5
Housing	Licensing expenditure budgets not required	-5	0	0	0	0	-5
Community Protection	Review of CCTV budgets	-4	0	0	0	0	-4
OVERALL CHANGE IN BUDGET (£000)		-328	-80	0	-80	0	-488

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

Revenue Budget Proposals 2023/24 - 2027/28

Service	Proposal	23/24	24/25	25/26	26/27	27/28	Total
		£000	£000	£000	£000	£000	£000
Spatial Planning	Recharge to Business Rates Pool	-150					-150
Parking	Increased Parking volumes	-100					-100
Parking	Adjust parking fees to reflect demand	-100					-100
Development Management	Recover administrative costs from CIL	-50					-50
Land Charges	Migration of land charges register to HM Land Registry	-22	103				81
Land Charges	Staff reduction		-13				-13
MK Planning Support	Process improvement and automation			-15			-15
Spatial Planning	Strategic policy and plan making	300					300
OVERALL CHANGE IN BUDGET (£000)		-122	90	-15	0	0	-47

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



BUDGET SURVEY

2023

Produced November 2022

ABSTRACT

A report summarising the results of Maidstone Borough Council's Budget Survey 2023.

Consultation@maidstone.gov.uk

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Introduction

This report presents the findings of Maidstone Council's Budget Survey 2023/24. The survey was conducted to gauge opinion on Council spending as well as its priorities and investment programmes.

Maidstone Borough Council is committed to providing high quality and good value services to meet the needs of the local community.

Reductions in central government funding and the pandemic have had a significant impact on the Council's finances and will continue to do so. Looking further ahead, the financial outlook for Maidstone Borough Council (MBC) is uncertain, given the lasting impact of the pandemic and lack of information about the level of central government support in the future.

As part of that process, the Council sought to understand residents' views on where they think savings should be made and what the Council's priorities for spending should be.

Methodology

The survey was open between 20 October and 20 November 2022.

The survey was carried out online, with a direct email sent to approximately 9,000 residents who had consented to being contacted by email. The survey was also promoted on the Council's website, social media, in Borough Insight and in the local press. The survey was open to all Maidstone Borough residents aged 18 years and over.

A total of 1,332 people responded to the questionnaire. Data has been weighted according to the known population profile to counteract non-response bias. The weighting profile is based on the 2020 mid-year ONS population estimates. However, the under-representation of 18- to 34-year-olds means that high weights have been applied to responses in this group, therefore the results for this group should be treated with caution. In addition, the result for minority groups should also be treated with caution due to the sample being unrepresentative of the local population.

The economically active group includes respondents in employment (full, part-time or self-employed) or who are looking for work.

Please note not every respondent answered every question, therefore the total number of respondents refers to the number of weighted respondents for the question being discussed not to the survey overall.

With a total of 1,332 responses to the survey, the overall results in this report are accurate to $\pm 2.7\%$ at the 95% confidence level. This means that we can be 95% certain that the results are between $\pm 2.7\%$ of the calculated response, so the 'true' response could be 2.7% above or below the figures reported (i.e., a 50% agreement rate could in reality lie within the range of 47.3% to 52.7%).

Findings

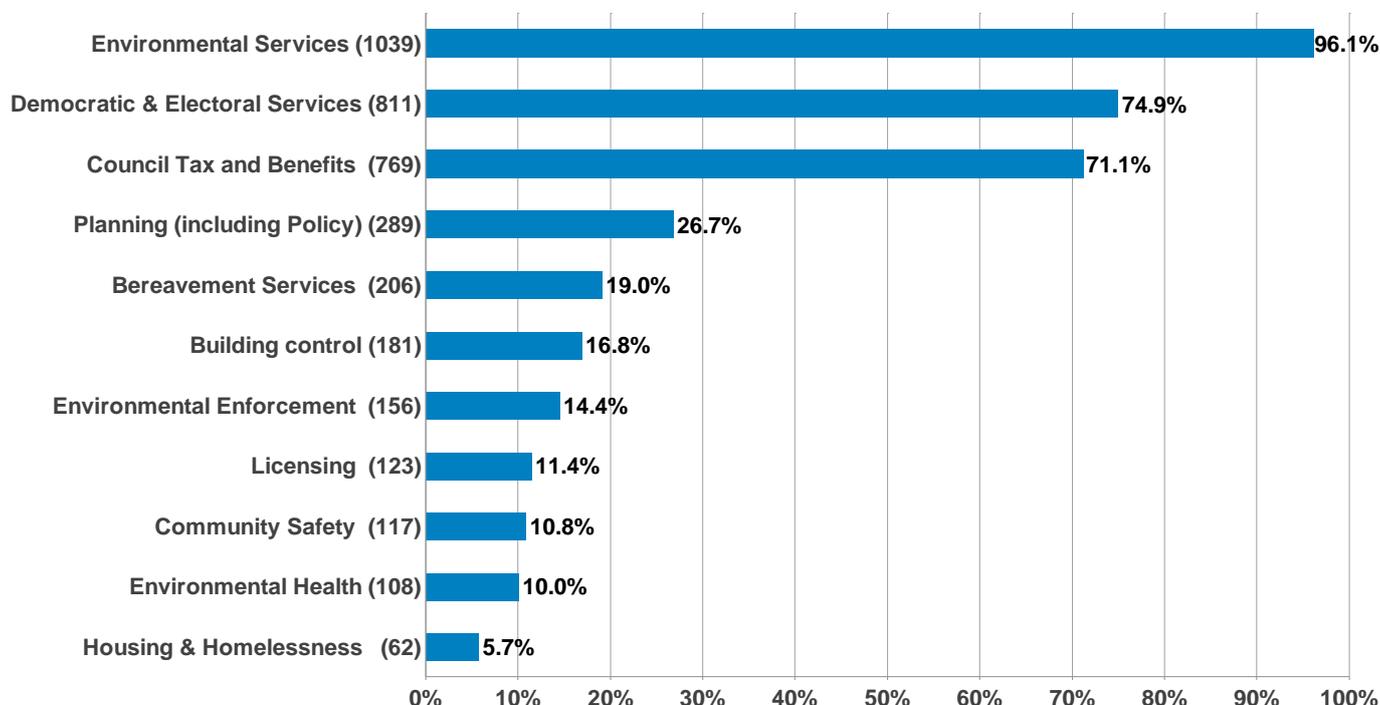
- Environmental Services was the most used service mandatory service and the most important mandatory service with 96% and 87% responding this way respectively.
- The most common mandatory service that people felt should be reduced was Democratic & Electoral Services with 936 answering this way.
- 87% of respondents told us they have used Parking Services making it the most used discretionary service, while Parks and Open Spaces was deemed the most important service (87%).
- Markets and Civic events were most common discretionary services that people felt should be reduced with 431 and 420 answering this way respectively.
- Infrastructure including flood prevention remained the top investment priority for the third year in a row.
- Overall satisfaction with the local area as a place to live has increased from 51.0% in 2021 to 57.8%.

Mandatory Services

Mandatory Services Used

The survey asked respondents to select the services they had used from a list of services that the Council is required to provide by law. A total of 1,082 responses were received.

The most common response was Environmental Services with 1,039 respondents telling us they have used this service. The least common response was Housing & Homelessness with 62 respondents telling us they have used this service.



Demographic Differences

- Female respondents and the economically inactive were significantly more likely than their counterparts to have used Council Tax and Benefits services.
- Economically inactive respondents were more likely than economically active to have used Democratic & Electoral services with 83.5% compared to 71.6% of economically inactive respondents.

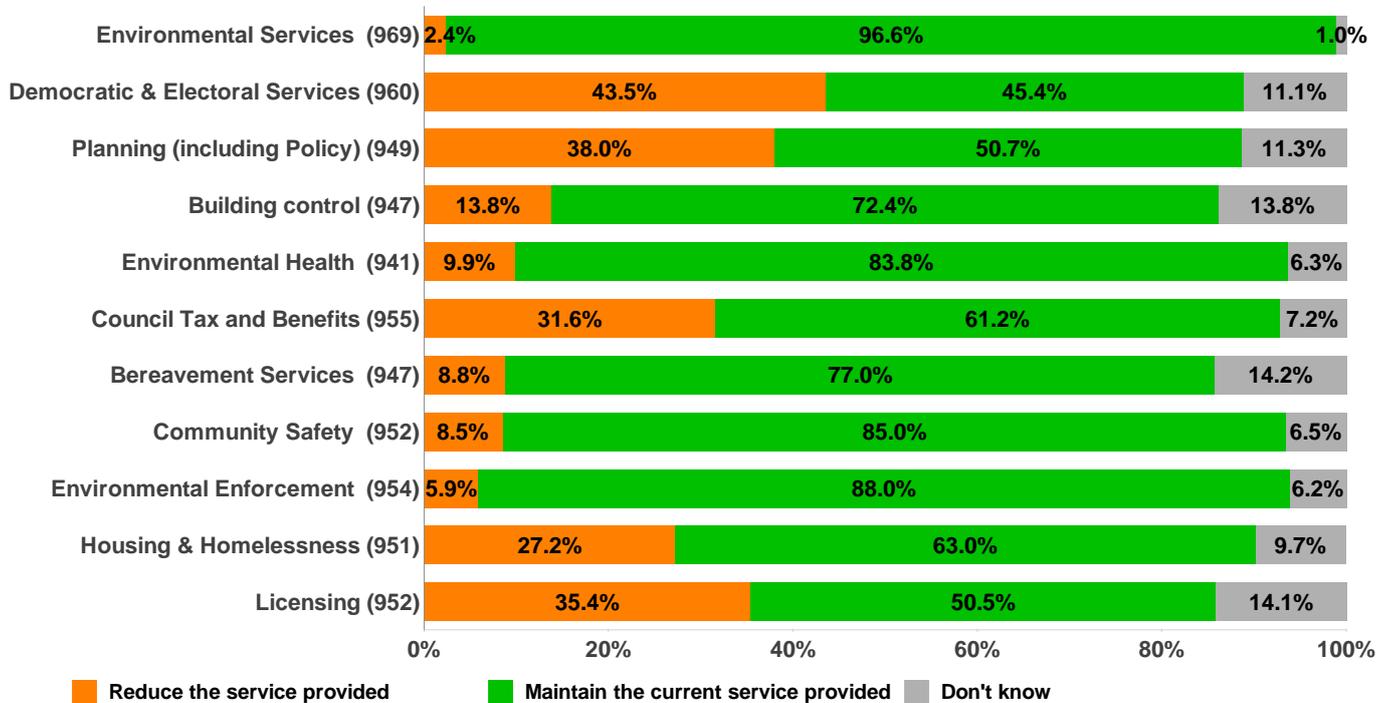
Mandatory Services Spending Approaches

Respondents were provided with the list of mandatory services detailing the current spend for each per council tax band D household. They were asked to indicate what approach they felt the Council should take in delivering the mandatory services. Three options were provided for respondents to select from:

- Reduce the service provided
- Maintain the current service
- Don't know.

There was a total of 969 responses to this set of questions. Democratic Services and Planning (including policy) had the greatest proportions where respondents stated 'reduce the service provided' at 43.5% and 38.0% respectively.

Environmental Services and Environmental Enforcement had the greatest proportions where respondents answered, 'maintain the current service' at 96.6% and 88.0% respectively.



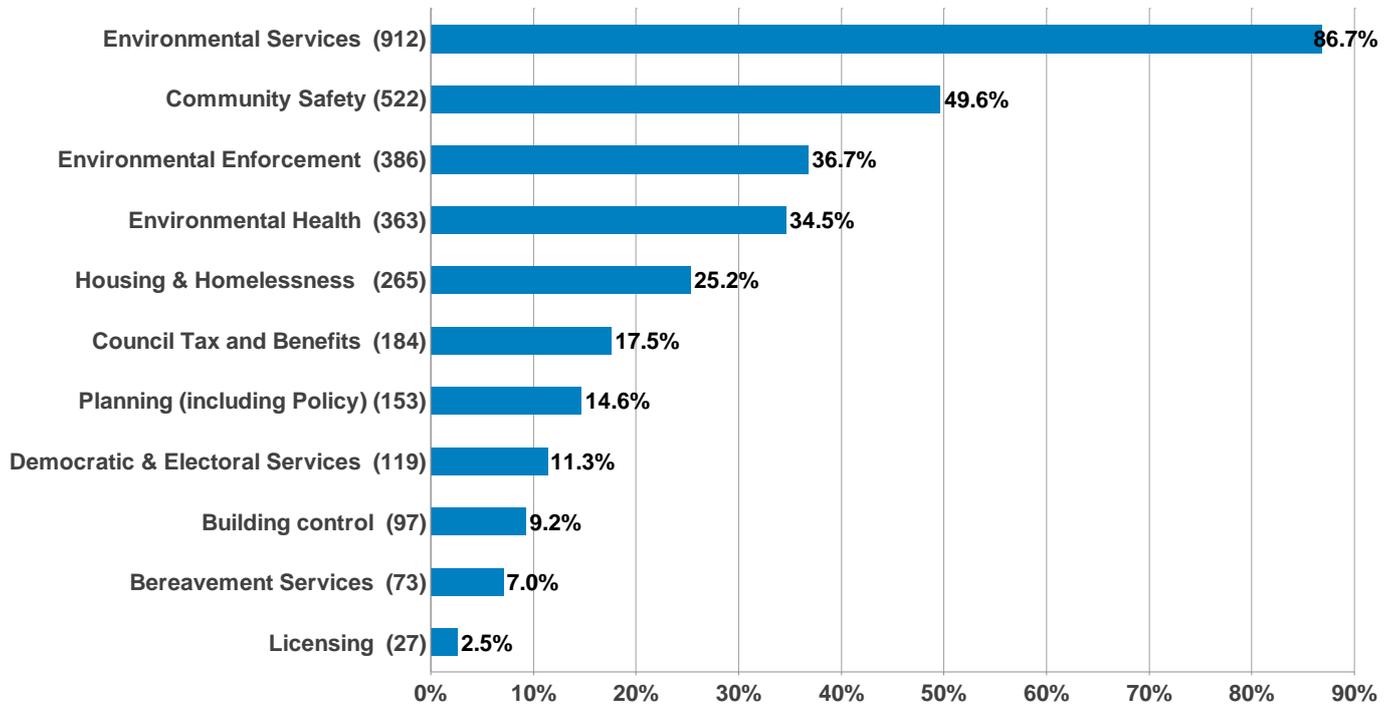
Demographic Differences

- A significantly greater proportion of respondents with a disability said that the Planning (including policy) service should be reduced with 57.3% answering this way compared to 34.8% of respondents without a disability.
- Respondents who have lived in the borough between 3 and 5 years had a significantly greater than average proportion that said Building Control should be reduced at 28.6%.
- A significantly greater proportion of male respondents said that Council Tax and Benefits services should be reduced with 39.2% answering this way compared to 26.0% of female respondents. Economically active respondents were also more likely than their counterparts to say that this service should be reduced.
- A significantly greater proportion of male respondents said that Bereavement services should be reduced with 12.8% answering this way compared to 4.6% of female respondents.
- Male respondents and respondents with a disability had significantly greater proportions than their counterparts that said that Community Safety services should be reduced.
- Male respondents and respondents under 35 years had greater proportions than their counterparts that said Environmental Enforcement services should be reduced.
- Respondents from minority groups and male respondents had significantly greater proportions stating that Housing & Homelessness services should be reduced at 63.9% and 34.4% respectively, compared to the overall response of 27.3%.
- Respondents who have lived in the borough for less than a year had a significantly lower proportion that said that Licensing services should be reduced compared to their counterparts.

Most Important Mandatory Services

The survey asked respondents to select which three Mandatory services provided by the Council were most important to them.

There were 912 responses to this question. The most common response was Environmental Services with 912 respondents selecting this service. The least common response was Licensing with 27 respondents selecting this service at one of their top three services.



Demographic Differences

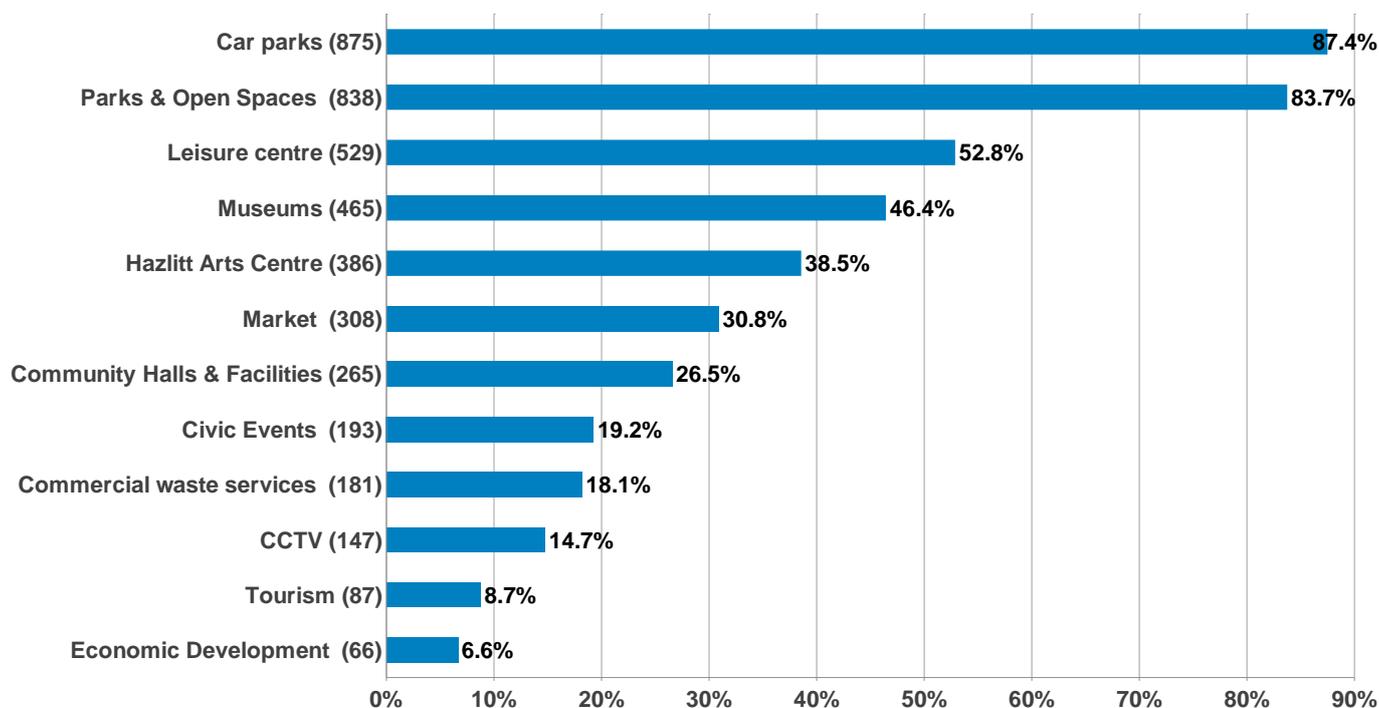
- Environmental services was the most common response across all demographic groups.
- Respondents who had lived at their current address for less than a year were only group where community safety did not have the second greatest proportion. This group's second choice was Environmental Health with 60.2% and Community Safety was third for this group.
- There were three groups whose third most important Mandatory Service response differed from the overall result. These were 18- to 34-year-olds, minority respondents and those who have lived at their present addresses for less than a year. These three groups put Environmental Health above Environmental Enforcement.

Discretionary Services

Discretionary Services Used

The survey asked respondents to select the services that they had used from a list of services that the Council is not required to provide by law but chooses to do so. A total of 875 responses were received.

The most common response was car parks with 875 (87.4%) telling us they have used this service. The least common response was Economic Development with 66 (6.6%) telling us they have used this service.



Demographic Differences

- Car parks and Parks & Open spaces were the two most common responses across all groups.
- Minority group respondents were significantly less likely to have used Parks & Open Spaces compared to white groups with 62.0% compared to 85.2% of white group respondents.
- Female respondents, the economically inactive and those without a disability were significantly more likely than their counterparts to have used the Leisure Centre.
- The data suggests that there is a linear negative relationship between age and using the Leisure Centre, meaning that as people age, they are less likely to use the Leisure Centre.
- Respondents aged 35 to 44 years were more likely than the other age groups to have used the Market at 43.7%.
- Female respondents were significantly more likely to have used the Hazlitt Arts Centre with 43.3% selecting this service compared to 32.6% of male respondents.

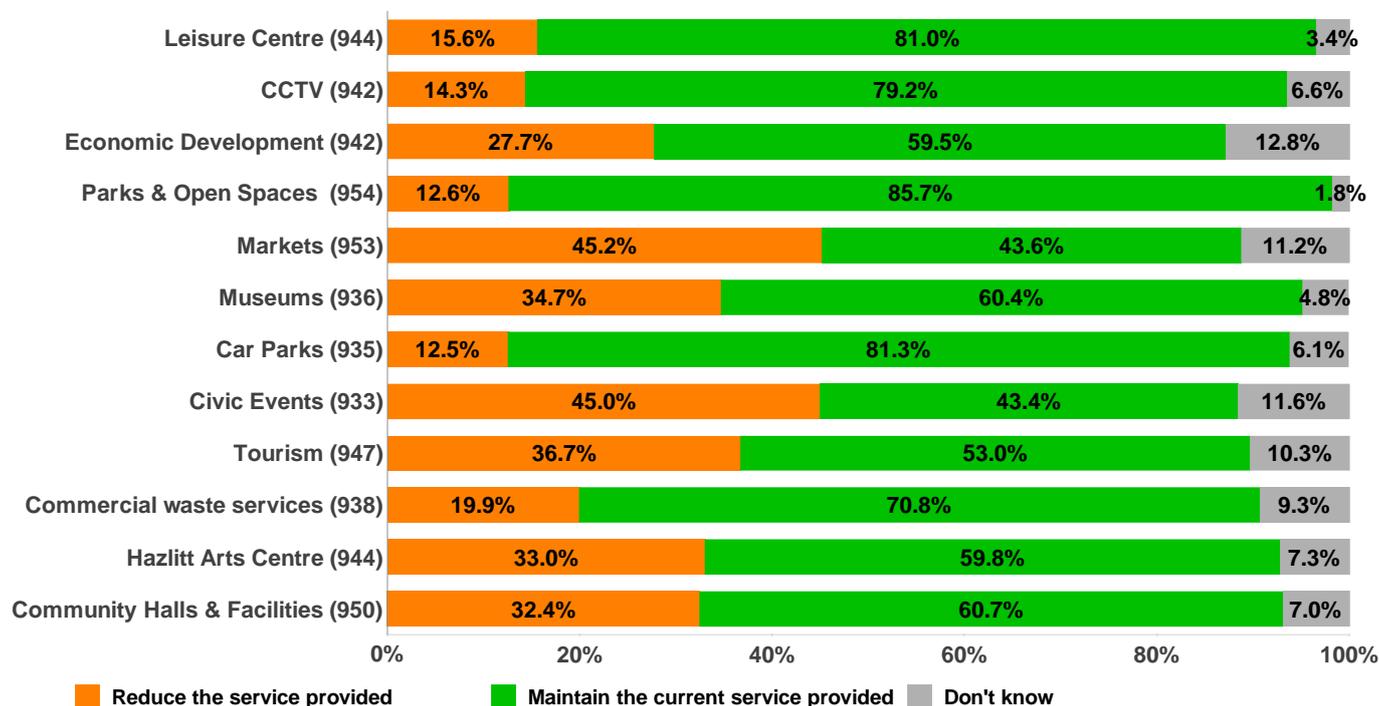
Discretionary Services Spending Approaches

Respondents were provided with the list of discretionary services detailing the current spend for each per council tax band D household. They were asked to indicate what approach they felt the Council should take in delivering the mandatory services. Three options provided for respondents to select from were:

- Reduce the service provided,
- Maintain the current service
- Don't know.

There was a total of 954 responses to this set of questions. Markets and Civic events had the greatest proportions where respondents stated 'reduce the service provided' at 45.2% and 45.0% respectively.

Parks & Open Spaces and Car Parks had the greatest proportions where respondents answered, 'maintain the current service' at 85.7% and 81.3% respectively.



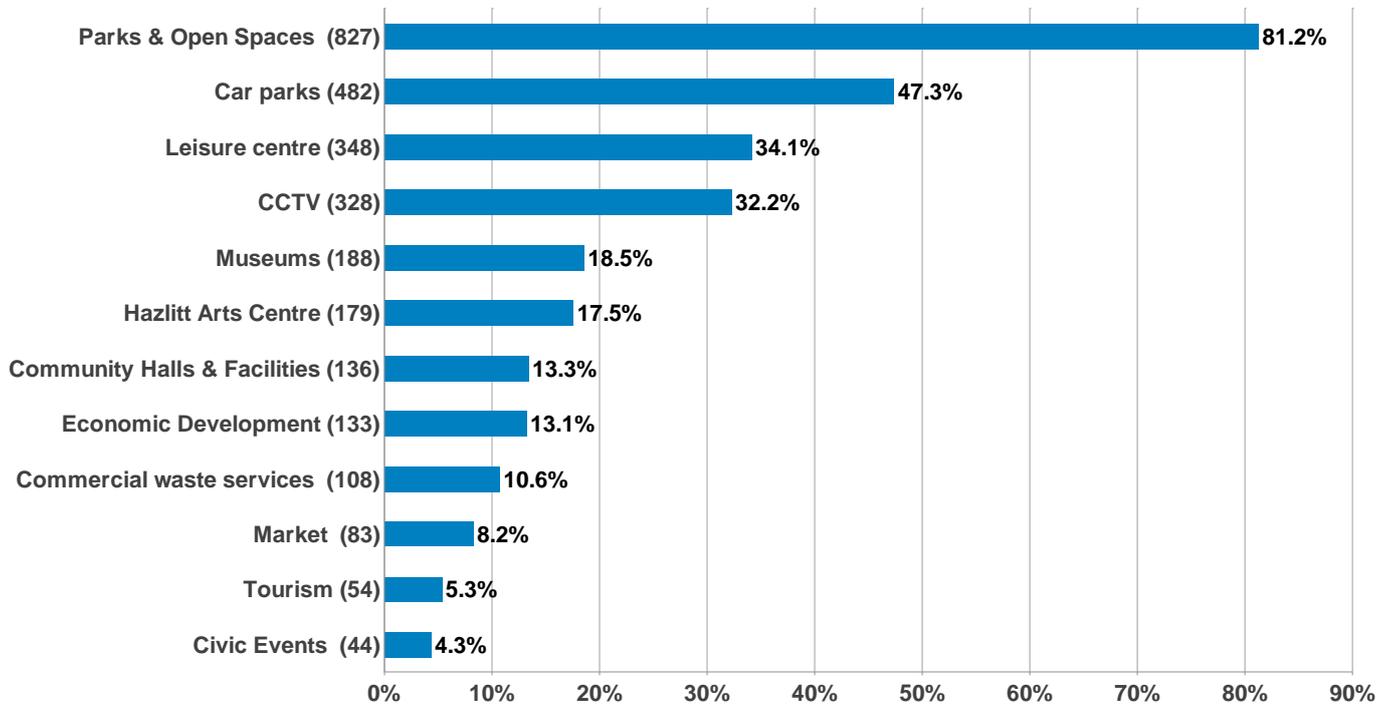
Demographic Differences

- A significantly greater proportion of respondents with a disability and those who are economically inactive said that Parks & Open Spaces should be reduced at 19.9% and 19.2% respectively.
- The proportion stating that Parks & Open Spaces should be reduced increases with age.
- A significantly greater proportion of economically inactive respondents said that the Market should be reduced with 50.1% answering this way compared to 42.6% of economically active respondents.
- A significantly greater proportion of male respondents said the Museum should be reduced with 37.9% answering this way compared to 30.5% of female respondents.
- Respondents with a disability had significantly greater proportion than those without a disability that said that Car Park services should be reduced with 19.7% answering this way compared to 11.1% of non-disabled respondents.
- Male respondents, economically inactive respondents and respondents in the age groups 55 years and upwards had greater than average proportions that said that civic events should be reduced.
- More than half of respondents with a disability said that Tourism should be reduced, significantly greater than the overall result and that for respondents without a disability.
- Respondents from minority groups and economically active respondents had significantly greater proportions stating that Commercial waste services should be reduced compared to their counterparts at 54.7% and 22.4% respectively.
- Male respondents and minority group respondents had significantly greater proportions than their counterparts that said that the Hazlitt Arts Centre and Community Halls & Facilities should be reduced.

Most Important Discretionary Services

The survey asked respondents to select the three discretionary services that were most important to them.

There were 827 responses to this question. The most common response was Parks & Open Spaces with 827 selecting this service. The least common response was Civic Events with 44 selecting this service as one of their top three.



Demographic Differences

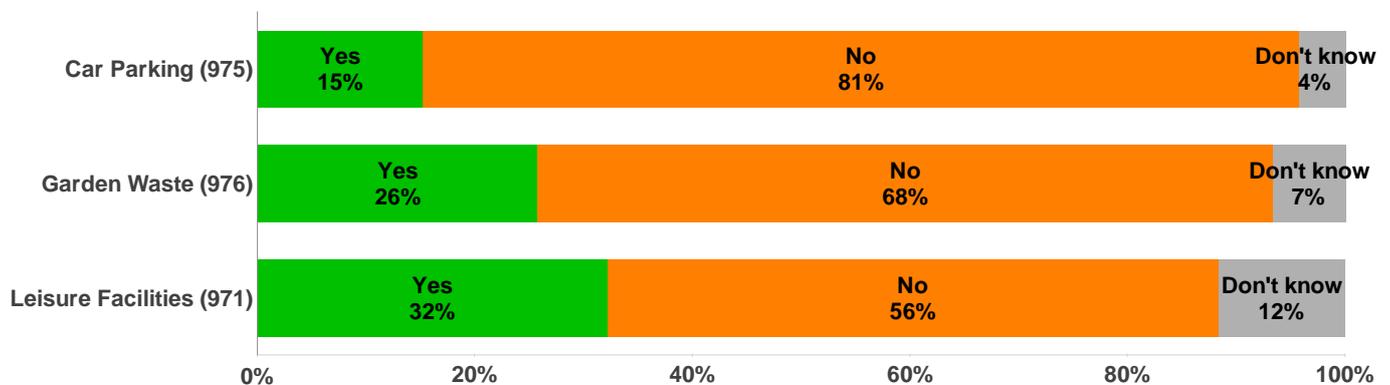
- Parks & Open Spaces was the most common response across all demographic groups.
- The second most common response was Car parks for all but three groups:
 - The Leisure centre was the second most common response for the 18 to 34 years and the 35 to 44 years groups. Both groups third most common response was Car parks.
 - The second most common response for those who had lived at their current address between 3 and 5 years was CCTV. This groups third most common response was the Leisure centre.

Paying more for services

The survey asked respondents if they would be prepared to pay more for car parking, garden waste and leisure facilities. There were 976 responses to this question.

Just under a third of respondents said they would pay more to use leisure facilities and just over a quarter said they would be prepared to pay more for garden waste collection.

Would you be willing to pay more for any of the following services?



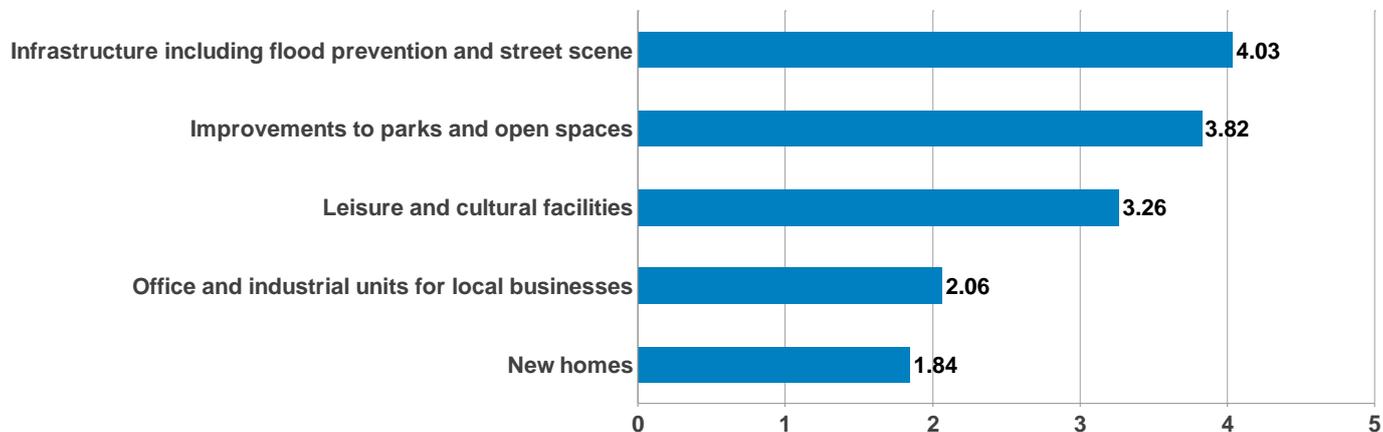
Demographic Differences

- Respondents from minority groups had a significantly greater proportion in favour of raising charges for car parking with 36.7% responding this way compared to 14.6% of respondents from white groups.
- Male respondents had a significant greater proportion in favour of increasing charges around leisure facilities with 41.3% answering this way compared to 24.9% of female respondents.

Priorities & Investments

Survey respondents were asked to place a list of investment programme priorities into their preferred order of importance. A total of 1,016 respondents ranked the investment priorities.

To assess this data, a weighted average has been used. The programmes placed first received 5 points and the programmes ranked last were given 1 point. These were then added together and divided by the number of respondents to give a weighted average.



This question was asked in the 2021/22 Budget Survey, undertaken in Autumn 2020 and the 2022/23 Budget Survey undertaken in Autumn 2021. Since the 2021/22 survey the order of the top three programmes has not changed.

In 2021/22 New Homes was ranked as fifth but moved up a place to fourth in 2022/23 and Office and Industrial units for local businesses has dropped from fourth to fifth. For this year (2023/24) New Homes has moved back to being the lowest priority for residents.

Demographic Differences

- Economically inactive respondents were more likely than economically active respondent to rank infrastructure, including flood prevention and street scene, as their top priority with 62.2% responding this way compared to 42.7% of the economically active group.
- The survey data suggests that as age increases there is a greater likelihood of Infrastructure being ranked first.
- Female respondents had a significantly greater proportion that ranked new homes last with 62.9% ranking this priority as fifth compared to 51.8% of male respondents.

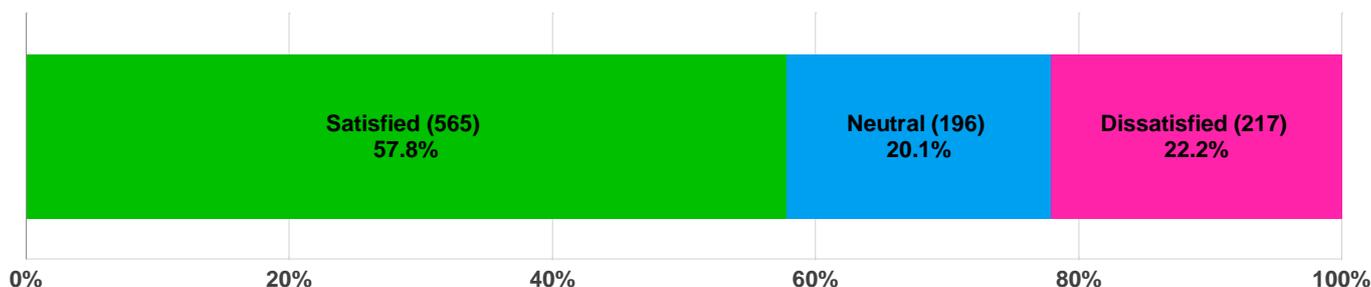
Living in Maidstone

Local area Satisfaction

Survey respondents were asked: 'How satisfied or dissatisfied are you with your local area as a place to live?' and given a five-point scale from 'very satisfied' to 'very dissatisfied'. There was a total of 978 respondents.

The most common response was 'fairly satisfied' with 438 answering this way.

In the last Budget Survey, undertaken in Autumn 2021, 51.0% of respondents answered positively. This has increased by 6.8 percentage points to 57.8% for the current year and demonstrates an overall increase in resident's satisfaction with Maidstone as a place to live.



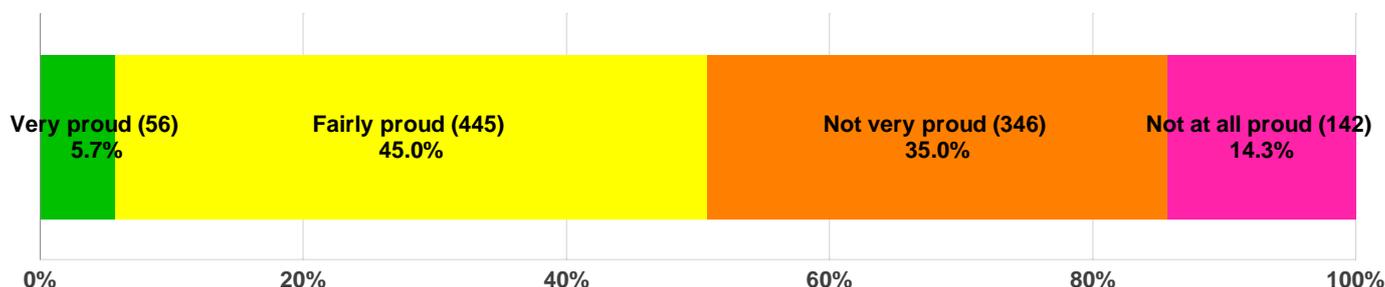
Demographic Differences

- Female respondents were significantly more satisfied with their local area as a place to live with 63.9% answering positively compared to 52.5% of male respondents answering the same.
- Respondents who have lived at their current address for more than ten years had lower proportions answering positively.

Pride in Maidstone Borough

The survey asked respondents: 'How proud are you of Maidstone Borough?', a total of 988 responded to this question.

Overall, 50.7% said they were either 'very proud' or 'fairly proud' of Maidstone Borough. The most common response was 'fairly proud' with 445 answering this way. In the last Budget Survey, undertaken in Autumn 2021, 50.4% of respondents answered positively. The change in the proportion responding positively compared to last year (0.3%) is considered negligible.



Demographic Differences

- Economically active respondents had a significantly greater proportion that answered positively with 54.8% answering this way compared to 43.2% of economically inactive respondents.
- Respondents with a disability had a significantly greater proportion that answered negatively with 61.8% answering this way compared to 46.2% of respondents without a disability.

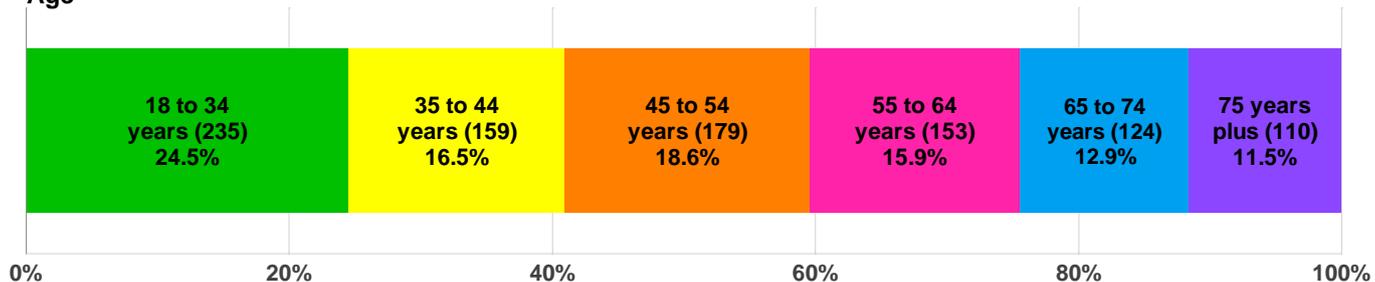
Budget Comments

Respondents to the survey were given the opportunity to make additional comments about the Council's budget and the funding of services. A total of 371 comments were received. These comments have been grouped into themes, with some comments containing multiple themes. The table below provides a summary of the comments for each of the top ten themes identified.

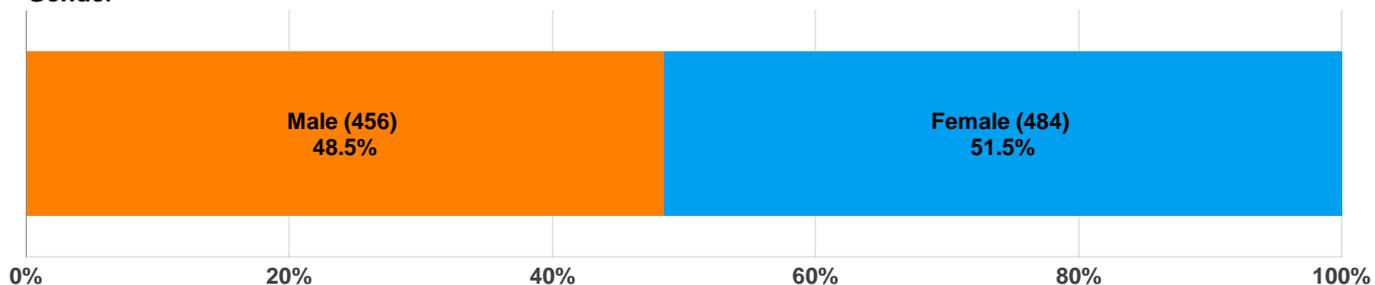
Theme	No.	Summary
Planning & Development (inc. infrastructure)	92	<ul style="list-style-type: none"> • Stop building new homes. • No infrastructure improvements to support growth. • Too much green space disappearing to new housing.
Roads & Traffic	66	<ul style="list-style-type: none"> • Conditions of roads. • Difficulty in getting from A to B due to congestion. • Speeding lorries, particularly in the rural communities.
VFM & Management Efficiencies	60	<ul style="list-style-type: none"> • Do not feel there is value for money from the amount of Council Tax paid (rural locations and suspension of services mentioned) • Spend money more wisely. • Don't spend money on 'vanity' projects. • Better contracts for services. • Cut managers and/or their salaries.
Crime, Safety & ASB	51	<ul style="list-style-type: none"> • Concerns about levels of ASB. • Request for more CCTV. • Requests for more visible policing.
Town centre	47	<ul style="list-style-type: none"> • Comments that the Town centre was shabby, with empty shops and little to attract people. • Several mentioned feeling unsafe in the Town Centre. • Desire to see improvements in the Town Centre.
Cleanliness	46	<ul style="list-style-type: none"> • Statements that cleanliness has deteriorated. • Increased litter and graffiti. • Requests for more litter bins.
The Environment & Waste Services	43	<ul style="list-style-type: none"> • Complaints about disruption to waste collections. • Concerns about pollution (many in reference to traffic). • Perception that the Council is anti-nature.
Parking & Public Transport	40	<ul style="list-style-type: none"> • Comments about new developments without parking facilities. • Suggestions of cheaper or free town centre parking. • Disappointment about the removal of Park & Ride service. • Comments about inadequacy bus services.
Inward migration	24	<ul style="list-style-type: none"> • Comments about people moving to the Borough from other areas (many mentioned London boroughs moving their tenants to Maidstone) and the impact of population increase on local services.
Deliver Essentials & Maintain Services & Support the Vulnerable	20	<ul style="list-style-type: none"> • Focus on the essentials. • Ensure support is vulnerable for most vulnerable. • Maintain current services.
Attracting visitors & inward investment	19	<ul style="list-style-type: none"> • Ensuring support for local businesses. • Making Maidstone a place where people want to invest.

Demographics

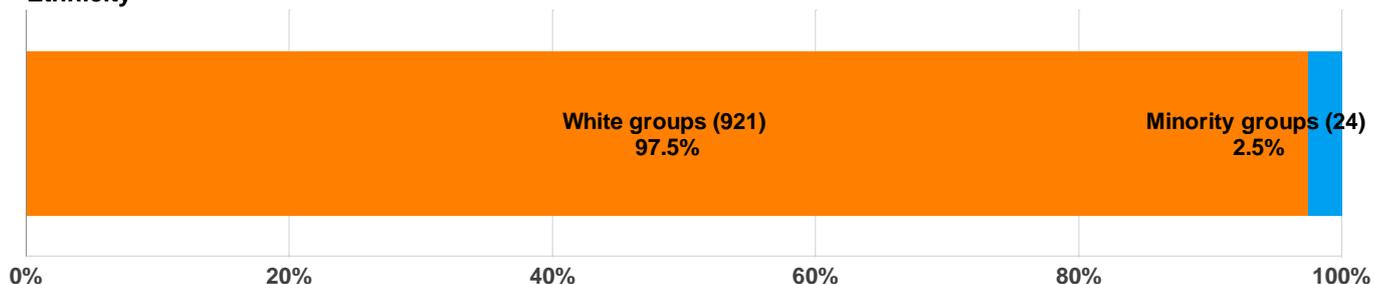
Age



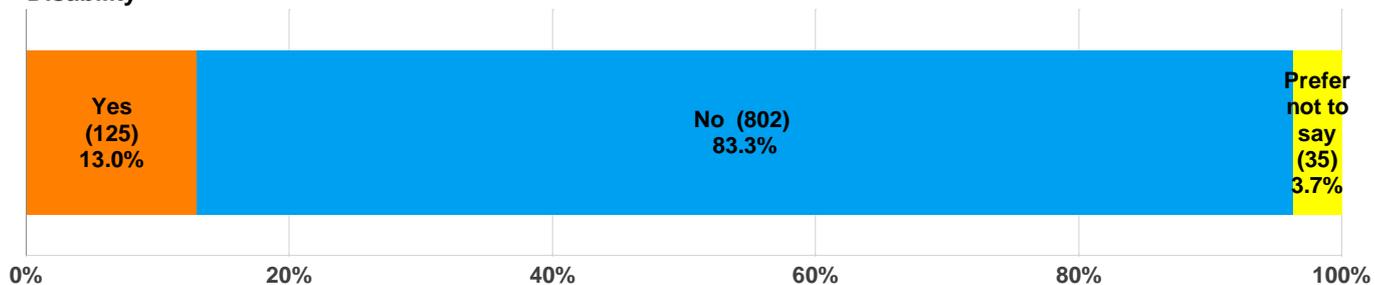
Gender



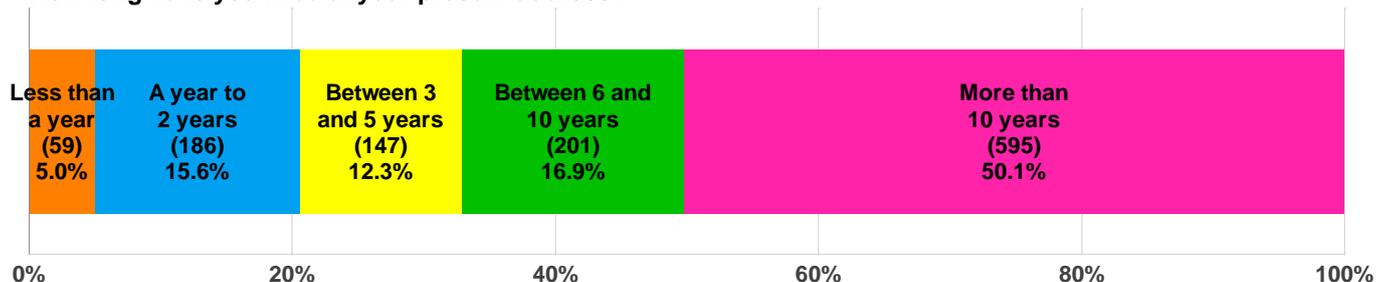
Ethnicity



Disability



How long have you lived at your present address?



**Corporate Services Policy
Advisory Committee**

18 January 2023

Medium Term Financial Strategy – Capital Programme

Timetable	
Meeting	Date
Corporate Services Policy Advisory Committee	18 January 2023
Executive Meeting	25 January 2023
Council	22 February 2023

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

Executive Summary

This report forms part of the process of agreeing a budget for 2023/24 and setting next year's Council Tax. It develops the outline of the capital programme and reconfirms the principles behind the Council's capital strategy, explains how the capital programme will be funded, and describes the individual projects that comprise the programme.

Purpose of Report

The report enables the Committee to consider and comment on the capital programme.

This report makes the following recommendations to the Corporate Services Policy Advisory Committee:

That the Committee recommends to the Executive that it:

1. Agrees the capital strategy principles set out in paragraph 2.6;
2. Agrees the capital funding projection set out in Appendix 2 to this report;
3. Agrees the capital programme 2023/24 onwards as set out in Appendix 3 to this report;
4. Notes that in agreeing recommendations 2 and 3 above the Committee will set a prudential borrowing limit of £193.6 million over the period of the programme which will be recommended to Council as part of the Treasury Management Strategy 2023/24;

Medium Term Financial Strategy – Capital Programme

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The Medium-Term Financial Strategy and the budget are a re-statement in financial terms of the priorities set out in the strategic plan. Specifically, the capital programme allows for investment in long term projects that support the strategic plan objectives.	Section 151 Officer & Finance Team
Cross Cutting Objectives	The MTFS supports the cross-cutting objectives in the same way that it supports the Council's other strategic priorities.	Section 151 Officer & Finance Team
Risk Management	This has been addressed in section 5 of the report.	Section 151 Officer & Finance Team
Financial	Set out in the report.	Section 151 Officer & Finance Team
Staffing	Staffing implications are taken into account when developing individual capital schemes.	Section 151 Officer & Finance Team
Legal	<p>Under Section 151 of the Local Government Act 1972 (LGA 1972) the Section 151 Officer has statutory duties in relation to the financial administration and stewardship of the authority, including securing effective arrangements for treasury management.</p> <p>The Medium-Term Financial Strategy demonstrates the Council's commitment to fulfilling its duties under the Act.</p> <p>Approval of the budget is a matter reserved for full Council upon recommendation by the Executive.</p>	Interim Team Leader (Contentious and Corporate Governance)
Information Governance	The recommendations do not impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council processes.	Senior Information Governance Officer
Equalities	This report sets out the overall capital programme. When an individual capital	Equalities and

	scheme is developed, changed or reviewed, an evidence-based equalities impact assessment will be undertaken. Should an impact be identified appropriate mitigations will be identified.	Corporate Policy Officer
Public Health	The resources to achieve the Council's objectives are allocated through the development of the Medium-Term Financial Strategy which sets the overall priorities for the capital programme.	Public Health Officer
Crime and Disorder	The resources to achieve the Council's objectives are allocated through the development of the Medium-Term Financial Strategy which sets the overall priorities for the capital programme.	Section 151 Officer & Finance Team
Procurement	Procurement of the capital schemes described in section 2 of this report will be in accordance with the procurement provisions within the Council's constitution.	Section 151 Officer & Finance Team
Biodiversity & Climate Change	The capital programme includes provision for funding to deliver schemes which will help meet the Council's biodiversity and climate change objectives.	Biodiversity and Climate Change Manager

2. INTRODUCTION AND BACKGROUND

Background

- 2.1 The capital programme plays a vital part in the Council's Strategic Plan, since long term investment is required to deliver many of the objectives of the plan. The capital programme is a rolling five-year programme, so sets out over the medium term how the Council will invest its capital resources.
- 2.2 The current capital programme 2022/23 – 2025/26 was approved by Council at its meeting on 23rd February 2022 and totals £233.5 million over five years. Details are set out in Appendix 1.
- 2.3 As part of budget setting process the Executive have considered the principles to ensure the capital plan is affordable and sustainable. In a similar manner to the Revenue budget considered three scenarios as part of setting the capital programme. The 3 scenarios are:
- 1) Minimum – delivering projects in progress, ensuring we meet our health and safety requirements and maintaining our assets.
 - 2) Optimum (prudent) – delivering the minimum and focusing capital investment on the strategic priorities.
 - 3) Maximum – delivering 1 and 2 plus further investment in other services.
- 2.4 The Optimum is the programme in Appendix 1 which we are recommending is approved. This has required some tough choices to ensure the capital investment is sustainable and affordable. The Minimum option would be significant reduction, as we would focus on maintaining assets and finishing projects. Over the 5-year period this would be around £36.8m. The Maximum is where the aspirations for Maidstone we discussed. The key areas where further investment was discussed, and investment considered were :
- New Leisure Facility £30.0m in addition to the maintenance costs.
 - Delivering 1,000 homes quicker £113.5m
- These additional costs would have increased the capital programme over the 5 years to around £266.6m.
- 2.5 The updated capital programme includes some significant reprofiling of the Private Rented Sector and 1,000 Affordable Homes housing schemes, as well as a number of new schemes. The current 5-year programme totals £202.5m over 5 years, so this updated programme is being delivered within a similar budget envelope. Individual items within the programme will be subject to specific reports to the Committee in due course. Additional projects to deliver other key priorities such as Temporary Accommodation, decarbonisation, town centre strategy and the purchase of vehicles for the waste contract are also included. Overall, it is considered that the expansion of the programme is affordable and sustainable and is required in order to deliver the Council's strategic objectives.

Capital Strategy

- 2.6 Under CIPFA's updated Prudential Code, the Council is required to produce a Capital Strategy, which is intended to give an overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services, along with an overview of how associated risk is managed and the implications for future financial sustainability.
- 2.7 The Capital Strategy is being considered by Audit, Governance & Standards Committee at its meeting on 16th January 2023. The Strategy describes how the Capital Programme is developed and the key points are set out below.
- 2.8 The Council has defined certain core principles for the inclusion of schemes within the capital programme. Schemes may be included in the capital programme if they fall within one of the four following categories:
- (i) Required for statutory reasons, e.g., to ensure that Council property meets health and safety requirements;
 - (ii) Self-funding schemes focused on Strategic Plan priority outcomes;
 - (iii) Other schemes focused on Strategic Plan priority outcomes; and
 - (iv) Other priority schemes which will attract significant external funding.
- 2.9 All schemes within the capital programme are subject to appropriate option appraisal. Any appraisal must comply with the requirements of the Prudential Code and the following locally set principles:
- (a) Where schemes fit within a specific strategy and resources are available within the capital programme for that strategy, such as the Asset Management Plan, the schemes are also subject to appraisal and prioritisation against the objectives of that strategy. These schemes must be individually considered and approved by the relevant service committee.
 - b) Where schemes require the use of prudential borrowing, a business case must first be prepared setting out the viability and justification in terms of necessity or contribution to the delivery of strategic goals.
- 2.10 Where schemes do not fit within the criteria above, but an appropriate option appraisal has been completed, they may still be included within the programme if they fall within one of the four categories set out above.
- 2.11 If, following all considerations, there are a number of approved schemes that cannot be accommodated within the current programme, a prioritised list of schemes that can be added to the programme as future resources permit will be created and approved by Policy and Resources Committee, thus allowing officers to focus funding efforts on delivering schemes that are next in priority order.

- 2.12 The Medium-Term Financial Strategy (MTFS) requires the Council to identify actual funding before commencement of schemes. Accordingly, while schemes may be prioritised for the programme, ultimately commencement of any individual scheme can only occur once all the necessary resources have been identified and secured.
- 2.13 The MTFS principles require that the Council will maximise the resources available to finance capital expenditure, in line with the requirements of the Prudential Code, through:
- a) The use of external grants and contributions, subject to maintaining a focus on the priority outcomes of its own strategies;
 - b) Opportunities to obtain receipts from asset sales as identified in the asset management plan and approved for sale by Policy and Resources Committee;
 - c) The approval of prudential borrowing when the following criteria also apply to the schemes funded by this method:
 - i. financial viability of the schemes can be clearly evidenced;
 - ii. the outcome returns economic value commensurate to the cost incurred by borrowing to fund the schemes;
 - iii. after covering the cost of funding, a further benefit accrues to the Council that directly or indirectly supports the objectives of the strategic plan or the medium-term financial strategy.
 - d) The use of residual New Homes Bonus for capital purposes (after a £1m top slice to support the revenue budget), in line with the Council's strategic plan priorities;
 - e) The implementation of a community infrastructure levy (CIL) and the management of its use, along with other developer contributions (S106), to deliver the objectives of the infrastructure delivery plan.
- 2.14 Service managers submit proposals to include projects in the Council's capital programme. Bids are collated by Corporate Finance who calculate the financing cost (which can be nil if the project is fully externally financed). Each Policy Advisory Committee appraises the proposals based on a comparison with corporate priorities. The Executive then recommends the capital programme which is then presented to Council in February each year.
- 2.15 Prior to any capital commitment being entered into, a detailed report setting out a full project appraisal and detailed financial projections is considered by the relevant service committee.

Funding the Capital Programme

- 2.16 All capital expenditure must be financed, either from external sources (grant funding and other contributions), the Council's own resources (revenue contributions, earmarked reserves, internal borrowing and capital receipts) or debt (external borrowing and other forms of corporate finance).

- 2.17 The Council currently has external borrowing of £5 million, representing Public Works Loan Board borrowing. With internal resources expected to be fully utilised in future, the Council will look to increase external borrowing to a maximum of £247.585m over the 5-year lifetime of the capital programme. Over this time the Council will seek a mixture of long term and short-term debt to minimise the risk of refinancing. The Director of Finance, Resources & Business Improvement may look to procure forward borrowing terms ahead of requiring funding for the capital programme. This is to lock into preferential rates in case of future rate rises.
- 2.18 The Council has hitherto used the New Homes Bonus to fund capital expenditure. The allocation for 2023/24 onwards has been reduced to £1.9 million, so to ensure that there is sufficient funding to support the viability of the 1,000 New Homes programme it is envisaged that this will be topped up from the Funding Guarantee that was announced as part of the Local Government Financial Settlement in December 2022.
- 2.19 External funding is sought wherever possible. The Council has received funding from the Government via the UK Shared Prosperity Fund, some of which is allocated to capital schemes, and funding will be sought in particular to support the Affordable Housing Programme.
- 2.20 Funding is also available through developer contributions (S 106) and the Community Infrastructure Levy (CIL).
- 2.21 The resource available for the capital programme, based on the detail above, is given in Appendix 2. The appendix shows total resources expected in the period 2023/24 to 2027/28 as £201.893m.

Capital Programme Proposals

- 2.22 Capital Programme proposals have been developed based on the principles set out above and reflect the strategic priorities agreed by Council when it set the current Strategic Plan.
- 2.23 Appendix 3 to this report sets out the recommended programme. This includes schemes that already form part of the existing capital programme together with new schemes that it is now proposed to include within the capital programme. Further details are set out below.

Communities, Housing and Environment

- 2.24 1,000 Homes Affordable Housing Programme - £72.4 million

In the Autumn of 2021, The Leader of the Council announced his ambition to build 1,000 affordable homes in the shortest period possible. A development strategy setting out how this ambition can best be achieved was agreed by Policy & Resources Committee on 19th January 2022. It is likely that the whole programme will take ten years to deliver, but the MTFs and capital programme is focussed upon the expenditure that will occur in the first five

years. The programme is likely to provide only Affordable Rented homes that will be let at 80% of market rent, capped at the Local Housing Allowance. The expenditure shown is net of any grant receipts from the likes of Homes England that will be necessary to deliver the programme. Expenditure in the initial years of the programme will be relatively modest as the focus will be upon land identification and acquisition, and the more costly works contracts will follow in the later years.

As indicated in the report on this item elsewhere on this evening's agenda, a subsidy will be required to deliver this Programme, which will be provided through a separate Housing Investment Fund.

2.25 Private Rented Sector Housing Programme - £33.1 million

This encompasses a number of schemes that are in the process of being identified and brought forward, but at this stage in the main are not contractually committed. These will be the subject of separate committee reports at the point a decision to proceed or not is required. This budget includes the refurbishment works being undertaken at Granada House (which is an existing PRS asset). All these PRS assets will be owned by the Council but leased (on a long-term basis) upon completion to Maidstone Property Holdings Limited to manage.

2.26 Temporary Accommodation - £32.0 million

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

2.27 Commercial Development (Maidstone East) - £1.97 million

The New Business and Housing Development team are in the process of preparing and submitting a planning application for the site. It will comprise circa 220 residential units, but in order to respond to the Local Plan Policy for the site, the scheme will need to include some non-residential (commercial) space too. At this stage, the expectation that this will be a Health related usage, most likely a GP surgery. A positive dialogue is ongoing with the local health trust, but no firm commitments have been made at this stage. This commercial usage is relatively modest in scale relative to the proposed residential accommodation.

2.28 Heather House Community Centre - £1.4 million

The Council decided to make a planning application to replace this facility with a brand-new community centre, together with the redevelopment of the adjacent Royal British Legion Pavilion site (for new housing), that also features in the capital programme. A resolution to grant planning permission was made in November 2022, and the works for both sites are currently being procured. Prior to any works contract being let, a further approval will be required by The Executive, and it is envisaged that a proposal will be ready to consider in circa April 2023. The cost of the new

community infrastructure may be offset to some degree by a combination of external grants, contributions, S106 and possibly even CIL monies.

2.29 Disabled Facilities Grants - £4.0 million

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

2.30 Acquisitions Officers Social Housing Delivery Partnership - £200,000

This funding is for two Acquisitions Officers to ensure delivery of the affordable housing programme, with the costs of the posts and ancillary costs capitalised and charged to the programme.

2.31 Street Scene Investment - £250,000

This capital programme item allows for items such as the provision of new bins.

2.32 Flood Action Plan - £550,000

The Council works with the Environment Agency and Kent County Council as part of the Medway Flood Partnership to develop measures to manage and reduce flood risk. A capital budget of £1 million was set aside for a flood action plan following the last major floods in the Maidstone area in winter 2013/14. No large-scale flood mitigation scheme was found to be feasible and individual household flood mitigation measures have been funded through central government grants. The residual budget is therefore being carried forward to fund further schemes that may be developed, including natural flood management schemes.

2.33 Continued Improvements to Play Areas - £280,000

This budget allows for play areas to continue to be upgraded to ensure they meet the current specifications and requirements.

2.34 Parks Improvements - £330,000

This is an annual budget to allow for any works that are identified in the parks to be undertaken, particularly where there is a health and safety issue to be addressed.

2.35 Section 106 Funded Works Open Spaces – £2.0 million

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

2.36 Expansion of Cemetery - £200,000

Further works are required to complete the tarmacking works in the cemetery and there are further plans for new fencing and possible expansion of the site to create space for new graves.

2.37 Expansion of Crematorium - £340,000

The proposal is to invest in a café and a florist on the site to generate additional revenue at the crematorium. Completion of the covered walkway is also included in the scheme.

2.38 Purchase of New Waste Collection Vehicles - £5.8 million

As part of the new waste collection contract the Council is planning to fund the capital costs of the new vehicle fleet, as it can access cheaper borrowing at lower rates than the contractor, and this will significantly reduce the costs of the contract. The budget sum includes a contingency for potential material and labour cost increases during the manufacturing process. The capital cost of the fleet was included within the evaluation process to ensure value for money is achieved.

Economic Regeneration & Leisure

2.39 Mote Park Lake Dam Works - £20,000

This budget is required for the final completion of this scheme

2.40 Museum Development Plan - £389,000

This capital budget exists to support implementation of the Museum's 20 year plan. A key element of this plan is to improve the quality of displays and storytelling in the Museum's permanent galleries through a rolling programme of refurbishment and redisplay. The first phase of this work will be a new gallery telling the story of Maidstone from prehistory to the end of the medieval period. Work is under way on planning this gallery, with a target opening date of Summer 2024. Although included in the capital budget for 2022/23, most of the planned expenditure of £389,000 is now expected to slip to 2023/24. The Council's funding is expected to be matched by external fundraising by the Maidstone Museums Foundation.

2.41 Leisure Provision - £7.0 million

Options for the future of the Leisure Centre were presented to the Economic Regeneration and Leisure Policy Advisory Committee in December 2022. This is an indicative budget at this stage, allowing for practical improvements to be made to the Leisure Centre in the short term, pending a refurbishment or replacement of the existing facilities in the medium term.

2.42 Tennis Courts Upgrade - £20,000

This funding is required to bring the courts in the parks back up to an acceptable playing standard.

2.43 Riverside Walk - £250,000

Proposals are under consideration for a riverside walk alongside the Medway by the Lockmeadow Millennium Bridge. Better access to the 22 river would be created from the Maidstone road bridge and other areas of interest along the river would be linked, such as the memorial park and Archbishop's Palace. Improvements to the riverside path would increase safety and reduce antisocial behaviour. Costings and detailed proposals are still to be developed and third party funding will be sought for the project. Specific proposals will be brought forward in due course but for the purpose of developing the capital programme an indicative budget was included in the capital budget for 2022/23. The planned expenditure of £250,000 is now expected to slip to 2023/24.

2.44 Mote Park Kiosk Refurbishment & Extension - £200,000

Following the opening of a new visitor centre on the southern side of Mote Park Lake, this project is intended to provide clean and safe facilities to replace the existing toilet block on the northern side

2.45 Town Centre Strategy - £5.5 million

The emerging Town Centre strategy action plan will present short-, medium- and long-term projects for improvements in the Town Centre, as part of a wider package of town centre projects. The capital programme includes an indicative sum of £5.5m to assist with delivery of these projects

Corporate Services

2.46 Corporate Property Acquisitions - £12.5 million

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

2.47 Lockmeadow ongoing investment - £1.5 million

Given the current economic environment further investment in the site will be needed to encourage both existing tenants to continue to operate and to also attract new ones in the future, as well as continuing to make it an attractive place to visit. This will help protect existing rental income streams and possibly increase them in due course.

2.48 Garden Community - £1.5 million

The Heathlands Garden Community is a public sector led proposition, whereby the Council is working in partnership with Homes England to promote the scheme through the Maidstone Local Plan Review (LPR). Positive progress continues to be made, as Heathlands now features as a draft "allocation" within the LPR, that is now approaching the stage 2 Hearings. Both partners are sharing the promotional costs 50:50, which are expected to total circa £3m to achieve the "allocation" in the adopted LPR later in 2023. Should this be achieved, there would be a further circa £2m of shared expenditure to achieve the outline planning permission, in 2025.

2.49 Infrastructure Delivery - £5.0 million

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

2.50 Asset Management / Corporate Property - £1.6 million

The Property Services section carries out a 5-year cycle of condition surveys of Council property which provide a costed programme of essential replacement or refurbishment of building elements to ensure the proper, compliant and efficient operation of the buildings in accordance with the Asset Management Plan. There is no financial return from the projects, but they do eliminate the accumulation of a backlog of maintenance, reduce the risk of failure and interruption of service and the cost of reactive maintenance.

2.51 Other Property Works - £880,000

This budget is for work required to various commercial properties to meet the requirements of the current Minimum Energy Efficiency Standards. This will mainly be upgrades to LED lighting and heating systems, but there may be a need to replace windows and improve insulation in some of the older buildings.

2.52 Biodiversity & Climate Change - £5.3 million

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

2.53 Photovoltaic Panels - £234,000

Proposals are under consideration for a solar panel arrays to be installed at several council owned locations. The arrays that are proposed on the available space would reduce the councils carbon emissions. They would be connected directly to Council properties with excess power generated sold to the national grid. The arrays will be installed along with green roofs which would allow for power generation while enhancing local biodiversity. It is estimated that the capital costs would be recouped in approximately 6 to 10 years.

2.54 Feasibility Studies - £250,000

An allowance has been included in the capital programme for feasibility works on schemes that are not yet ready to be included in the main programme.

2.55 Digital Projects - £140,000

This programme is for hardware and software development carried out in-house by the Digital team, such as website re-design, new webcasting facilities, and investment to streamline ways of working.

2.56 Software/PC Replacement - £1.0 million

This is an annual budget to allow replacement of ICT resources on an ongoing basis.

2.57 Maidstone House Works - £1.5 million

This budget is to continue to allow further investment in the building to make it an attractive place to work, to protect existing rental income streams and to encourage prospective new tenants.

2.58 Fleet Vehicle Replacement Programme – £1.5 million

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

2.59 Automation of Transactional Services - £150,000

This budget is to start the process of introducing more automated responses for telephone calls to the contact centre.

Planning & Infrastructure

2.60 There are no new schemes for this Committee. Residual funding from the Bridges Gyatory Scheme has been carried forward and will be used for a barrier to prevent flood water disgorging from the Medway Street pedestrian underpass beneath the A229.

3. AVAILABLE OPTIONS

- 3.1 Recommend that the capital strategy principles, funding arrangements and detailed proposals as set out in section 2 above are approved by the Executive and then submitted to Council.
 - 3.2 Recommend the capital programme as presented for approval by the Executive and then for consideration by Council
 - 3.3 Recommend amendments or deletion to some or all of the proposals and make any new alternative projects for consideration by the Executive.
 - 3.4 Defer a decision on the proposals to this Committee's meeting on 6th February 2023 where it can be considered as part of the full budget submission.
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4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 The preferred option is that the Committee agrees capital strategy principles (option 3.1) and recommend the proposed capital programme (option 3.2) to the Executive. Whilst a final decision is not required until Council sets a budget on 22 February 2023, an early decision by this Committee will allow advance planning to commence and will potentially allow the benefits of investment to be realised more quickly.
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5. RISKS

- 5.1 From now on, the capital programme will primarily be funded through prudential borrowing. Many of the schemes outlined above are projected to be self-funding. However, this assumes that the income assumptions on which they are based are reliable. In an uncertain economic environment, there is a significant risk that the cost of borrowing and the requirement to make provision for repayment will not be covered.
 - 5.2 The scale of the capital programme – around £200 million - will require considerable capacity for delivery and project management.
 - 5.3 At present it is anticipated that funding will be available for the capital programme. The funding risk has been mitigated by committing to borrow £80 million in advance over the period 2024 to 2026 at an affordable rate. We will use our Treasury Management Strategy to manage the cost of subsequent borrowing but there is a risk that funding could become more expensive generally, thus putting at risk the viability of more marginal schemes.
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6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 Corporate Services PAC received an initial report on the MTFS at its meeting on 16 November 2022.
- 6.2 Consultation is currently being carried out on the broader budget proposals for 2023/24. Corporate Services PAC are considering the budget proposals relating to capital schemes. There will be an opportunity for all PACs to consider the outcomes of revenue savings and growth during January 2023.
- 6.3 Public consultation on the budget has been carried out, as described in the report on revenue budget proposals elsewhere on the Committee's agenda. This identified that the most popular area amongst respondents for new investment was infrastructure, with flood prevention and the street scene cited as examples in the survey to illustrate what 'infrastructure' means.
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7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 The timetable for setting the budget for 2023/24 is set out below.

<i>Date</i>	<i>Meeting</i>	<i>Action</i>
6 February 2023	Corporate Services Policy Advisory Committee	Consider 23/24 budget proposals for recommendation to Executive
8 February 2023	Executive	Agree 23/24 budget proposals for recommendation to Council
22 February 2023	Council	Approve 23/24 budget

8. REPORT APPENDICES

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

- Appendix 1: Existing Capital Programme 2022/23 to 2026/27
 - Appendix 2: Estimated Capital Resources 2023/24 to 2027/28
 - Appendix 3: Proposed Capital Programme 2023/24 to 2027/28
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9. BACKGROUND PAPERS

There are no background papers.

CAPITAL PROGRAMME 2022/23 - 2026/27

	Projected Budget 2021/22	Five Year Plan					Total 21/22 to 25/26
		2022/23	2023/24	2024/25	2025/26	2026/27	
	£000	£000	£000	£000	£000	£000	£000
Housing - Disabled Facilities Grants Funding	1,017	1,500	800	800	800	800	4,700
Temporary Accommodation	3,008	1,560					1,560
Brunswick Street	233						
Union Street	217						
Springfield Mill - Phase 1							
Springfield Mill - Phase 2	2,045	200					200
Private Rented Sector Housing Programme	1,125	2,316	4,632	11,579	11,579	16,211	46,317
Affordable Housing Programme - Trinity Place		500					500
1,000 Homes Affordable Housing Programme	750	5,679	11,358	28,396	28,396	39,754	113,582
Market Sale Housing Programme - Costs of Scheme		515	5,682	5,682	5,167	5,167	22,213
Market Sale Housing Programme - Receipts				-1,853	-12,400	-12,400	-26,653
Acquisitions Officer - Social Housing Delivery P/ship	160	160	160	160	160	160	800
Granada House Refurbishment Works	20	980	1,000				1,980
Street Scene Investment	50	50	50	50	50	50	250
Flood Action Plan	244	200	200	200	150		750
Electric Operational Vehicles	84						
Vehicle Telematics & Camera Systems	35						
Rent & Housing Management IT System	19						
Installation of Public Water Fountains	15						
Crematorium & Cemetery Development Plan	378						
Continued Improvements to Play Areas	200						
Parks Improvements	149	50	50	50	50	50	250
Gypsy & Traveller Sites Refurbishment	50	1,900					1,900
Waste Crime Team - Additional Resources		25					25
Section 106 funded works - Open Spaces		400	400	400	400	400	2,000
Sub-total Communities, Housing & Environment	9,798	16,035	24,332	45,464	34,352	50,192	170,374
Mote Park Visitor Centre & Estate Services Building	1,233	1,543					1,543
Mote Park Lake - Dam Works	672						
Mall Bus Station Redevelopment	1,006						
Museum Development Plan		389					389
Leisure Provision		100	100	500	14,300	15,000	30,000
Cobtree Golf Course New Clubhouse		4	111	333			449
Tennis Courts Upgrade		20					20
Riverside Walk Works		250	250				500
Sub-total Economic Regeneration & Leisure	2,910	2,306	461	833	14,300	15,000	32,901
Corporate Property Acquisitions	11,809	2,500	2,500	2,500	2,500	2,500	12,500
Kent Medical Campus - Innovation Centre	3,000	250					250
Lockmeadow Ongoing Investment	932	500	1,100				1,600
Garden Community	1,613	200	200	200	200	200	1,000
Infrastructure Delivery		1,000	1,000	1,000	1,000	1,000	5,000
Asset Management / Corporate Property	1,653	175	175	175	175	175	875
Other Property Works		980					980
Biodiversity & Climate Change	100	1,400		500	500	500	2,900
Feasibility Studies	162	50	50	50	50	50	250
Digital Projects	25	25	25	25	25	25	125
Software / PC Replacement	342	200	200	200	200	200	1,000
Maidstone House Works		1,000					1,000
Automation Projects		200					200
New Ways of Working - Make the Office Fit for Purpose		40					40
Archbishop's Palace		400	400				800
Fleet Vehicle Replacement Programme	748	149	456	457	270	96	1,428
Sub-total Policy & Resources	20,384	9,069	6,106	5,107	4,920	4,746	29,948
Bridges Gyrotary Scheme	86	120					120
Sub-total Strategic Planning & Infrastructure	86	120					120
TOTAL	33,179	27,530	30,899	51,404	53,572	69,938	233,343

ESTIMATED CAPITAL PROGRAMME RESOURCES 2023/24 - 2027/28

Source of Funding	2022/23 £000	Estimate					5 year Total £000
		2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	
External Sources	1,500	2,470	2,832	1,500	1,500	1,500	9,802
Own resources (including Internal borrowing)	7,950	5,450	5,450	5,450	5,450	5,450	27,250
External Borrowing	26,021	30,997	41,428	40,694	28,036	23,686	164,841
Total	35,471	38,917	49,710	47,644	34,986	30,636	201,893

	Current Estimate 2022/23 £000	Revised Estimate 2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	Total (5 years) £000
Communities, Housing & Environment								
Private Rented Sector Housing	4,133	2,273	3,090	6,765	6,832	9,578	6,861	33,125
1,000 Homes Affordable Housing Programme - Expenditure	5,179	7,600	6,123	20,080	22,825	25,487	22,442	96,958
1,000 Homes Affordable Housing Programme - Social Housing Grant			-5,790	-3,120	-1,290	-8,250	-6,060	-24,510
Temporary Accommodation	4,330	4,330	12,000	12,000	8,000			32,000
Commercial Development - Maidstone East		200	156	623	623	468	100	1,970
Heather House Community Centre		150	319	701	351	75		1,446
Market Sale Housing Programme - Heather House & Pavilion Building	515							
Housing - Disabled Facilities Grants Funding	1,640	1,640	800	800	800	800	800	4,000
Springfield Mill - Phase 2	731	731						
Affordable Housing Programme - Trinity Place	500	500						
Acquisitions Officer - Social Housing Delivery P/ship	160	160	200					200
Street Scene Investment	70	70	50	50	50	50	50	250
Flood Action Plan	430	430	200	200	150			550
Electric Operational Vehicles	84	84						
Vehicle Telematics & Camera Systems	22	22						
Rent & Housing Management IT System	11	11						
Installation of Public Water Fountains	15	15						
Crematorium & Cemetery Development Plan	137	250						
Continued Improvements to Play Areas	126	126	50	50	60	60	60	280
Parks Improvements	152	152	50	60	70	70	80	330
Gypsy & Traveller Sites Refurbishment	1,421	1,421						
Waste Crime Team - Additional Resources	25	25						
Section 106 funded works - Open Spaces	400	400	400	400	400	400	400	2,000
Expansion of Cemetery (New scheme)			80	120				200
Expansion of Crematorium (New scheme)			340					340
Purchase of New Waste Collection Vehicles (New scheme)			5,800					5,800
Total	20,080	20,589	23,868	38,730	38,871	28,737	24,733	154,939

	Current Estimate 2022/23 £000	Revised Estimate 2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	Total (5 years) £000
Economic Regeneration & Leisure								
Mote Park Visitor Centre	1,307	1,307						
Mote Park Lake - Dam Works	486	486	20					20
Museum Development Plan	389		389					389
Leisure Provision	100	100	3,000	1,000	1,000	1,000	1,000	7,000
Tennis Courts Upgrade	20	20	20					20
Riverside Walk Works	250		250					250
Mote Park Kiosk Refurbishment & Extension (New scheme)		50	200					200
Town Centre Strategy (New scheme)			450	2,700	2,350			5,500
Total	2,552	1,963	4,329	3,700	3,350	1,000	1,000	13,379
Corporate Services								
Asset Management / Corporate Property	1,561	1,261	875	175	175	175	175	1,575
Corporate Property Acquisitions	3,181	3,181	2,500	2,500	2,500	2,500	2,500	12,500
Kent Medical Campus - Innovation Centre	341	341		250				250
Lockmeadow Ongoing Investment	203	203	500	250	250	250	250	1,500
Garden Community	1,633	1,100	733	200	200	200	200	1,533
Infrastructure Delivery	1,000	1,000	1,000	1,000	1,000	1,000	1,000	5,000
Other Property Works	980	100	500	380				880
Biodiversity & Climate Change	1,478	250	2,788	1,540	500	500		5,328
Photovoltaic Panels			234					234
Feasibility Studies	122	122	50	50	50	50	50	250
Digital Projects	25	25	28	28	28	28	28	140
Software / PC Replacement	336	336	200	200	200	200	200	1,000
Maidstone House Works	1,000	1,000	500	250	250	250	250	1,500
Automation Projects	200	200						
New Ways of Working - Make the Office Fit for Purpose	40	40						
Fleet Vehicle Replacement Programme	533	900	456	457	270	96	250	1,529
Election Polling Booths (New scheme)		20						

	Current Estimate 2022/23 £000	Revised Estimate 2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	Total (5 years) £000
Automation of Transactional Services (New scheme)			150					150
Total	12,633	10,079	10,514	7,280	5,423	5,249	4,903	33,369
Planning & Infrastructure								
Bridges Gyratory Scheme	206		206					206
Total	206		206					206
TOTAL	35,471	32,631	38,917	49,710	47,644	34,986	30,636	201,893