

COMMUNITIES, HOUSING AND ENVIRONMENT POLICY ADVISORY COMMITTEE MEETING

Date: Tuesday 14 February 2023
Time: 6.30 pm
Venue: Town Hall, High Street, Maidstone

Membership:

Councillors McKenna (Chairman), Newton (Vice-Chairman), Bartlett, Brindle, Fort, Khadka, Rose, R Webb and Young

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 item needs to be taken in private because of the possible disclosure of exempt information. | |
| 8. Minutes of the Meeting Held on 17 January 2023 | 1 - 5 |
| 9. Presentation of Petitions (if any) | |
| 10. Question and Answer Session from Local Residents (if any) | |
| 11. Questions from Members to the Chairman (if any) | |
| 12. Forward Plan relating to the Committee's Terms of Reference | 6 - 11 |
| 13. Financial Update & Performance Monitoring Report | 12 - 47 |
| 14. Award of Arboricultural Services Contract | 48 - 55 |
| 15. Commissioning Support from the VCS | 56 - 66 |
| 16. Review of Housing Assistance Policy (including DFG) | 67 - 85 |

Issued on Monday 6 February 2023

Continued Over/:

Alison Broom

Alison Broom, Chief Executive

17. 1000 Homes Update

86 - 117

18. Housing Strategy 2023-28

118 - 148

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 10 February 2023). 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 10 February 2023). You will need to tell us which agenda item you wish to speak on.

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

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

Agenda Item 8

MAIDSTONE BOROUGH COUNCIL

COMMUNITIES, HOUSING AND ENVIRONMENT POLICY ADVISORY COMMITTEE

MINUTES OF THE MEETING HELD ON TUESDAY 17 JANUARY 2023

Attendees:

Committee Members:	Councillors Newton (Vice-Chairman) , Bartlett, Brindle, Conyard, Parfitt-Reid, Round, S Webb, Newton, Bartlett, Brindle, Fort, Rose, Young and Conyard
Lead Members:	Lead Member for Communities and Public Engagement Lead Member for Environmental Services Lead Member for Housing and Health

98. APOLOGIES FOR ABSENCE

Apologies were received from Councillor McKenna (Chairman), Khadka and R Webb.

99. NOTIFICATION OF SUBSTITUTE MEMBERS

Councillor Conyard was present as a Substitute Member for Councillor Khadka.

100. URGENT ITEMS

Whilst it was not an urgent item, the Minutes of the Meeting Held on 13 December 2022 which were circulated to the Committee were to be taken with Item 8 – Minutes of the Meeting Held on 13 December 2022 adjourned to 19 December 2022.

101. NOTIFICATION OF VISITING MEMBERS

Councillor Perry was in attendance as a Visiting Member for Item 15 – Medium Term Financial Strategy and Saving Proposals 2023/24 and Item 16 – Property acquisition for 1,000 affordable homes programme – Staplehurst Ward.

102. DISCLOSURES BY MEMBERS AND OFFICERS

There were no disclosures by Members and Officers.

103. DISCLOSURES OF LOBBYING

There were no disclosures of lobbying.

104. EXEMPT ITEMS

RESOLVED: That all Items be taken in public unless any Member of the Committee wished to specifically refer to any of the information contained within ;

- Item 18 – Exempt Minutes of the Meeting Held on 19 December 2022,
- Item 19 – Exempt Appendices – Property acquisition for 1,000 affordable homes programme – Staplehurst Ward, or
- Item 20 – Exempt Appendices - Property acquisition for 1,000 affordable homes programme – Bridge Ward.

In which case the Committee would enter into closed session due to likely disclosure of exempt information.

105. MINUTES OF THE MEETING HELD ON 19 DECEMBER 2022

RESOLVED: That:

1. The exempt Minutes of the Meeting Held on 19 December 2022,
2. The Minutes of the Meeting held on 13 December 2022 and;
3. The Minutes of the Meeting held on 19 December 2022 be approved as a correct and accurate record.

106. PRESENTATION OF PETITIONS

There were no petitions.

107. QUESTION AND ANSWER SESSION FROM LOCAL RESIDENTS

There were no questions from local residents.

108. QUESTIONS FROM MEMBERS TO THE CHAIRMAN

There were no questions from the Members to the Chairman.

109. FORWARD PLAN RELATING TO THE COMMITTEE'S TERMS OF REFERENCE

RESOLVED: That the Forward Plan relating to the Committee's Terms of Reference be noted.

110. EQUALITIES POLICY AND ACTION PLAN - UPDATE

The report was introduced by the Lead Member for Communities and Public Engagement. They explained that the progress of the Equalities Action Plan was reported to the Committee on an annual basis. The report outlined the responsibilities of the Council under the Equalities Act 2010. The Council's Equalities Policy includes three overarching objectives in place which are as an Employer, a Service Provider and a Community Leader.

It was explained that this was a light touch update to the current policy, which was developed with input from the Equalities, Diversity and Inclusion Officer Group. The new action plan addressed the financial climate and included poverty as an additional protected characteristic.

RESOLVED: That the Executive be recommended:

1. To note the progress on the Equalities Objectives and Action Plan update at appendix 1 to the report and outlined at paragraph 2.6-2.11 in the report

2. To consider and recommend the proposed changes to the Equalities Policy as outlined at paragraph 2.17-2.21 in the report.
3. To consider and recommend the revised actions for the Equalities Action Plan as outlined at paragraph 2.22–2.29 in the report (appendix 3).
4. To consider and recommend the inclusion of Poverty as an additional protected characteristic as outlined at paragraph 2.33

111. STRATEGIC PLAN REFRESH 2023-28

The Lead Member for Housing and Health introduced the report and advised the Strategic Plan Refresh was focussed on updating the milestones for 2023-2028 as the Council responded to the National and Local environment. The changes to Embracing Growth and Enabling Infrastructure reflected progress on the local plan and the importance of engagement. Safe Clean and Green had an increased emphasis on climate change and biodiversity, as well as a broadened action on open spaces to ensure promotion as well as enforcement.. A Thriving Place had been updated to raise the profile of the Town Centre Strategy investment. Homes and Communities reflects the commitment to deliver 1000 affordable homes and to reflect community resilience, partnership, working and those in financial crisis.

RESOLVED: That the Executive be recommended to approve the proposed refreshed areas of focus for the Council’s Strategic Plan for the period 2023-2028, set out in Appendix A, be approved.

112. MEDIUM TERM FINANCIAL STRATEGY AND SAVING PROPOSALS 2023/24

The Lead Member for Housing and Health introduced the report and advised the Strategic Plan Refresh was focussed on updating the milestones for 2023-2028 as the Council responded to the National and Local environment. The changes to Embracing Growth and Enabling Infrastructure reflected progress on the local plan and the importance of engagement. Safe Clean and Green had an increased emphasis on climate change and biodiversity, as well as a broadened action on open spaces to ensure promotion as well as enforcement.. A Thriving Place had been updated to raise the profile of the Town Centre Strategy investment. Homes and Communities reflects the commitment to deliver 1000 affordable homes and to reflect community resilience, partnership, working and those in financial crisis.

RESOLVED: That the Executive be recommended to approve the proposed refreshed areas of focus for the Council’s Strategic Plan for the period 2023-2028, set out in Appendix A, be approved.

113. PROPERTY ACQUISITION FOR 1,000 AFFORDABLE HOMES PROGRAMME - STAPLEHURST WARD

The Lead Member for Housing and Health introduced the report and advised there would be a number of affordable housing units, with parking and a commercial space. The outline planning application for the site had been submitted, and the current owners of the site had agreed to sell to the Council.

In response to questions, the Committee were assured that there had been multi-agency working to ensure the pricing was correct.

RESOLVED: That the Executive be recommended that:

1. The financial returns for the proposed acquisition as shown in Appendix 1, which is part 2 of the report, which support the Housing Development and Regeneration Investment Plan and the overall Development Strategy be approved.
2. The Director of Finance, Resources and Business Improvement be granted delegated authority to:
 - a. Negotiate terms for the purchase of the site, for the sum as shown in the Exempt Appendix 1 of this report.
 - b. Procure and enter into all such deeds, agreements, contracts, and documents which may be required to facilitate the purchase of the site and the subsequent redevelopment works required to deliver the scheme referred to in this report. Including (but not limited to) any related appointments such as suitably qualified consultants and Contractor.
 - c. Subject to satisfactory conclusion of all due diligence, to negotiate and finalise and complete all legal formalities, deeds and agreements which may be required to facilitate the purchase.
3. The Head of Mid Kent Legal Services be authorised to appoint the solicitors required to negotiate and complete the necessary contract documentation, deeds and agreements associated with the purchase and construction works on the terms as agreed by the Director of Finance, Resources & Business Improvement.
4. Post completion of the procurement process, to employ the necessary consultants to progress the planning application. To appoint a contractor to bring forward for approval to this Committee a detailed project delivery and investment plan (prior to the development itself commencing)

114. PROPERTY ACQUISITION FOR 1000 HOMES PROGRAMME - BRIDGE WARD

The report was introduced by the Lead Member for Housing and Health, who explained there would be 19 units on brownfield sites close to the Town Centre. There was a full planning application in place for affordable rented units. The Council would consult with the developer to gain a S106 agreement.

RESOLVED: That the Executive be recommended that:

1. The financial returns for the proposed acquisition as shown in Exempt Appendix 2 of the report, which supports the Housing Development and Regeneration Investment Plan and overall Development Strategy, be approved.
2. The Director of Finance, Resources and Business Improvement be granted delegated authority to:

- a) Negotiate terms for the purchase of the proposed acquisition for the sum as shown in the Exempt Appendix 2 of this report.
 - b) Procure and enter into all such deeds, agreements, contracts and documents which may be required to facilitate the purchase of the site, and the subsequent redevelopment works required to deliver the scheme referred to in this report. Including (but not limited to) any related appointments such as a suitably qualified consultants and Contractor.
 - c) Subject to satisfactory conclusion of all due diligence to negotiate and finalise and complete all legal formalities, deeds and agreements which may be required to facilitate the purchase.
3. The Head of Mid Kent Legal Services be authorised to appoint Solicitors to negotiate and complete the necessary contract documentation, deeds and agreements associated with the purchase and construction works on the terms as agreed by the Director of Finance, Recourses & Business Improvement.
 4. Post completion of the procurement process to appoint a contractor, to bring forward for approval a detailed project delivery and investment plan (prior to the development itself commencing).

118. DURATION

6:30 p.m. until 7:19 p.m.

MAIDSTONE BOROUGH COUNCIL FORWARD PLAN FOR THE FOUR MONTH PERIOD 1 FEBRUARY 2023 TO 31 MAY 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:

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

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

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

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

Copies of the Council's constitution, forward plan, reports and decisions may be inspected at 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
Award of Arboricultural Services Contract Report to advise committee on the scope of the contract to provide tree pruning, tree safety works, planting and emergency call out service relating to Maidstone Borough Council owned land and tree stock. Committee are asked to endorse the award of contract to the selected company.	Lead Member for Environmental Services	Lead Member for Environmental Services	23 Feb 2023	Yes	No Open	Communities, Housing and Environment Policy Advisory Committee 14 Feb 2023	Award of Arboricultural Services Contract	Andrew Williams andrewwilliams@maidstone.gov.uk
Commissioning Support from the VCS Support services delivered by VCS	Lead Member for Communities and Public Engagement	Lead Member for Communities and Public Engagement	27 Feb 2023	No	No Open	Communities, Housing and Environment Policy Advisory Committee 14 Feb 2023	Commissioning Support from the VCS	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
<p>Review of Housing Assistance Policy (including DFG) This policy addresses a number of services and funding streams delivered from within the Housing and Community Services department, to include the Disabled Facilities Grant and the Help You Home scheme too. The document sets out how these funding streams are utilised to deliver the desired community benefits.</p>	Executive	Lead Member for Housing and Health	22 Mar 2023	Yes	No Open	Communities, Housing and Environment Policy Advisory Committee 14 Feb 2023	Review of Housing Assistance Policy (including DFG)	<p>John Littlemore johnlittlemore@maidstone.gov.uk</p>

Details of the Decision to be taken	Decision to be taken by	Lead Member	Expected Date of Decision	Key	Exempt	Proposed Consultees / Method(s) of Consultation	Documents to be considered by Decision taker	Representations may be made to the following officer by the date stated
<p>Housing Strategy 2022-27</p> <p>The proposed themes for the new housing strategy were approved by the CHE Committee in early 2022, and these have since been subject to public consultation. Therefore the new housing strategy, as drafted, takes account of these consultation responses, and is now ready for consideration for adoption.</p>	Executive	Lead Member for Housing and Health	22 Mar 2023	Yes	No Open	Communities, Housing and Environment Policy Advisory Committee 14 Feb 2023	Housing Strategy 2022-27	<p>John Littlemore</p> <p>johnlittlemore@maidstone.gov.uk</p>
<p>Property Acquisition for 1,000 Affordable Homes Programme</p> <p>Report regarding acquisition of site for 1,000 Affordable Homes Programme</p>	Executive	Lead Member for Housing and Health	22 Mar 2023	Yes	No Part exempt	Communities, Housing and Environment Policy Advisory Committee 14 March 2023	Property Acquisition for 1,000 Affordable Homes Programme	<p>Philip Morris</p> <p>phlipmorris@maidstone.gov.uk</p>

Details of the Decision to be taken	Decision to be taken by	Lead Member	Expected Date of Decision	Key	Exempt	Proposed Consultees / Method(s) of Consultation	Documents to be considered by Decision taker	Representations may be made to the following officer by the date stated
Heather House and Royal British Legion site A report seeking approval to enter into contract with contractors for proposed works to Heather House and Royal British Legion Buildings.	Executive		22 Mar 2023	Yes	No Part exempt	Communities, Housing and Environment Policy Advisory Committee 14 March 2023	Heather House and Royal British Legion site	Philip Morris, Alison Elliott Philipmorris@maidstone.gov.uk, alisonelliott@maidstone.gov.uk

Agenda Item 13

COMMUNITIES, HOUSING & ENVIRONMENT POLICY ADVISORY COMMITTEE

14 February 2023

3rd Quarter Financial Update & Performance Monitoring Report 2022/23

Timetable	
Meeting	Date
Communities, Housing & Environment Policy Advisory Committee	14 February 2023

Will this be a Key Decision?	No
Urgency	Not Applicable
Final Decision-Maker	Not Applicable – report for noting by the Communities, Housing & Environment Policy Advisory Committee
Lead Head of Service	Mark Green, Director of Finance, Resources & Business Improvement
Lead Officer and Report Author	Paul Holland, Senior Finance Manager Georgia Harvey, Senior Information Governance Officer Orla Sweeney, Senior Policies & Communities Officer Charlotte Yarnold, Programme Manager (Strategic Planning)
Classification	Public
Wards affected	All

Executive Summary

This report sets out the 2022/23 financial and performance position for the services reporting into the Communities, Housing & Environment Policy Advisory Committee (CHE PAC) as at 31st December 2022 (Quarter 3). The primary focus is on:

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

The combined reporting of the financial and performance position enables the Committee to consider and comment on the issues raised and actions being taken to address both budget pressures and performance issues in their proper context, reflecting the fact that the financial and performance-related fortunes of the Council are inextricably linked.

The budgets used in this report are the revised estimate for 2022/23.

Budget Monitoring

Overall net expenditure at the end of Quarter 3 for the services reporting to this committee is £6.643m, compared to the approved profiled budget of £6.986m, representing an underspend of £0.343m. However, the forecast for the end of the year shows a projected overspend of -£0.289m

Capital expenditure at the end of Quarter 3 was £8.391m against a total budget of £20.589m.

Performance Monitoring

20.0% (1 of 5) targetable quarterly key performance indicators reportable to the Communities, Housing & Environment Policy Advisory Committee achieved their Quarter 3 target.

Recovery & Renewal Update

A number of actions across the three areas of focus in the Recovery and Renewal Action have now been completed. This is shown in the update at Appendix 3.

UK Shared Prosperity Fund Update

An update on progress made against schemes using this funding is shown at Appendix 4.

Purpose of Report

The report enables the Committee to consider and comment on the issues raised and actions being taken to address both budget pressures and performance issues as at 31st December 2022.

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

1. That the Revenue position as at the end of Quarter 3 for 2022/23, including the actions being taken or proposed to improve the position, where significant variances have been identified, be noted;
2. That the Capital position at the end of Quarter 3 be noted; and

3. That the Performance position as at Quarter 3 for 2022/23, including the actions being taken or proposed to improve the position, where significant issues have been identified, be noted.
4. That the Recovery & Renewal Update, attached at Appendix 3 be noted.
5. That the Executive is recommended to endorse the reallocation of Recovery and Renewal Funding for a number of projects as shown at 2.4 in this report.
6. That the UK Shared Prosperity Fund update, attached at Appendix 4, be noted.

3rd Quarter Financial Update & Performance Monitoring Report 2022/23

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

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

	Council's Medium-Term Financial Strategy and associated annual budget setting process. Performance issues are highlighted as part of the budget monitoring reporting process.	
Staffing	<p>The budget for staffing represents a significant proportion of the direct spend of the Council and is carefully monitored. Any issues in relation to employee costs will be raised in this and future monitoring reports.</p> <p>Having a clear set of performance targets enables staff outcomes/objectives to be set and effective action plans to be put in place.</p>	Director of Finance, Resources and Business Improvement (Section 151 Officer)
Legal	<p>The Council has a statutory obligation to maintain a balanced budget and the monitoring process enables the Committee to remain aware of issues and the process to be taken to maintain a balanced budget.</p> <p>There is no statutory duty to report regularly on the Council's performance. However, under Section 3 of the Local Government Act 1999 (as amended) a best value authority has a statutory duty to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. One of the purposes of the Key Performance Indicators is to facilitate the improvement of the economy, efficiency and effectiveness of Council services. Regular reports on Council performance help to demonstrate best value and compliance with the statutory duty.</p>	Interim Team Leader (Contentious and Corporate Governance) MKLS
Information Governance	The performance data is held and processed in accordance with the data protection principles contained in the Data Protection Act 2018 and in line with the Data Quality Policy, which sets out the requirement for ensuring data quality. There is a program for undertaking data quality audits of performance indicators.	Policy and Information Team
Equalities	There is no impact on Equalities as a result of the recommendations in this report. An EqIA would be carried out as part of a policy or service change, should one be identified.	Equalities and Communities Officer

Public Health	The performance recommendations will not negatively impact on population health or that of individuals.	Public Health Officer
Crime and Disorder	There are no specific issues arising.	Director of Finance, Resources and Business Improvement (Section 151 Officer)
Procurement	Performance Indicators and Strategic Milestones monitor any procurement needed to achieve the outcomes of the Strategic Plan.	Director of Finance, Resources and Business Improvement (Section 151 Officer)
Biodiversity and Climate Change	The implications of this report on biodiversity and climate change have been considered and there are no direct implications on biodiversity and climate change.	Biodiversity and Climate Change Manager

2. INTRODUCTION AND BACKGROUND

- 2.1 The Medium-Term Financial Strategy for 2022/23 to 2026/27 - including the budget for 2022/23 - was approved by full Council on 23rd February 2022. This report updates the Committee on how services have performed over the last quarter with regard to revenue and capital expenditure against approved budgets.
- 2.2 This report also includes an update to the Committee on progress against Key Performance Indicators (KPIs).
- 2.3 Attached at Appendix 1 is a report setting out the revenue and capital spending position at the Quarter 3 stage. Attached at Appendix 2 is a report setting out the position for the KPIs for the corresponding period.
- 2.4 We have reviewed the spend against projects planned as part of the Recovery and Renewal Action Plan. The following projects will not spend all or part of their allocated funds and therefore require a reallocation of funding.
- Vibrant Economy - Mid Kent College skills hub – £60k.
 - Resilient Communities - Support and Encourage Volunteering in the Borough – reallocate £11,583 (out of original £25K)

- The Way We Work - Embedding new ways of working and ensuring the office is fit for purpose £30k (out of original £50k)

The amount to be reallocated is £101,583. It is proposed that this money is redistributed to two successful projects already in the plan.

- Resilient Communities – Community Resilience Fund -£52,083
- Resilient Communities – Extension of Let’s Talk Maidstone on a three-year subscription – £49,500

The full details of this proposal are shown in **Appendix 3** to this report.

3. AVAILABLE OPTIONS

- 3.1 There are no matters for decision in this report. The Committee is asked to note the contents but may choose to comment.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 In considering the current position on the Revenue budget, the Capital Programme, and the KPIs at the end of December 2022, the Committee can choose to note this information or could choose to comment.
- 4.2 The Committee is requested to note the content of the report.

5. RISK

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

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

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

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

7.1 The Quarter 3 Budget & Performance Monitoring reports are being reported to the relevant Policy Advisory Committees during February 2023.

8. REPORT APPENDICES

- Appendix 1: Third Quarter Budget Monitoring 2022/23
 - Appendix 2: Third Quarter Performance Monitoring 2022/23
 - Appendix 3: Recovery & Renewal Update 2022/23
 - Appendix 4: UK Shared Prosperity Fund Update 2022/23
-

9. BACKGROUND PAPERS

None.

Third Quarter Financial Update 2022/23

Communities, Housing & Environment – Policy Advisory
Committee

14th February 2023

Lead Officer: Mark Green

Contents

Part A: Executive Summary & Overview Page 2

Part B: Revenue Budget Q3 2022/23

B1) Revenue Budget Page 5

Part C: Capital Budget Q3 2022/23

C1) Capital Budget Page 9

Part A

Executive Summary & Overview



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

In 2021/22, income recovered more strongly than expected from the pandemic and the Council generated a modest surplus compared with budget. For 2022/23, there is no more direct government funding to cover the costs of Covid, but the Council has been able to set a balanced budget. Additional provision of £1.3 million was made within the 2022/23 budget for the expected impact of higher inflation on the Council's input costs. The projected peak level of inflation has continued to increase since the budget was set and this is likely to have an impact in particular on contract and energy costs, so the requirement for this provision will be monitored carefully to assess whether it will be adequate. If at any stage it appears that an overspend is likely, measures will need to be taken in-year to bring the budget back into balance.

The headlines for Quarter 3 are as follows:

Part B: Revenue budget – Q3 2022/23

- Overall net expenditure at the end of Quarter 3 for the services reporting to this committee is £6.643m, compared to the approved profiled budget of £6.986m, representing an underspend of £0.343m. However, the forecast for the end of the year shows a projected overspend of -£0.289m.

Part C: Capital budget – Q3 2022/23

- Capital expenditure at the end of Quarter 3 was £8.391m against a total budget of £20.589m.

Part B

Third Quarter Revenue Budget 2022/23



B2) Revenue Budget

B1.1 The table below provides a detailed summary of the budgeted net income position for CHE PAC services at the end of Quarter 3. The financial figures are presented on an accruals basis (e.g., expenditure for goods and services received, but not yet paid for, is included). An analysis by the relevant Lead Members for this Committee is also shown.

CHE Revenue Budget & Outturn – Quarter 3

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Cost Centre	Approved Budget for Year £000	Budget to 31 December 2022 £000	Actual £000	Variance £000	Forecast 31 March 2023 £000	Forecast Variance 31 March 2023 £000
Festivals and Events	-17	-18	-23	5	-17	0
Lettable Halls	-3	-3	-9	7	-3	0
Community Halls	47	36	12	25	47	0
Parks & Open Spaces	914	692	670	22	914	0
Playground Maintenance & Improvements	144	106	99	7	144	0
Parks Pavilions	34	25	18	7	34	0
Mote Park	268	201	203	-2	268	0
Allotments	14	11	8	2	14	0
Cemetery	33	50	-6	56	8	25
National Assistance Act	-0	-0	-2	2	-0	0
Crematorium	-859	-585	-714	129	-986	127
Community Safety	31	-237	-244	7	31	0
PCC Grant - Building Safer Communities	0	0	-6	6	0	0
C C T V	39	29	21	9	39	0
Licences	-5	-1	-4	3	-5	0
Licensing Statutory	-60	-45	-81	36	-100	40
Licensing Non Chargeable	8	6	6	0	8	0
Dog Control	29	19	40	-21	29	0
Health Improvement Programme	5	5	8	-3	5	0
Pollution Control - General	24	17	3	13	24	0
Contaminated Land	1	0	-6	6	1	0
Waste Crime	-2	-0	-7	7	-2	0
Food Hygiene	10	6	-4	10	10	0
Sampling	4	2	1	2	4	0
Occupational Health & Safety	-6	-5	-7	2	-6	0
Infectious Disease Control	1	1	1	0	1	0
Noise Control	1	1	0	1	1	0
Pest Control	-12	-9	-2	-7	-12	0
Public Conveniences	319	241	145	96	224	95
Licensing - Hackney & Private Hire	-59	-60	-43	-17	-59	0
Street Cleansing	1,189	886	859	27	1,189	0
Household Waste Collection	1,477	1,117	1,181	-64	1,567	-90
Commercial Waste Services	-51	-40	-76	36	-100	49
Recycling Collection	1,016	694	655	38	966	50
Social Inclusion	53	29	54	-24	53	0
Public Health - Obesity	0	-113	-116	3	0	0
Public Health - Misc Services	0	-40	-48	7	0	0
Performance & Development	45	30	41	-12	45	0
Press & Public Relations	22	9	23	-14	22	0
Grants	166	165	152	13	166	0
Delegated Grants	2	2	0	2	2	0
Parish Services	137	137	137	0	137	0

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Cost Centre	Approved Budget for Year £000	Budget to 31 December 2022 £000	Actual £000	Variance £000	Forecast 31 March 2023 £000	Forecast Variance 31 March 2023 £000
Strategic Housing Role	12	10	10	-0	12	0
Housing Register & Allocations	14	13	11	2	14	0
Housing Advice	0	0	0	-0	0	0
Private Sector Renewal	-47	-48	-63	15	-47	0
HMO Licensing	-20	-15	-22	7	-20	0
Homeless Temporary Accommodation	287	216	724	-508	1,023	-735
Homelessness Prevention	258	-159	-167	8	258	0
Predictive Analysis and Preventing Homelessness	2	2	2	0	2	0
Aylesbury House	13	8	-10	18	13	0
Magnolia House	10	7	-12	19	10	0
St Martins House	0	0	-1	1	0	0
Marsham Street	55	41	21	20	55	0
Sundry Temporary Accommodation (TA) Properties	-13	-9	-14	5	-13	0
2 Bed Property - Temporary Accommodation	-34	-26	-47	21	-34	0
3 Bed Property - Temporary Accommodation	-70	-53	-68	15	-70	0
4 bed Property - Temporary Accommodation	-0	-0	-22	22	-0	0
1 Bed Property- Temporary Accommodation	16	12	-6	19	16	0
Supported Accommodation	0	0	-0	0	0	0
Trinity	37	56	36	20	37	0
Chillington House	14	10	-5	15	14	0
Long Lease Properties	10	8	26	-18	10	0
Marden Caravan Site (Stilebridge Lane)	19	16	26	-10	19	0
Ulcombe Caravan Site (Water Lane)	7	-1	22	-23	7	0
Visitor Economy Section	156	118	116	2	153	3
Head of Environment and Public Realm	116	88	86	2	113	3
Bereavement Services Section	293	220	209	11	278	15
Community Partnerships & Resilience Section	512	383	314	70	456	56
Licensing Section	126	94	77	17	103	23
Environmental Protection Section	280	210	149	62	230	50
Food and Safety Section	275	206	224	-18	298	-24
Depot Services Section	901	682	646	37	850	51
Communications Section	240	180	171	10	228	13
Policy & Information Section	483	367	328	39	437	47
Head of New Business & Housing Development	7	5	8	-3	11	-4
Head of Housing & Community Services	113	85	80	5	107	6
Homechoice Section	219	136	112	24	192	27
Housing & Inclusion Section	341	64	-3	67	361	-20
Housing & Health Section	280	138	120	18	257	23
Housing Management	242	144	130	14	223	19
Homelessness Outreach	45	-59	-64	5	39	7
Customer Services Section	676	508	481	27	640	36
Salary Slippage 3CHE	-215	-161	0	-161	-0	-215
Fleet Workshop & Management	232	174	144	31	197	35
MBS Support Crew	-59	-44	-61	17	-59	0
Grounds Maintenance - Commercial	0	0	0	-0	0	0
Totals	10,790	6,986	6,643	343	11,079	-289

CHE Revenue Budget & Outturn – Quarter 3 (By Lead Member)

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Cost Centre	Approved Budget for Year £000	Budget to 31 December 2022 £000	Actual £000	Variance £000	Forecast 31 March 2023 £000	Forecast Variance 31 March 2023 £000
Lettable Halls	-3	-3	-9	7	-3	0
Community Halls	47	36	12	25	47	0
Community Safety	31	-237	-244	7	31	0
PCC Grant - Building Safer Communities	0	0	-6	6	0	0
C C T V	39	29	21	9	39	0
Social Inclusion	53	29	54	-24	53	0
Performance & Development	45	30	41	-12	45	0
Press & Public Relations	22	9	23	-14	22	0
Grants	166	165	152	13	166	0
Delegated Grants	2	2	0	2	2	0
Parish Services	137	137	137	0	137	0
Community Partnerships & Resilience Section	512	383	314	70	456	56
Communications Section	240	180	171	10	228	13
Policy & Information Section	483	367	328	39	437	47
Customer Services Section	676	508	481	27	640	36
Sub-Total: Communications & Public Engagement	2,450	1,637	1,474	163	2,299	151

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Cost Centre	Approved Budget for Year £000	Budget to 31 December 2022 £000	Actual £000	Variance £000	Forecast 31 March 2023 £000	Forecast Variance 31 March 2023 £000
Parks & Open Spaces	914	692	670	22	914	0
Playground Maintenance & Improvements	144	106	99	7	144	0
Parks Pavilions	34	25	18	7	34	0
Mote Park	268	201	203	-2	268	0
Allotments	14	11	8	2	14	0
Cemetery	33	50	-6	56	8	25
National Assistance Act	-0	-0	-2	2	-0	0
Crematorium	-859	-585	-714	129	-986	127
Licences	-5	-1	-4	3	-5	0
Licensing Statutory	-60	-45	-81	36	-100	40
Licensing Non Chargeable	8	6	6	0	8	0
Dog Control	29	19	40	-21	29	0
Health Improvement Programme	5	5	8	-3	5	0
Pollution Control - General	24	17	3	13	24	0
Contaminated Land	1	0	-6	6	1	0
Waste Crime	-2	-0	-7	7	-2	0
Food Hygiene	10	6	-4	10	10	0
Sampling	4	2	1	2	4	0
Occupational Health & Safety	-6	-5	-7	2	-6	0
Infectious Disease Control	1	1	1	0	1	0
Noise Control	1	1	0	1	1	0
Pest Control	-12	-9	-2	-7	-12	0
Public Conveniences	319	241	145	96	224	95
Licensing - Hackney & Private Hire	-59	-60	-43	-17	-59	0
Street Cleansing	1,189	886	859	27	1,189	0
Household Waste Collection	1,477	1,117	1,181	-64	1,567	-90
Commercial Waste Services	-51	-40	-76	36	-100	49
Recycling Collection	1,016	694	655	38	966	50
Head of Environment and Public Realm	116	88	86	2	113	3
Bereavement Services Section	293	220	209	11	278	15
Licensing Section	126	94	77	17	103	23
Environmental Protection Section	280	210	149	62	230	50
Food and Safety Section	275	206	224	-18	298	-24
Depot Services Section	901	682	646	37	850	51
Head of New Business & Housing Development	7	5	8	-3	11	-4
Salary Slippage 3CHE	-215	-161	0	-161	-0	-215
Fleet Workshop & Management	232	174	144	31	197	35
MBS Support Crew	-59	-44	-61	17	-59	0
Grounds Maintenance - Commercial	0	0	0	-0	0	0
Sub-Total: Environmental Services	6,391	4,810	4,427	383	6,161	230

B2) Variances

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

	Positive Variance Q3	Adverse Variance Q3	Year End Forecast Variance
Communities, Housing & Environment Committee	£000		
Cemetery – Income is greater than forecast, and it is proposed to use some of this to install a music and webcast system in the chapel when it re-opens.	55		25
Crematorium – Income is higher than forecast due to a continuing high level of demand for the service, with the death rate being higher than normal recently.	129		127
Public Conveniences - This variance relates to a growth item for the cost of the new toilets at Mote Park, which have only just opened.	95		95
Household Waste Collection - The overspend relates to additional bin purchases and the costs of a consultant for the waste contract renewal.		-64	-90
Commercial Waste Services – Income from internal MBC customers has increased, as has the demand from trade sacks from external customers.	35		48
Recycling Collection – There has been additional income from green bin hire.	38		50
Homelessness Temporary Accommodation – Demand continues to be high for temporary accommodation, and this is due mainly to the rise in the cost of living over the last few months. There are also issues with getting people out of temporary accommodation as soon as possible, this has proved very difficult. Housing are looking at how the Homefinder scheme can help boost access to more private letting.		-508	-735
Salaries - This variance broadly reflects vacant posts throughout the year, after taking into account projected slippage.	227		115

Part C

Third Quarter Capital Budget 2022/23



B1) Capital Budget: Communities, Housing & Environment Committee (ERL)

B1.1 The position of the 2022/23 CHE element of the Capital Programme at the Quarter 3 stage is presented in Table 3 below. The budget for 2022/23 includes resources brought forward from 2021/22.

CHE Capital Programme 2022/23 (@ Quarter 3)

Capital Programme Heading	Revised Estimate 2022/23 £000	Actual to December 2022 £000	Budget Remaining £000	Projected Total Expenditure Q4 Profile £000	Projected Total Expenditure £000	Projected Slippage to 2023/24 £000
Communities, Housing & Environment						
Housing - Disabled Facilities Grants Funding	1,640	758	882	400	1,158	482
Temporary Accommodation	4,330	294	4,036	1,147	1,441	2,889
Springfield Mill - Phase 2	731	734	-3		734	-3
Affordable Housing Programme - Trinity Place	500	375	125		375	125
Commercial Development - Maidstone East	200		200	50	50	150
Private Rented Sector Housing Programme	2,310	1,653	657	120	1,773	537
1,000 Homes Affordable Housing Programme	7,600	2,672	4,928	1,618	4,290	3,310
Acquisitions Officer - Social Housing Delivery P/ship	160	153	7	7	160	
Granada House Refurbishment Works	100	40	60	60	100	
Street Scene Investment	70	74	-4		74	-4
Flood Action Plan	430		430			430
Electric Operational Vehicles	84	24	60	60	84	
Vehicle Telematics & Camera Systems	35	35	-0		35	-0
Rent & Housing Management IT System	11	14	-3		14	-3
Installation of Public Water Fountains	15		15	15	15	
Crematorium & Cemetery Development Plan	250	213	37	37	250	
Continued Improvements to Play Areas	126	29	97	97	126	
Parks Improvements	152	127	25	25	152	
Gypsy & Traveller Sites Refurbishment	1,421	1,079	342	342	1,420	0
Waste Crime Team - Additional Resources	25		25	25	25	
Section 106 funded works - Open Spaces	400	116	284	284	400	-0
Total	20,589	8,391	12,198	4,287	12,677	7,912

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

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

Temporary Accommodation - This is the funding for the latest phase of property acquisitions to provide accommodation for temporarily homeless families and persons. There has been one acquisition to date this year and other properties are being actively pursued as house prices start to retreat from the elevated levels reached during Summer 2022.

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

A number of schemes are at various stages of development at this stage, and further land/property acquisitions are likely to take place before the end of March. Some schemes will also contain elements of both private rented and affordable housing so the costs may change depending on the mix at the sites where this happens.

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

Key to performance ratings

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

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

Performance Summary

RAG Rating	Green	Amber	Red	N/A ¹	Total
KPIs	2	0	1	8	11
Direction	Up	No Change	Down	N/A	Total
Last Quarter	4	1	6	0	11
Last Year	4	0	7	0	11

- 18.2% (2) of (11) targetable quarterly key performance indicators (KPIs) reportable to this Committee achieved their Quarter 3 (Q3) target¹.
- Compared to last quarter (Q2 2022/23), performance for 36.4% (4) of (11) KPIs have improved, 9% (1) of (11) didn't change and for 54.5% (6) of (11) KPIs have declined¹.
- Compared to last year (Q3 2021/22), performance for 36.4% (4) of (11) KPIs have improved, and for 63.6% (7) of (11) KPIs have declined¹.

Communities

Performance Indicator	Q3 2022/23				
	Value	Target	Status	Short Trend (Last Quarter)	Long Trend (Last Year)
Number of households living in temporary accommodation last night of the month (NI 156 & SDL 009-00) (average taken from October – December)	219				
Number of households living in nightly paid temporary accommodation last night of the month (average taken from October – December)	112				
Percentage of successful Prevention Duty outcomes	65.63%	60%			

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

Performance Indicator	Q3 2022/23				
	Value	Target	Status	Short Trend (Last Quarter)	Long Trend (Last Year)
Number of households prevented or relieved from becoming homeless	113	112.5			
Percentage of successful Relief Duty outcomes	45.79%	60%			
Number of Rough Sleepers accommodated by the Council on the last night of the month (average taken from October – December)	24				
Number of Rough Sleepers newly engaged in the period	12				
Number of households newly in temporary accommodation due to loss of tenancy and home ownership	17				
Number of homeless cases where the cause of homelessness is domestic abuse	35				
Percentage of CPWs to CPNs in period (CPT/SMP)	10%				
Percentage of noise complaints followed up with diary sheets by a customer	21.3%				

The “**Percentage of successful Relief Duty outcomes**” indicator outcome achieved a result of 45.79% which has grown against last quarter (42.17%), however declined against Q3 2021/22 (58.51%). An indicator missed its target by 14.2%.

The performance of 45.79% of homelessness relieved in the quarter demonstrates average performance and is much higher than the national average of homelessness relieved for the quarter of 38.2%, taken from the detailed LA tables for statutory homelessness Jan-Mar 22. It is also much higher than the Kent average of 33.8%, also taken from the LA tables for statutory homelessness.

It is recognised that relieving homelessness is more difficult than preventing homelessness, in particular with restricted access to the Private Rented Sector as a result of unaffordable market rents and an increase in demand for privately rented accommodation from those who are not economically disadvantaged.

Additionally, applicants who are in priority need and unintentionally homeless can only be owed the relief duty of 56 days, before they become owed the main housing duty, giving only a short window of opportunity to relieve homelessness.

Appendix 3 - Recovery and Renewal Action Plan

A VIBRANT ECONOMY					
Action	Agreed funding	Target Start	Target End	Expected Success	Progress at January 2023
-	£60,000 Recovery Fund	Sep-21	TBC	<p>Provision of a town centre venue to provide accessible training, careers advice, and employability support for all residents. Courses delivered to a range of participants including book-keeping and computerised accounting, skills development online courses, essential digital skills, certified work skills programmes, food hygiene and employability workshops and support. Courses delivered to a range of participants including bookkeeping and computerised accounting, skills development online courses, essential digital skills, certified work skills programmes, food hygiene and employability workshop and support. With space for ten participants to be physically present in the hub it is envisaged that 208 people would be able to take advantage of the hub for courses</p>	<p>No change in position since November 22.</p> <p>(The college was unable to identify and agree commercial terms on a suitable premises and have confirmed that they are no longer in a position to undertake this project. It remains a strategic priority for the college who would welcome collaboration with the council in the future when other future opportunities and funding sources become available.)</p>

Appendix 3 - Recovery and Renewal Action Plan

				and support over 26 weeks.	
Invest in industrial and warehouse premises to help de risk new employment sites coming forward	Capital Programme funding	Sep-21	N/A	Projects are identified to invest in and Maidstone is seen and delivers its promise of being open for business, businesses can expand and locate to the Borough.	A package of Town Centre Capital Bids to the value of £5m in support of the new Town Centre strategy have been submitted. A further bid for £250k has been submitted for Maidstone Innovation Centre to facilitate more flexible workspace (wet labs) and associated shared high-tech equipment.
Vibrant Visitor Economy	£32,000 Business Rates Pool	Jul-21	Jul-23	Maidstone has an enhanced arts and culture offer with increased visitors to key attractions and an increase in footfall in the town centre.	Complete
Capacity to develop projects and bids to take advantage of new funding opportunities	£45,000 Recovery Fund	Sep-21	Sep-25	Successful bids and projects completed that meet our priorities.	No action

Appendix 3 - Recovery and Renewal Action Plan

<p>Transform the Town Centre through the development and delivery of a town centre strategy.</p>	<p>£175,680 Recovery Fund</p>	<p>Sep-21</p>	<p>TBC</p>	<p>Town Centre Strategy in place by 1 March 2023, projects may begin prior to this. Maidstone town centre becomes a centre of excellence for urban sustainability with a strong focus around arts, culture, leisure and visitor economy creating a place where people want to live, feel safe and which prides itself upon being a town centre which is relevant to all of the Borough's residents and to which all of the borough's residents can relate.</p>	<p>Consultant appointed; inception meeting held in December 2022. Town Centre Walk about meeting took place on 18 January 2023.</p>
<p>RESILIENT COMMUNITIES</p>					
<p>Establish Community Compact</p>	<p>N/A</p>	<p>May-21</p>	<p>N/A</p>	<p>Partnership in place between the community and voluntary sector and the council. Joint projects completed and greater resilience</p>	<p>KCC established a Strategic Partnership Board for the VCSE and a VCSE Steering Group, which is independent of KCC and brings together a range of VCS representatives. The terms of reference for this group have now been formalised and MBC will be represented by the Insight, Communities and Governance Manager.</p>

Appendix 3 - Recovery and Renewal Action Plan

<p>Support and Encourage Volunteering in the Borough.</p>	<p>£25,000 Recovery Fund</p>	<p>Jun-21</p>	<p>Oct-22</p>	<p>Increase in the number of volunteers, volunteering in the Borough and as a consequence more community initiatives delivered. Work with involve to develop an indicator</p>	<p>The Council's Community website pages have been developed to include support for volunteering and now include a publicly available repository of VCS (Voluntary and Community Sector) groups in Maidstone. Faith Groups and Places of Worship have also now been mapped and contacted with a view to including them in the repository. MBC hosting a 'Volunteering & Funding Advice Event' on 30 November at Trinity House. This event provided advice and support to volunteers and organisations from the VCS on volunteering and funding and explored opportunities for volunteer engagement. 1:1 appointment with funding advisors throughout the day. A second event is planned to focus on volunteering opportunities.</p>
--	------------------------------	---------------	---------------	--	---

Appendix 3 - Recovery and Renewal Action Plan

<p>Online Community Participation</p>	<p>£15,000 Recovery Fund</p>	<p>Sep-21</p>		<p>Online tool in place and used to successfully engage with the public on projects and initiatives.</p>	<p>Two engagement 'hubs' have been developed on the platform – 1 for Economic Development and 1 for Planning. Economic Development also used 'Let's Talk Maidstone' to develop an Innovation Centre Research and Development event with the Business Community. A Planning Hub was launched for the 'Sustainability and Design Mapping exercise'. This sought to find out resident views on features and characteristics of the borough. Closed 12 December. The Resident survey closed at the end of September. A total of 5027 people responded to the questionnaire, of which 3584 provided age and gender allowing these responses to be weighted in line with the population of Maidstone.</p> <p>Since its launch in July the platform has been used to deliver the following</p>
--	------------------------------	---------------	--	---	---

Appendix 3 - Recovery and Renewal Action Plan

					<p>Consultation and Engagement activities:</p> <p>Operation Broc, Mote park arts, Scarecrow festival, Marden Task Force, Waste and Recycling Newsletter, Community Governance Review, Budget Survey Community Wi-Fi, Air Quality Action Plan, Resident Survey, Sutton Valence Polling Places Review.</p>
Community Resilience Fund	£150,000 Recovery Fund	Oct-21	Oct-24	30 projects delivered by a variety of community and voluntary sector groups and organisations.	<p>1st wave of funding – £89,842 allocated to 23 projects. The 2nd wave of funding – £30,086 allocated to a further 18 projects. Sufficient funds remain to launch a 3rd of funding. Timescale to be confirmed.</p>
Equip Trinity Foyer to be a Community Hub	£30,000 Recovery Fund	Jun-21	Oct-21	New community hub delivered for all housing and related support services in Trinity.	Complete

Appendix 3 - Recovery and Renewal Action Plan

<p>Financial Inclusion Strategy and Actions</p>	<p>£34,320 Recovery Fund</p>	<p>N/A</p>	<p>N/A</p>	<p>The number and value of unclaimed benefits that residents are supported to claim. A reduction in the number of households in financial crisis or at risk of moving into crisis. Increased take up of debt advice services by households with problem debt. A reduction in the number of households identified as being in a repeated pattern of Council Tax debt. The number of low-income households supported with energy efficiency measures. The number of low-income households supported to access a more appropriate tariff</p>	<p>Currently targeting residents living in Houses of Multiple Occupation (HMOs), 254 Landlords of registered HMO's have been contacted as far and as a result tenants have been supported with food vouchers from the Household Support Grant.</p> <p>In addition, the Compliance Officer, working with internal teams, is also supporting vulnerable individuals and households via a separate allocation of funding from the Household Support Grant, providing fuel vouchers for pre-payment meters and food vouchers. £2779.00 in fuel and food vouchers have been issued and £3323.00 in other support awarded.</p> <p>MBC Pension Credit take up to Jan 2023: MBC – 177 residents identified. 95 applications submitted 56 successful 33 awaiting DWP assessment</p>
--	------------------------------	------------	------------	--	--

Appendix 3 - Recovery and Renewal Action Plan

					<p>6 non qualifiers. Total yearly award of £154,805.04.</p> <p>MBC Council Tax Support/ Universal Credit applications: -747 residents contacted, 115 awarded – yearly award of £89,942.56</p> <p>TWBC (Pension Credit)- 154 residents identified. 62 applications submitted, 36 successful, 24 awaiting DWP assessment and 2 non qualifiers. Total yearly award of £107,233.36.</p> <p>TWBC (Council Tax Support/Universal Credit)- 625 residents contacted, 149 awarded - Total yearly award of £93,718.56.</p>
Love Where You Live and Get Involved.	£35,000 Recovery Fund	Sep-21	Sep-22	8 community environmental projects delivered. Civic Pride increased as measured by the Resident’s Survey. Baseline the number of participants in the project.	1 Community Project delivered. Project cancelled.
THE WAY WE WORK					
Increase HR capacity to facilitate agile working and	£50,000 Recovery Fund	Oct-21	Oct-22	Better understanding from staff on impact of changes to organisation	Complete

Appendix 3 - Recovery and Renewal Action Plan

new ways of working				culture Actions taken to meet future workforce requirements.	
Embedding new ways of working and ensuring the office is fit for purpose	£50,000 Recovery Fund £40,000 Capital Programme	Oct-23	TBC	Flexible office space that supports the new ways of working with the right technology and facilities.	The pilot for OneDrive and Teams document collaboration is being configured. A proposed governance structure for the M365 programme was approved by MKS Exec Board on 5th January 2023.
Ensure staff have the right equipment (office and home) to enable new ways of working	Capital Programme	Oct-21	TBC	Staff able to effectively work anywhere	No further update to report.
Planning Development Control fixed term post	£35,000 Recovery Fund	ASAP	N/A	Backlog resolved and staff able to meet demands on the service	Complete
Planning Enforcement fixed term post	£35,000 Recovery Fund	ASAP	Mar-22	Backlog resolved and staff able to meet demands on the service	Complete
Increased capacity in Heritage and Landscape	£70,000 Recovery Fund	ASAP	N/A	Backlog resolved and staff able to meet demands on the service	Complete
Increased capacity within Data Analytics to provide support for recovery and renewal projects	£50,000 Recovery Fund	Jul-22	Jul-23	18 dashboards in place by 2023	<ul style="list-style-type: none"> • 12 dashboards have been completed. • 2 dashboards are pending additional changes. • 8 dashboards under development. The team remain on target to achieve 18 by summer 2023 and have improved the

Appendix 3 - Recovery and Renewal Action Plan

					information published on the website, with dashboards accessible here.
Business Grant Distribution	£30,000 New Burdens Funding	Ongoing	N/A	Maidstone continues to be the business capital of Kent	COMPLETE
Revenues and Benefits – Citizens Advice Maidstone Post	£18,000 Contain Outbreak Management Fund	Aug-21	N/A	Residents with debt problems are assisted to maximise income, reduce debt by claiming the benefits they are entitled to	COMPLETE

Since Quarter 1, progress has been made against a number of remaining actions including those contributing to 'a vibrant economy.' A package of Town Centre Capital Bids to the value of £5m in support of the new Town Centre strategy have been submitted. A further bid for £250k has been submitted for Maidstone Innovation Centre to facilitate more flexible workspace (wet labs) and associated shared high-tech equipment. With regards to the development of the Town Centre and a Town Centre Strategy, a Consultant has been appointed and an inception meeting was held in December 2022. On 18 January a Town Centre Walk about meeting took place.

Work is on-going to support resilient communities across Maidstone as part of financial inclusion workstreams. In addition to the continued work being undertaken to maximise the uptake of Pension Credit and Council Tax Support, the Welfare team and other front facing teams supported financially vulnerable households with funding from the Household Support Grant. £2779.00 fuel and food vouchers have been issued and £3323.00 has been awarded in other support.

The Community Resilience Fund was open for a second wave of applications for funding in December 2022. Applications were assessed by a Member panel in January 2023. A further 18 projects have been supported, with a total of £30,086 awarded to organisations supporting the well-being of communities in Maidstone. Sufficient funds remain to launch a 3rd of funding.

REALLOCATION OF FUNDING

We have reviewed the spend against projects planned as part of the Recovery and Renewal Action Plan. The following projects will not spend all or part of their allocated funds and therefore require a reallocation of funding.

- Vibrant Economy - Mid Kent College skills hub – £60k.
- Resilient Communities - Support and Encourage Volunteering in the Borough – reallocate £11,583 (out of original £25K)
- The Way We Work - Embedding new ways of working and ensuring the office is fit for purpose £30k (out of original £50k)

Mid Kent College was unable to secure a fit for purpose empty property for less than double the available funds. The College has now moved on to exploring other options. Work is continuing on the volunteering project and officers are exploring how this may be achieved in partnership with KCC and other district Councils, without such significant investment. The investment in office space and IT equipment has been met from other funding, 5k has recently been allocated from the original pot for new ways of working to new hybrid working equipment to ensure the meeting rooms on floor 6 are fit for purpose.

The amount to be reallocated is £101,583. It is proposed that this money is redistributed to two successful projects already in the plan.

- Resilient Communities – Community Resilience Fund -£52,083
- Resilient Communities – Extension of Let’s Talk Maidstone on a three year subscription – £49,500

The Community Resilience Fund has been an extremely successful project for which we receive more applications than we are able to support, the money enables community groups and organisations across the borough to continue to support and provide services to local residents . There is currently only enough funding for one more round around spring/summer, this will enable us to go out to go out for an additional round in winter 2023.

UKSPF Quarter 3 Update:

On 5th December the Department for Levelling up, Housing & Communities approved the Investment Plan submitted in August 2022, since then the authority has returned the Memorandum of Understanding and is hoping to receive year 1 grant in January 2023. Spending is on track to spend all of the year 1 grant by 31st March 2023 and this is supported by the table below. Preparatory work for year 2 projects (starting April 2023) has started with project leads, the year 2 projects are listed below:

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

46

Intervention	Project	Detail	2022/23 budget	Amount spent:	£ Committed	Q3 Update:
E1: Improvements to town centres & high streets	Project B A Safe and Attractive Town Centre achieved through Greening and Lighting	Feasibility study in year 1, The feasibility study will be combined with other work required for the Town Centre Strategy so the amount allocated reflects the study being partly funded from the TCS allocation	£20,000			Consultant started work in January 2023, project scope discussions are underway with the consultant to complete the feasibility study.
E6: Local arts, cultural, heritage & creative activities	Project A - Building Pride in Place through promotion of the Town Centre and Events.	Creative communities funds for local organisations and groups to support events	£30,000		£30,000	Submission closed in January 2023, funding to be distributed across 18 projects.
		Festive Trail event – working with One Maidstone to create a festive trail to run through the Town Centre	£20,000	£19,340		Festive Trail completed in December.

		Events Expertise to develop bespoke events	£4,500	£2,106		Support for the Festive Trail and Magic of Xmas Parade
		Equipment purchase to support events	£15,000	£6,268	£1,531	Videography equipment, speaker on wheels, Go Pro and accessories, uplighters for events, equipment storage.
E8: Campaigns to encourage visits and exploring of local area	Project A - Building Pride in Place through promotion of the Town Centre and Events.	Advertising budget to promote events across all channels	£20,000	£4,901	£2,849	Support the Festive Trail and Magic of Xmas Parade
		Borough Insight Events and Town centre focussed	£25,000	£25,000		Completed.
		Promotional video for business and events in TC	£5,218	£1,750		Promotional video for the Magic of Xmas Parade.
Management Overheads			£5,822			
Total:			£145,540	£59,365	£34,380	
				£93,745		

Agenda Item 14

Communities, Housing and Environment Policy Advisory Committee

14 February 2023

Arboriculture Services – Contract Award

Timetable	
Meeting	Date
Communities, Housing and Environment PAC	14 February 2023
Lead Member on the Executive for Environmental Services	23 February 2023

Will this be a Key Decision?	Yes
Urgency	Not Applicable
Final Decision-Maker	Cllr Martin Round, Lead Member for Environmental Services
Lead Head of Service	Jennifer Stevens, Head of Environment and Public Realm
Lead Officer and Report Author	Andrew Williams, Parks & Open Spaces Manager
Classification	Public
Wards affected	All

Executive Summary

This report sets out the Borough's need for specialist arboriculture services and the process undertaken to procure a new contract for a period of 3 years. It is recommended that the contract is awarded to Qualitree Service Limited based on the quality and price of their submission.

The information is presented to the Communities, Housing and Environment Policy Advisory Committee for consideration prior to decision on award being made by the Lead Member for Environmental Services.

Purpose of Report

Decision

This report asks the Policy Advisory Committee to recommend to the Lead Member for Environmental Services:

1. That the Arboricultural Services Contract is awarded to Qualitree Services Limited for the contract period of 3 years with options to extend the contract for years 4 and 5.

Arboriculture Services – Contract Award

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 contract award supports the effective delivery of the strategic objective for a safe, clean and green borough. Active maintenance of our extensive tree stock ensures retention of trees, protects public safety and minimises exposure to corporate risk.</p>	Head of Environment and Public Realm
Cross Cutting Objectives	<p>The four cross-cutting objectives are:</p> <ul style="list-style-type: none"> • Heritage is Respected • Health Inequalities are Addressed and Reduced • Deprivation and Social Mobility is Improved • Biodiversity and Environmental Sustainability is respected <p>The report recommendation supports the achievement of respecting Biodiversity and Environmental Sustainability and Heritage cross cutting objectives by ensuring ecological best practices provide environmental gains are embedded within the contractors working methods and audited performance; competencies in protected species habitat protection & creation, veteran tree retention and planting new tree stock have all been required in this contract.</p>	Head of Environment and Public Realm
Risk Management	<p>Active maintenance of our extensive tree stock ensures retention of trees, protects public safety and minimises exposure to corporate risk.</p>	Head of Environment and Public Realm

Financial	<ul style="list-style-type: none"> The proposals set out in the recommendation are all within already approved budgetary headings and so need no new funding for implementation. 	Section 151 Officer & Finance Team
Staffing	<ul style="list-style-type: none"> We will deliver the recommendations with our current staffing. 	Head of Environment and Public Realm
Legal	<ul style="list-style-type: none"> Acting on the recommendations is within the Council's powers as set out in local authority legislation (including the general power of competence under the Localism Act 2011) and the Council's Constitution. 	Legal Team
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	<ul style="list-style-type: none"> 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. 	Head of Environment and Public Realm
Crime and Disorder	<ul style="list-style-type: none"> No implications identified 	Head of Environment and Public Realm
Procurement	<ul style="list-style-type: none"> The Council is following procurement processes and will complete in line with financial procedure rules. 	Head of Environment and Public Realm
Biodiversity and Climate Change	<p>The implications of this report on biodiversity and climate change have been considered and are;</p> <ul style="list-style-type: none"> This aligns with action 6.11 & 6.12 of the Biodiversity and Climate Change Action Plan to maximise biodiversity and maintain trees . 	Biodiversity and Climate Change Manager

2 INTRODUCTION AND BACKGROUND

- 2.1 Maidstone Borough Council manages an extensive estate of land and associated tree stock. The land is primarily public open space of parks, communal areas amongst housing and other locations of borough assets. There is a duty of care to maintain our trees in a safe condition and a biodiversity duty to ensure they are a healthy biodiverse habitat and environmental asset. We undertake a combination of planned and reactive work to our trees, all with the primary purpose of preserving tree health, public safety and environmental benefit. Specialised arboriculture works include aerial pruning, crown reduction and lifts, felling and processing damaged and fallen trees and new planting. Additionally work on veteran trees and compliance with protected species legislation especially bats, requires a higher level of skill and competency. The current arrangement of a framework of several contractors has expired and lessons learned have helped shape this new specification.
- 2.2 The contract tender and selection process sought an appropriately qualified contractor to demonstrate their competencies and experience and submit a schedule of prices for an array of arboriculture works that we need undertaken. There is an anticipated annual spend of £80,000 for such works therefore we anticipate a total contract sum circa £400,000 over 5 years .
- 2.3 The opportunity to tender for this work was published on the Kent Business Portal in late October with twenty-nine companies expressing interest in the opportunity and five submissions were received by the December deadline. The initial review and sift for compliance reduced this to three qualifying tenders. These were evaluated by the team for quality and audited by the procurement office. All cost submissions were analysed by our procurement team separately to the analysis of the quality aspects. Outcome of the tender evaluation and scores is shown in Appendix 1.
- 2.4 The third opportunity for evaluation of the contractor submission was through a scored interview process. On this occasion only the highest scoring contractor, after considering quality and price, was invited as the next highest scoring provider could not win with the points available at interview.
- 2.5 The quality of service judged in this process included competency, skills best practise, equipment, management systems and supervision, environmental skills and competences and training. Furthermore, compliance with these objectives is also demonstrated, with all qualifying contractors required to be Accredited Arboricultural Association Approved Contractors (Arb C). Importantly a speedy 1-hour call-out response time for emergencies is essential for our service.
- 2.6 The tender process determined that Qualitree Services Limited is best placed to provide professional service, meeting our needs at competitive rates. The company is based in Maidstone with a local workforce.

3. AVAILABLE OPTIONS

- 3.1 The Council could award the contract to Qualitree Services Limited for a period of three years plus the option to extend the contract for years 4 and 5.
- 3.2 Alternatively, we could further explore options to provide the service in house; however, this is not recommended as previous experience has shown that it is difficult to retain such highly qualified staff within the public sector and generally once trained the staff will seek to set up their own company or work in the private sector. In addition, the quantity of work would not constitute a full time team and therefore they would need to be deployed on other, lower skilled work which is unlikely to be an attractive option for trained employees. Significant investment would also be needed to purchase or hire the specialist equipment to undertake the variety of arboriculture work.
- 3.3 Finally, the Council could continue without a formal contract arrangement with priced works from local suppliers or existing provider as and when required; this would not be compliant with local authority procurement best practise, nor would it secure the level of service required. There would also be a risk that in the event of emergency work being required a contractor could not be secured quickly or for a reasonable cost. Furthermore, it would not provide optimum business conditions for a local provider to invest in staff, assets and business operations, nor guarantee prices for works.
-

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 The preferred option is to appoint Qualitree Services Limited as the Council's provider of arboriculture services working to a schedule of rates for tree works.
-

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 if the recommendation to appoint the preferred bidder is accepted. Failure to appoint increases the risk of not having a suitably qualified contractor willing and able to respond to emergencies and reactive work on our tree stock
-

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 Communities, Housing and Environment Committee Policy Advisory Committee prior to the decision made by the relevant Lead Member.
-

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 If the recommendation is supported, the procurement process will be completed and contract with Qualitree Service Ltd will be entered into for the contract period
-

8. REPORT APPENDICES

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

Appendix 1: Procurement Scoring Matrix

Arboriculture Services – Contract Award

Appendix 1: Procurement Scoring Matrix

		Supplier A	Supplier B	Supplier C	Qualitree Services Ltd	Supplier E
Stage 1	Quality Score . Total available ; 40%	Excluded bid as non-compliant	28.8	Excluded bid as non-compliant	32	22.4
Stage 2	Cost Score Total Available 50%	x	39.23	x	50	35.87
Score sub-total	90% maximum	x	68.03	x	82	58.27
Stage 3 Interview	Interview Score Total Available 10%	x	*	x	6	*
Total	100%				88	

*Not progressed to interview as could not outperform lead tender with points available at interview stage.

Agenda Item 15

Community, Housing and Environment Policy Advisory Committee

14 February 2023

Review of Commissioning Support from the Voluntary and Community Sector

Timetable	
Meeting	Date
Community, Housing and Environment Policy Advisory Committee	14 February 2023
Lead Member on the Executive for Communities and Public Engagement	27 February 2023

Will this be a Key Decision?	No
Urgency	Not Applicable
Final Decision-Maker	Lead Member on the Executive for Communities and Public Engagement
Lead Head of Service	Angela Woodhouse, Director of Strategy, Insight and Governance
Lead Officer and Report Author	Anna Collier Insight, Communities and Governance Manager and Orla Sweeney Senior Policy and Engagement Officer
Classification	Public
Wards affected	ALL

Executive Summary

Maidstone Borough Council has traditionally provided grants to community organisations for the provision of support to Maidstone residents, over time the budget for this provision has had to reduce. There are three community grants in place with Maidstone Mediation, CAB and Involve Kent. In January 2017 the Communities, Housing and Environment Committee agreed to reduce the budget for these services by 5% per annum over a five-year period. The current budget for the three community grants is £163,000.

In November 2021 CHE Committee agreed to a three-year grant without reducing the overall budget, thereby providing the same level of funding for the supplier.

Legal advice was that as the SLAs in place were grant agreements, not contracts, there was no procurement tendering process to follow. However, good practice would be to review the arrangements and undertake market testing on what was available.

Responsibility for the oversight of the grants was moved in early 2022 from the Head of Housing and Regulatory Services to the Head of Policy Communications and Governance (now Director of Strategy, Insight and Governance).

To allow time for review, the agreements were renewed on 1 April 2022 for one year only and are due to expire on 31 March 2023.

This report details the review that has been undertaken, its findings, conclusions and recommendations.

Purpose of Report

To note the findings of the Review of Commissioning Support for the Voluntary and Community Sector.

To consider and recommend the changes Grant Agreements to the Lead Member on the Executive for Communities and Public Engagement.

This report makes the following recommendations

1. To note the findings of the of the review of Commissioning Support for the Voluntary and Community Sector outlined at paragraphs 2.29-2.32 in the report.
2. To recommend to the Lead Member for Communities and Public Engagement that the SLA with Involve Kent is not reviewed.
3. To recommend to the Lead Member for Communities and Public Engagement that the funding instead be used to commission proactive engagement with seldom heard groups within the community.

Review of Commissioning Support from the Voluntary and Community Sector

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	We do not expect the recommendations will by themselves materially affect achievement of corporate priorities. However, they will support the Council's overall achievement of its aims in the delivery its strategic plan objectives.	Insight, Communities and Governance Manager
Cross Cutting Objectives	The report recommendations help deliver the achievement of cross cutting objectives: Health Inequalities are addressed and reduced and deprivation and social mobility is improved.	Insight, Communities and Governance Manager
Risk Management	Please refer to paragraph 5.1 of the report.	Insight, Communities and Governance Manager
Financial	The proposals set out in the recommendation are all within already approved budgetary headings and so need no new funding for implementation.	Head of Finance
Staffing	We will deliver the recommendations with our current staffing.	Insight, Communities and Governance Manager
Legal	<p>The Council has a general power of competence under section 1 of the Localism Act 2011 to do anything an individual can do provided it is not prohibited by other legislation.</p> <p>The Local Government Act 1972, section 111(1) also empowers a local authority to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.</p>	Interim Team Leader (Contentious and Corporate Governance)

	The recommendation and the proposals in this report can be undertaken under the above legislation.	
Information Governance	The recommendations do not impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council processes. However, some of the actions in the revised action plan could result in the collection and processing of personal data. Should this be the case, the Information Governance Team will be asked to review the processing of personal data affected and the associated documentation has been/will be updated accordingly, including a data protection impact assessment.	Information Governance Officer
Equalities	We recognise the recommendations may have varying impacts on different communities within Maidstone. Therefore, we will complete a separate equalities impact assessments at project level.	Equalities & Communities Officer
Public Health	We recognise that the recommendations will have a positive impact on population health or that of individuals.	Housing & Inclusion Team Leader
Crime and Disorder	No impact identified	Insight, Communities and Governance Manager
Procurement	We are committed to deliver inclusive services in accordance with the Council's values.	Director of Strategy, Insight and Governance
Biodiversity and Climate Change	There are no implications on biodiversity and climate change.	Biodiversity and Climate Change Officer

2. INTRODUCTION AND BACKGROUND

- 2.1 The Council has three Grant Agreements (historically referred to as Service Level Agreements or SLAs, the terms are interchangeable for the purpose of this report) in place with Voluntary and Community Sector organisations to provide services that the Council either does not provide itself or to

supplement services by providing a more in-depth or greater level of expertise than the council can provide with its own resources.

2.2 These are summarised in the table below:

Type	Service provided	Provider
Mediation	Mediation in neighbour disputes; negotiating between family members in homeless cases; mediation services into schools and anger management courses.	Maidstone Mediation
Advice	Debt advice & assistance. Employment advice. Benefit advice incl. universal credit. Assistance with preventing homelessness – mortgage/rent arrears, illegal eviction. Consumer advice.	Maidstone Citizens Advice Bureau (CAB)
Community Links	Act as a conduit between the Council & voluntary sector; maintain a directory of voluntary groups; lead and develop a range of forums (e.g., older persons; BAME).	Involve Kent

2.3 In January 2017 the Communities, Housing and Environment (CHE) Committee agreed to reduce the budget for these services by 5% per annum over a five-year period. Prior to this decision Maidstone Borough Council had in place 11 SLAs with a total budget of £300,000. The current budget for the three SLAs which remain in place is £163,000.

2.4 In November 2021 CHE Committee agreed to a three-year grant without reducing the overall budget, thereby providing the same level of funding for the supplier. However, it was noted in the report that additional advice was required whether the grants could continue to be renewed without opening them to market.

2.5 Procurement and Legal advice were sought. Legal advice was that as the SLAs in place were grant agreements, not contracts, there was no procurement tendering process to follow. Good practice, however, would be to review the arrangements, undertake market testing on what was available or advertise the availability of grant funding if changes to the current agreements were to be considered. However, there was no legal requirement to do so.

2.6 The breakdown of the budget for the current arrangements by organisation is shown below:

Maidstone Citizens Advice Bureau £133,100
Involve Kent £21,700
Maidstone Mediation £8,200
Total: £163,000

- 2.7 Responsibility for the oversight of the SLAs was moved in early 2022 from the Head of Housing and Regulatory Services to the Head of Policy Communications and Governance (now Director of Insight Communications and Governance).
- 2.8 In order to allow time for review as outlined at 2.5, the agreements were renewed on 1 April 2022 for one year only and are due to expire on 31 March 2023.

Review of Grant Agreements with the Community and Voluntary Sector

- 2.9 A review of the SLAs (Grant Agreements) was undertaken and through an evaluation of the service requirements set out in the SLAs, an assessment of performance monitoring and through staff consultation, the scope of the review considered:
- The referral process for accessing services and outcomes achieved
 - Current and future requirements for residents
 - Comparative offers in other local authority areas.
 - Market appraisal

Performance Monitoring

- 2.10 All three SLAs have performance monitoring requirements in place. These are detailed at section five within each agreement. Maidstone Mediation and CAB are required to provide monthly performance monitoring reports and Involve Kent are required to provide a 6 monthly monitoring report.
- 2.11 The performance monitoring data should include referral/client numbers, the nature or reason for the referral or contact and the level of assistance provided. Detailed demographic information should also be collected. Additionally, in the case of CAB the number of homeless preventions achieved through advice, information or assistance should be reported on.
- 2.12 The review included an evaluation of the performance monitoring information currently provided. There were two organisations where gaps were identified in the data that need to be addressed. More detailed information is required from the CAB on the types of enquiries received, the type of advice provided to the client as well as ward level demographic information so that the Council is in a better position to respond to changes in need. Involve do not provide enough detail on the type of support and advice provided. As a result, it was difficult to determine the uptake in the digital service offer detailed in the SLA. Information on the Community Forums being delivered to increase engagement with key

communities was included in the monitoring report from Involve but the attendee numbers were very low.

Consultation with key services

- 2.13 Key service areas in the Council were contacted to gain an understanding of their experiences of utilising the services of Maidstone Mediation, Citizens Advice Maidstone and Involve Kent. Feedback was generally very positive, with staff also able to identify areas of improvement.

Citizens Advice Bureau

- 2.14 The organisation was well used and well liked. Service areas were able to provide detail on the range of advice services utilised to support residents. In terms of areas of improvement, it was highlighted that the expertise required in supporting staff with legal advice for Housing decisions referrals was no longer able to be provided by the CAB, as this was partially funded by Legal Aid. It was also identified that the monthly performance data required more detail on the types of support being provided and to who, in order to understand changing need in the community.

Maidstone Mediation

Feedback on Maidstone Mediation was very positive and showed the service provided was well utilised.

Involve Kent

Feedback on Involve was also very positive. The Housing and Inclusion team detailed its longstanding partnership as part of the hospital discharge contract, Helping You Home. It was clear that the services described were well utilised, but that they did not form part of the Community Services SLA (being considered as part of this review) and are funded separately.

- 2.17 It was clear that the services detailed in the SLA with Involve are not being accessed. This includes digital support for the Community and the provision of a local Directory of Community Services.

- 2.18 Since the SLA with Involve was put in place, the Council has invested in Trinity House, the Council's Community Hub, as a place that can provide digital support to individuals and be utilised by community organisations. This is now operational. This offer could be considered sufficient in meeting the Council's Digital Support needs for residents and therefore it no longer be necessary for Involve Kent to provide this going forward.

- 2.19 Accessing support services was a crucial need in the Council's response to the pandemic. It was found that the Connect Well website (delivered by Involve) was no longer Maidstone focused as the organisation now supports a wider geographical area. As a consequence, a repository of Voluntary and Community Groups was developed in house.

- 2.20 The final part of Involve Kent's SLA is to provide Community Forums. Performance data has shown that attendee numbers are low and forums are often now only attended organisations who do not necessarily

represent Maidstone residents. It is therefore recognised that the forums are no longer reaching the communities that they need to and a different approach may be needed.

Public Consultation - What residents have told us

- 2.21 The Council undertook a Resident Survey in 2022 and asked residents about their confidence in knowing where to go to get information and advice for a variety of topics, which was helpful for understanding local need.
- 2.22 There were 5027 responses to the survey. There were two areas where less than a third of respondents said they were confident in knowing how to access advice and support:
- Debt advice (35%)
 - Struggling with your finances (35%)
- 2.23 This response supports the need for services provided by CAB in particular. It also identifies a need for the wider promotion of the support on offer with staff and residents.

Provision of similar services in other Local Authority areas

- 2.24 As part of the review a benchmarking exercise was undertaken of the Council's CIPFA nearest neighbours. It was possible to evaluate the arrangements of ten other Councils in terms of the ways in which similar support services for Mediation, Advice and Community Links were provided.
- 2.25 All ten councils had a version of a Voluntary and Community sector grant scheme in place, and funded services very similar to Maidstone. For example, Some of the Council's contacted had in place support services that went beyond Maidstone's current SLA remit. These included foodbanks, homeless charities and community centres. It was found that all ten Councils funded either a local CAB or an on organisation formally known as a CAB. Seven of the ten councils allocated funding to a group similar to Involve but only one other council funded a mediation service.

Market Testing/Alternative providers

- 2.26 At the advice of Legal Services, organisations providing Mediation, Advice and Community Links across the voluntary and community sector in Maidstone were mapped and their service offers evaluated. The Council's in-house repository of Voluntary and Community Groups (as detailed at paragraph 2.19) supported this task.
- 2.27 The findings showed that whilst there are organisations that can provide elements of the services currently delivered by Maidstone Mediation, Involve Kent and CAB, there were no other organisations that could deliver

the equivalent, inclusive offers currently provided by Maidstone Mediation, Involve and CAB.

- 2.28 The type of Mediation Services the Council requires are for neighbour disputes and negotiating between family members in homeless cases. This type of support could not be found on offer elsewhere. Involve and CAB are also unique in the variety of support and advice services offered. Involve, for example, provides a unique offer in terms its join up with local partners, the VCS and hard to reach groups.

Conclusions and recommendations

- 2.29 Overall staff are satisfied with the services delivered as part of the SLAs with Maidstone Mediation, CAB and Involve. The consultation findings show that the services are, in the main, appropriately utilised to support residents.
- 2.30 The review identified that whilst services reported very positive working relationships with Involve, the services that were being accessed were not part of the SLA being reviewed. The service requirements outlined in the SLA were no longer required as the Council had had to respond to a change in need (i.e., digital support and access to a directory of community groups). However, it is recognised that engagement with communities remains important.
- 2.31 Whilst the forums have had value, they are not a proactive tool to actively increase engagement or reach those communities who are currently disengaged.
- 2.32 The findings of the review on alternative ways in which to deliver the services (i.e., ways on which other Councils deliver similar services) and the market appraisal has demonstrated that the council would not need to look for alternative providers.
- 2.32 The review did, however, identify some issues with the current SLAs in place. These have been highlighted under the appropriate sections of this report. In summary:

CAB

- The monthly performance data does not provide the necessary level of detail on referrals which is required as part of the existing SLA and an ongoing need.

Involve

- Digital support services and the provision of a directory of Community Group are no longer required.
- Alternatives to Community Forums should be identified to maximise engagement with the wider community in Maidstone, specifically groups where there are low levels of engagement such as new and emerging communities and minority groups.

Maidstone Mediation

- No changes recommended

2.33 It is therefore recommended that that with regards to the three SLAs the Council has in place, the SLA with Involve should not be extended and will come to an end on 31 March 2023.

3. AVAILABLE OPTIONS

- 3.1 To recommend to the Lead Member on the Executive for Communities and Public Engagement that SLA with Involve Kent not be renewed and that the funding be used to commission proactive engagement with seldom heard groups within the community, for which Involve Kent would be eligible to bid for.
- 3.2 To recommend to the Lead Member that the Council continues to fund Involve Kent in line with the current Service Level Agreement.
- 3.3 To make an alternative recommendation which may include to reduce funding or make alternative recommendations of how the funding is used.
-

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 The preferred option is outlined at 3.1 of this report, not to renew the SLA and to use the funding to commission proactive engagement activities. This is recommended based upon the findings of the review outlined from 2.16 of this paper.
-

5. RISK

- 5.1 The Communities, Housing and Environment Committee agreed that a review of the SLAs should take place to ensure they are still fit for purpose. The agreements with the organisations were extended for 12 months to facilitate this review. The SLAs had been in place for a number of years prior to this decision. The Council values its working relationship with these organisations and recognises the contribution that they make to the residents of Maidstone. Not taking this opportunity to review the findings of this review and respond to the needs of its staff and residents could cause reputational damage to the Council.
-

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 In November 2021 CHE Committee agreed to a three-year grant without reducing the overall budget, thereby providing the same level of funding for the supplier. However, it was noted in the report that additional advice was required whether the grants could continue to be renewed without opening them to market.
-

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 Conversations have already been held with the Chief Executive of Involve Kent and should the recommendation be agreed, these will be followed up
 - 7.2 If funding for engagement activities is approved a specification will be written following feedback from the Lead Member on the Executive for Communities and Public Engagement and key officers for commission.
-

8. REPORT APPENDICES

None

9. BACKGROUND PAPERS

None

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

14 February 2023

Housing Renewal Policy 2023

Timetable	
Meeting	Date
CHE PAC	14 February 2023
Executive	22 March 2023

Will this be a Key Decision?	Yes
Urgency	Not Applicable
Final Decision-Maker	EXECUTIVE
Lead Head of Service	William Cornall Director of Regeneration & Place
Lead Officer and Report Author	John Littlemore Head of Housing & Regulatory Services
Classification	Public
Wards affected	All

Executive Summary

The Housing Renewal Policy guides the council in delivering a range of statutory and discretionary grants to assist residents who are vulnerable and in need of adaptations to their homes to help improve their quality of life. The new policy has been developed with the assistance of an independent specialist, stakeholder organisations and service users.

Purpose of Report

Decision

This report makes the following recommendations to the Executive:

1. That the Housing Renewal Policy 2023 attached as Appendix A to this report be agreed.

2. That the increase in the Home Improvement Agency fee from 12% to 15% be agreed.

3. That the Head of Housing & Regulatory Services in collaboration with the Lead Member for Housing & Health develops a priority framework to process Disabled Facilities Grants.

Housing Renewal Policy 2023

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 • Accepting the recommendations will materially improve the Council's ability to achieve its corporate priorities, in particular to Homes and Communities. 	Head of Housing and Regulatory Services
Cross Cutting Objectives	<p>The four cross-cutting objectives are:</p> <ul style="list-style-type: none"> • Heritage is Respected • Health Inequalities are Addressed and Reduced • Deprivation and Social Mobility is Improved • Biodiversity and Environmental Sustainability is respected <p>The report recommendations support the achievements of the cross-cutting objectives, in particular addressing Health Inequalities and tackling Deprivation.</p>	Head of Housing and Regulatory Services
Risk Management	<ul style="list-style-type: none"> • Already covered in the risk section 	Head of Housing and Regulatory Services

Financial	<ul style="list-style-type: none"> The proposals set out in the recommendation are all within already approved budgetary headings and so need no new funding for implementation. 	Head of Housing and Regulatory Services
Staffing	<ul style="list-style-type: none"> We will deliver the recommendations with our current staffing. 	Head of Housing and Regulatory Services
Legal	<ul style="list-style-type: none"> Accepting the recommendations will fulfil the Council's duties under the Regulatory Reform (Housing Assistance) Order 2002. 	Interim Team Leader (Contentious and Corporate Governance)
Information Governance	<ul style="list-style-type: none"> The recommendations will impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council processes. The Information Governance Team will/have reviewed the processing of personal data affected and the associated documentation has been/will be updated accordingly, including a data protection impact assessment. The recommendations do not impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council Processes. 	Information Governance Team – either Anna, Georgia or Lauren to review and approve.
Equalities	We recognise the recommendations may have varying impacts on different communities within Maidstone. Therefore we have completed a separate equalities impact assessment.	Equalities & 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. 	Head of Housing and Regulatory Services
Crime and Disorder	<ul style="list-style-type: none"> No direct impact 	Head of Housing and Regulatory Services

Procurement	<ul style="list-style-type: none"> • None identified 	Head of Housing and Regulatory Services
Biodiversity and Climate Change	<p>The implications of this report on biodiversity and climate change have been considered and are</p> <ul style="list-style-type: none"> • The proposed Housing Assistance Policy seeks to address fuel-inefficient homes and makes proposals to help vulnerable households improve the thermal warmth of their homes. 	Head of Housing and Regulatory Services

2. INTRODUCTION AND BACKGROUND

- 2.1 Maidstone Borough Council’s Housing Renewal Policy sets out a range of policy matters relating to how we will enable vulnerable members of our community to maintain their homes to a decent standard, and the delivery of the Disabled Facilities Grant. In the main, staff and capital costs relating to this function are funded from the government grant under the Better Care Fund.
- 2.2 The Better Care Fund (BCF) programme supports local NHS and local authorities to successfully deliver the integration of health and social care in a way that supports person-centred care, sustainability and better outcomes for people and carers.
- 2.3 An element of the BCF is passported via Kent County Council to local housing authorities in Kent to deliver their initiatives that assist people who require their homes to be adapted, including the statutory Disabled Facilities Grant (DFG).
- 2.4 Last year Maidstone Borough Council received £1.5 million in grant, of which circa £200,000 was top sliced in a Kent wide agreement back to KCC to fund a pooled equipment and adaptations budget for social care clients. Maidstone Borough Council funds a range of initiatives through the BCF, including our Helping You Home programme that assists patients to move out of hospital beds and back onto their home environment. Staffing costs incurred through administering the DGF are recovered from the grant. The table below demonstrates the indicative and proposed usage of the BCF grant.

Table 1.

Heading	Comment	Amount
Disabled Facility Grant	Grants provided to adapt a person's home to improve their quality of life	£900,000
Helping You Home	Expenditure incurred to make adaptations to enable residents to return home following a period of hospital care	£90,000
Staff fees	Eligible costs incurred administrating grants	£156,980
Discretionary budgets (to be agreed)	New discretionary grant budget to support elements of the Housing Assistance Policy	£150,000
Total		£1,296,980

2.5 Disabled Facilities Grant

There are three main agencies involved in the DFG process in a two-tier area such as Kent and these are:

- Kent County Council – through their Occupational Therapists, who are the qualified staff that assess what adaptations are required and make recommendations.
- The Home Improvement Agency – who act on behalf of the client to ensure they are fully advised on what assistance is available to the person and to oversee the work being contracted and completed.
- The Local Housing Authority – who receives, and processes grant applications under the DFG regulations.

2.6 Kent County Council commissions the Home Improvement Agencies (HIA) for across Kent and in our sub-region this is provided by Town & Country Housing Association. The HIA is funded in part from KCC and from the fee they can charge against the DFG for each completed grant.

2.7 With a number of agencies involved in the process there can be a tendency for the process to become stalled or for bottlenecks to appear at different parts of the system. In early 2022 MBC was not content with the delays inherent in the system and commissioned an independent review of our process with a view to improving the experience of our residents.

2.8 Foundations, the UK Government appointed National Body for Home Improvement Agencies (HIAs), carried out the review during the Summer of 2022 and provided a comprehensive report on their findings in the Autumn of 2022. This has formed the basis of some changes within the Housing Renewal Policy 2023 and to our working practices.

2.9 The review concluded that the staff involved from across the three agencies were dedicated, wanted to see the best outcome for residents and were well trained in their areas of expertise. The impact once the adaptation was

completed for the resident was notably positive. The review did conclude that there were areas for improvement. These included:

- Implementing a process that promotes more trust between the agencies.
- Re-focusing on a delivering a person-centred approach.
- Eliminating duplication of activity.
- Setting out clear processes and scope of responsibilities
- Providing more consistency in approach
- Introducing improved contract management by Maidstone Council with agreed KPIs and regular liaison meetings to consider operational issues and service delivery with the HIA and KCC.

2.10 The Foundations review provided a range of recommendations to MBC. Some of the recommendations have already been implemented with the result that the average approval times for grants have drastically reduced from 50 days to 11 days. To achieve other improvements listed in the recommendations, this report proposes policy changes that are captured in the accompanying draft Housing Assistance Policy and operational adjustments to pursue a smoother, more efficient experience for the resident.

2.11 The review provided a period of reflection on how we operate with KCC and the role undertaken by Town & Country HIA. In conjunction with the HIA we have agreed a more purposeful role for the HIA, taking on aspects that were previously carried out by MBC staff. It is also proposed to provide the HIA with greater autonomy in executing the agreed works, including making minor adjustments to specifications without the need for the DFG process to be reset and recommenced.

2.12 This has two benefits; firstly, this should improve the customer experience as they will be dealing more completely with one agency and will receive a more efficient service. Secondly, it frees our officer's time from duplicating elements of the process. This freed capacity will be utilised on the team's broader role in delivering our statutory duties to enforce housing standards.

2.13 To enable this transition to take place and provide sufficient resource to the HIA it is proposed to increase the fee that was agreed with the HIA from 12% to 15%. The fee setting is within the Council's powers to approve and has been set at 12% for the past 10 years with no increase. The modest rise reflects the increase in duties that the HIA will undertake on behalf of the Council and can be funded from the DFG grant without affecting the Council's budget.

2.14 Local housing authorities (LHA) have duties in relation to responding to requests to assess the condition of accommodation under the Housing Act 2004. The action required to be taken by the LHA is dependent on the severity of the conditions found as it relates to the occupiers. The more serious the hazard the more likely the LHA will be under a duty to act. Otherwise the LHA has discretion to intervene.

2.15 The discretionary elements of the Housing Renewal Policy reflect these powers to intervene and provide an important mechanism for assisting our most vulnerable members of our community. This includes:

- Setting aside an element of the overall grant to provide a discretionary grant for residents who are unable to wholly fund their adaptation.
- Introducing a set of criteria for prioritising between DFG applications.
- Providing a means tested grant for vulnerable households to assist with remedying hazards; and to improve the energy efficiency of their home.

2.16 A further recommendation arising from the review will see the new Housing Renewal Policy 2023 develop a framework to prioritise the processing of grants. Currently prioritising between applicants is by date received and it is the intention of the new policy to amend this to acknowledge the difficulties experienced by residents who have rapid onset illnesses and end of life conditions. A new framework will be introduced to enable those cases that require an urgent intervention to be identified and prioritised for completion.

2.17 Kent County Council has a policy to prioritise applications at their assessment stage and it is proposed to develop a new framework for the Council based on the same criteria to ensure consistency in approach. An example of what this might look like is attached at Appendix B to the report.

3. AVAILABLE OPTIONS

3.1 The CHE PAC could recommend that the Executive does not adopt a new Housing Renewal Policy or the changes to how we work with the Home Improvement Agency but this approach is not recommended, as the current policy is now dated and no longer serves the best interest of our most vulnerable residents.

3.2 Alternatively, the CHE PAC could recommend that the Executive adopts the new Housing Renewal Policy 2023, attached as an appendix to this report, and the increase in fee collected by the Home Improvement Agency to enable a more efficient and effective service to residents.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

4.1 The preferred option is set out in Paragraph 3.2 above, as this will enable the Council to continue to deliver a range of activity that supports those whose quality of life can be improved through various interventions to improve their homes. The revised Housing Renewal Policy 2023 will enable the Council to meet its statutory duties in respect of delivering Disabled

Facilities Grants and tackling Housing Standards within existing accommodation.

5. RISK

5.1 The proposals are within the risk appetite of the Council.

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

6.1 The review carried out by Foundations that has informed the recommendations to this report, included a range of consultations with key stakeholders and service users during 2022.

7. REPORT APPENDICES

- Appendix A: Housing Renewal Policy 2023
 - Appendix B: Example of Prioritisation
-

8. BACKGROUND PAPERS

Maidstone Borough Council Housing Renewal Policy 2023

Contents

- 1. Introduction 2
- 2. Background 2
- 3. Aims and priorities 3
- 4. Funding and resources to implement the policy..... 4
- 5. Types of assistance that may be considered 4
- 6. Work not eligible for grant assistance 4
- 7. Disabled facilities grant..... 5
- 8. Top-up funding 6
- 9. Home hazard grant 7
- 10. Energy efficiency top-up grant..... 7
- 11. Applications for grant assistance 7
- 12. Prioritisation for grant assistance 8
- 13. Appeals and complaints 8

1. Introduction

- 1.1 Maidstone Borough Council's Strategic Plan (2019-2045)¹ identifies our vision as "Maidstone a vibrant, prosperous, urban and rural community at the heart of Kent where everyone can realise their potential". Within the borough, there are 75, 000 dwellings, with 87% of them being privately owned or rented.
- 1.2 Regarding Homes and Communities "We want to have a place that people love and where they can afford to live. This means ensuring that there is a good balance of different types of homes, including affordable housing. We will have safe and desirable homes that enable good health and wellbeing for our communities".
- 1.3 This policy details how the Council intends to use its mandatory & discretionary powers and resources to maintain & improve the condition of housing through providing support, and assistance to homeowners; tenants; and landlords to maximise the supply of high-quality housing within the borough.
- 1.4 This Housing Renewal Policy flows from the Council's Housing Strategy and should be read in conjunction with the Council's Housing Standards Enforcement Policy, the Biodiversity and Climate Change Action Plan, and Delivering Affordable Warmth - a fuel poverty strategy for Kent developed by The Kent Energy Efficiency Partnership (KEEP) and adopted by the Council.

2. Background

- 2.1. The right home environment is critical to our health and wellbeing. Good housing helps people stay healthy and provides a base from which to sustain a job, contribute to the community, and achieve a decent quality of life. Safe and suitable housing also aids recovery from periods of ill-health and enables people to better manage their health and care needs.
- 2.2. Housing is a key determinant of health, and by promoting good quality housing this policy will contribute to reducing health inequalities for Maidstone's residents and contribute to the key action area of safe and desirable homes that enable good health and wellbeing.
- 2.3. Poor housing also has the potential to impact negatively on both the local neighbourhood but also on the wider housing market and by supporting investment in private sector housing the Council will contribute to the key action areas of securing a successful economy and providing a clean and safe environment.

¹ [Maidstone Strategic Plan 2019-2045](#)

- 2.4. Energy efficient homes enable residents to cope better with cost-of-living issues and reduce the amount of energy needed to heat them so will reduce the amount of carbon dioxide released.
- 2.5. The most recent Census (2021) gave Maidstone approximately 71,200 households. The population in Maidstone has increased 13.3% from 2011 levels to 175,800 residents which is higher than the Southeast increase (7.5%). There has also been an increase of 26.3% in people aged 65 years and over, an increase of 9.7% in people aged 15 to 64 years, and an increase of 14.1% in children aged under 15 years².
- 2.6. Deprivation in the Borough is lower than England average; however, between 2020- 2021 12.6% (4,364) of children are living in absolute low-income families. (Kent Analytics, Kent County Council). There is a difference of life expectancy in men and women; 7.4 years lower for men and 4.5 years lower for women in the most deprived areas of Maidstone than in the least deprived areas.

3. Aims and priorities

- 3.1. The Council's new Housing Strategy 2023-28 has three priorities, the second of which is to ensure that "existing homes in the borough are of a high standard, are energy efficient and safe, to enable healthy, independent living". The Housing Renewal Policy sets out how the Council will meet its duties and exercise its discretion to develop schemes having regard to the needs of the borough, the availability of funding and the Council's strategic priorities³.
- 3.2. The overall objectives of the housing assistance detailed in this policy will be to:
 - a) Ensure properties are suitable for the occupier's needs
 - b) Safeguarding the health and wellbeing of vulnerable residents by removing significant hazards under the Housing Act 2004
 - c) Ensure properties are adequately heated and insulated
 - d) Promote the use of renewable energy
 - e) Provide support to bring empty properties back into use
 - f) Increase the supply of decent homes.
- 3.3. In performance of these duties, the Council is largely reactive to the concerns reported to the Council (in the main) by the resident themselves. The Council will seek to identify ways to gather more intelligence about problems affecting housing standards to enable the Housing Service to move towards a more preventative role.

² 2021 Census

³ The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 [SI 2002 No 1860

4. Funding and resources to implement the policy

- 4.1. Funding is through the Better Care Fund which is a program spanning both the NHS and Local Government and seeks more joined up solutions to people's health issues. It has been created to improve the lives of some of the most vulnerable people in our society, placing them at the centre of their care and support, and providing them with 'wraparound' fully integrated health and social care, resulting in an improved experience and better quality of life.
- 4.2. The Council partners with the Home Improvement Agency (HIA) which is part of the Town and Country Housing Association. The HIA can help homeowners to access funding and supports the homeowner in obtaining quotations from reliable contractors and can help them through the works to ensure that the works are carried out to a good standard.

5. Types of assistance that may be considered

- 5.1. Housing assistance may be offered by the Council towards the cost of the improvement, repair or adaptation of living accommodation including mobile homes and houseboats.
- 5.2. The assistance may be in any form including, but not restricted to, advice, grant assistance and loan assistance via an intermediary party, for example the Home Improvement Agency.
- 5.3. The Housing Grants, Construction and Regeneration Act 1996 will be utilised where a means test is required in considering eligibility under the Housing Assistance Grant.
- 5.4. Other housing assistance will be in some cases by reference to whether the applicant is in receipt of an income or disability related benefit. The Council will determine the eligible works.
- 5.5. Funding to bring empty properties back into use will be through accessing the loans available via Kent County Council, on condition the property is sold or rented on completion of refurbishment works.
- 5.6. The Council retains the right at any time to introduce a mechanism for further prioritisation of grant assistance under this policy to reflect budgetary requirements at the time.

6. Work not eligible for grant assistance

- 6.1. Work in dwellings that fall outside the definition of residential premises in accordance with the Housing Act 2004 Chapter 1 paragraph 1 (4) or those that fall outside of the Housing Grants, Construction and Regeneration Act 1996.
- 6.2. Cosmetic repairs such as redecoration or cleaning.

- 6.3. Finishing DIY jobs started by the owner or others unless there are extenuating circumstances.
- 6.4. Works which would normally be covered by a household insurance policy.
- 6.5. Works which have already been completed.

7. Disabled facilities grant

- 7.1. The Council has a statutory obligation to administer mandatory Disabled Facilities Grants (DFGs) to provide aids and adaptations to enable disabled residents to live independently within their own homes.
- 7.2. The eligibility requirements, scope of works, and the general requirements governing mandatory DFGs are prescribed, and the Council is unable to deviate from these requirements.
- 7.3. The Council is required to administer Disabled Facilities Grants to all eligible applicants irrespective of their tenure, and the Council aims to work collaboratively with housing associations to fund aids and adaptations within subsidised housing in accordance with the pan-Kent protocol⁴ for delivering DFGs which shares the cost between the Council and the housing association that owns the property being adapted.
- 7.4. In some cases, the use of Disabled Facilities Grants can assist with reducing the length of stay in hospital and facilitating a quick return to home. This also reduces the demand for residential care placements.
- 7.5. The Council acknowledges that in certain cases such as the rapid onset of a debilitating illness, or an end-of-life condition will required a swift response. This approach will enable discretionary and statutory grants to be prioritised to assist those residents facing those conditions more effectively.
- 7.6. The Council will treat Council Tax Support as a passporting benefit when undertaking a means test.
- 7.7. Assistance in excess of £5,000 must be registered as a local land charge against the property and a maximum of £10,000 to be repaid (disregarding the first £5,000) in the event that the property is sold, transferred, or assigned. Exception can be considered by the Head of Housing & Regulatory Services if the property disposal takes place more than 10 years following the date of the local land charge or if the Council considers that it is unreasonable to require repayment having regard to the relevant regulations⁵.

⁴ Kent Housing Group

⁵ The Housing Grants, Construction and Regeneration Act 1996: Disabled Facilities Grants (Conditions relating to approval or payment of Grant) General Consent 2008.

8. Top-up funding

8.1. In some cases, it is not possible for the works specified under a Disabled Facilities Grant to go ahead for a variety of reasons – for example the cost of the works may exceed the statutory £30,000 grant cap. Therefore, discretionary assistance may be available to top-up the mandatory grant. The maximum assistance of £10,000, will be placed as a land charge and will be repayable in perpetuity, therefore there must be unmortgaged equity in the property. Top-up funding may be available for the following:

- a) To pay for repairs or other work to owner occupied premises which are essential to allow the works specified under a Disabled Facilities Grant to go ahead or be completed.
- b) To pay for up to £1,000 of an applicant's contribution towards the cost of a Disabled Facilities Grant where the funding is not available or cannot reasonably be borrowed elsewhere.
- c) To pay for reasonably incurred top-up costs where the necessary works are in excess of the mandatory limit where the funding is not available or cannot reasonably be borrowed elsewhere.
- d) To pay for additional works that the Occupational Therapist recommends during the Disabled Facilities Grant application which are classed as essential but fall outside the scope of the Grant. Where the funding is not available or cannot reasonably be borrowed elsewhere.
- e) To pay for an applicant's reasonable costs of moving within the Borough to a more suitable property subject to a report from an Occupational Therapist as to why the existing property is not suitable for adaptations and the suitability of the new property is considered to be the most viable and cost-effective option.

Reasonable costs of moving relating to the sale and purchase of a property would include the following: Legal fees, Estate agent's fees, Stamp duty, Land registration fees, Survey fees, Electrical and drainage inspection fees, Removal costs (lowest of at least two quotes), and Redirection of mail if necessary (for a period of 12 weeks maximum).

Funding will be provided to meet any cost difference between the new and existing property price.

- f) To pay for works as specified by an Occupational Therapist or Trusted Assessor which are deemed as 'urgent' and 'simple' as defined by guidance⁶. And where funding is not available or cannot reasonably be borrowed elsewhere. Work to install or repair a

⁶ Disabled Facilities Grant delivery: guidance for Local Authorities in England 2022

stairlift for someone in hospital or in care but is unable to return home without this could be classed as urgent and simple.

9. Home hazard grant

- 9.1. The Council may provide assistance to vulnerable homeowners up to a maximum of £30,000. The assistance is means tested and applicants must own their own property for at least 3 years and be on a means tested benefit. The grant is repayable in perpetuity on sale or transfer of the property.

10. Energy efficiency top-up grant

- 10.1. The Council may provide assistance to vulnerable homeowners up to a maximum of £5,000 for works to top-up other local or nationally funded grants. Applicants must own their own property for at least 3 years and be on a means tested benefit. The grant is repayable in perpetuity on sale or transfer of the property.

11. Applications for grant assistance

- 11.1. Applications for assistance must be on the forms published by the Council.
- 11.2. Estimates and invoices will not be accepted if they come from the applicant or member of their family.
- 11.3. Eligible works are identified by the Council or Home Improvement Agency with reference to the Council's policy.
- 11.4. Financial assistance will be available for applicants in receipt of a means tested benefit or a full financial assessment. Passported benefits include:
- a) Council Tax Support
 - b) Guaranteed Pension Credit
 - c) Housing Benefit
 - d) Income-based Job Seekers Allowance
 - e) Income-related Employment and Support Allowance
 - f) Income Support
 - g) Universal Credit
 - h) Working tax credit with an income of less than £15,050
 - i) Child tax credit with an income of less than £15,050
- 11.5. The contract for the building works is between the applicant and the chosen contractor. The Council's role is only to administer the assistance and provide finance. The Council does not have a contract with the contractor. Although inspections may take place to make sure works are carried out to the specification of works the Council, or its officers, is not

liable for any poor workmanship and does not provide any guarantee. Any faults with the work will be a matter between the applicant and their contractor.

- 11.6. Financial assistance will only be paid if the work is completed within the time period stated in the approval, by a contractor whose estimate accompanied the application, the works have been completed to a satisfactory standard and in accordance with the specification and estimates, and the Council is provided with an acceptable invoice.
- 11.7. Grant payments are normally paid direct to the contractor.

12. Prioritisation for grant assistance

- 12.1. Applications will be prioritised and assessed taking into account the:
 - a) Level of vulnerability of the applicant e.g. a rapid onset illness, or end of life condition;
 - b) Ability of the applicant to seek alternative assistance;
 - c) Level of disrepair and consequent risks to occupiers' health and safety;
 - d) Cost of work, which must be in line with the limits set out under this Policy;
 - e) Long-term sustainability of the property and its occupation.
- 12.2. Where there are more applications than funding available, applications will be prioritised by:
 - a) Most vulnerable applicants;
 - b) Those likely to benefit most from assistance under this Policy;
 - c) Date order of application received.
- 12.3. Where the applicant is a landlord, applications will be prioritised in the following way:
 - a) Bringing long-term empty properties back into use;
 - b) Where the repayable grant will result in nomination rights;
 - c) Where works done under this Policy will address the terms of an Improvement Notice;
 - d) In date order

13. Appeals and complaints

- 13.1. Where housing assistance is refused the applicant can appeal against the decision, in writing, to the relevant Head of Service. Appeals should be received within 28 days of a decision being issued. Appeals will be determined within a further 28 working days.

13.2. Any complaints regarding any aspects of this policy should be made to the Council's formal complaints procedure.

Appendix B

Example of Case Prioritisation

Priority 1

- The person or their carers could be at serious risk and an urgent intervention is required
- Equipment has broken and individual/carer is at serious risk of injury without this equipment.
- Inappropriate discharge from hospital and urgent intervention needed- when health involvement has been excluded
- OT intervention in KEAH in assessing or meeting enablement goals
- The person has an end-of-life condition and/or a rapid onset illness.

Priority 2

- The person is receipt of a costed care package (multi-handed care) which is a new service, an increase in need or double handed review.
- The person has a critical need that requires urgent intervention and there is no way to mitigate or reduce risk i.e. the person is unable to access basic facilities such as the toilet.
- There are risks presented to carers and this is impact on the person having their needs safely met

Priority 3

- The person requires an OT functional needs assessment.
- Before a Housing Needs Assessment is considered, the individual needs to have a housing application with the local council and a bidding number issued.
- If the individual wishes to delay their OT Assessment longer than an 8 week period they are requested to re-refer when they are ready to proceed.

Agenda Item 17

COMMUNITIES, HOUSING & ENVIRONMENT POLICY ADVISORY COMMITTEE

14 FEBRUARY
2023

1,000 HOMES UPDATE

Timetable	
Meeting	Date
PAC	14 February 2023
Executive	22 March 2023

Will this be a Key Decision?	No
Urgency	Not Applicable
Final Decision-Maker	Executive
Lead Head of Service	Chief Executive
Lead Officer and Report Author	William Cornall, Director of Regeneration & Place
Classification	Public
Wards affected	All

Executive Summary

This report provides a review of the progress made towards achieving the delivery of the Council's various housing development programmes.

Purpose of Report

Noting

This report makes the following recommendations to the Committee:

1. To note the contents of this report.
-

1,000 HOMES UPDATE

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	<p>The four Strategic Plan objectives are:</p> <ul style="list-style-type: none"> • Embracing Growth and Enabling Infrastructure • Safe, Clean and Green • Homes and Communities • A Thriving Place <ul style="list-style-type: none"> • Accepting the recommendations will materially improve the Council's ability to achieve [corporate priority]. We set out the reasons other choices will be less effective in section 2 [available alternatives]. 	Director of Regeneration and Place
Cross Cutting Objectives	<p>The four cross-cutting objectives are:</p> <ul style="list-style-type: none"> • Heritage is Respected • Health Inequalities are Addressed and Reduced • Deprivation and Social Mobility is Improved • Biodiversity and Environmental Sustainability is respected <p>The report recommendation(s) supports the achievement(s) of the cross-cutting objectives.</p>	Director of Regeneration and Place
Risk Management	The risks to programme delivery are explored within the main body of the report.	Director of Regeneration and Place
Financial	There is provision for the 1,000 Affordable Homes programme within the Capital Programme submitted to Council for approval on 22 February 2023. As set out in the body of the report, the cost of the programme cannot be sustained on the basis of affordable	Section 151 Officer & Finance Team

	rental income alone, so the Council will need to fund the necessary subsidy, to the extent that this is not available from external sources such as Homes England.	
Staffing	<ul style="list-style-type: none"> We will deliver the recommendations with our current staffing. 	Director of Regeneration and Place
Legal	<ul style="list-style-type: none"> It is recognised that this report is for noting and therefore has no immediate legal implications, but the wider legal context is as follows: Under s1 of the Localism Act 2011 the Council has a general power of competence which enables it to do anything that individuals generally may do. Further, under section 111 of the Local Government Act 1972 the Council has power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. It is recommended that Legal advice is sought for all transactions and all necessary Legal documentation will be approved by Mid-Kent Legal Services before completion. 	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	Important to note that with the increase in housing stock it could put additional strain on existing public health services such as the NHS (GP's, Dentist, A&E attendances, mental health). if no new resources are earmarked.	Sarah Ward, Public Health Officer

Crime and Disorder	<ul style="list-style-type: none"> We recognise that the recommendations will have a positive impact on crime and disorder. 	Director of Regeneration and Place
Procurement	N/A.	Director of Regeneration and Place
Biodiversity and Climate Change	The implications of this report on biodiversity and climate change have been considered. '1,000 Affordable Homes Scheme will have a significant impact on MBC's net zero 2030 commitment, causing the council's overall carbon emissions to increase through construction and operation when the homes are lived in. Aligning the scheme with the MBC Biodiversity and Climate Change Action Plan to ensure climate adaptation, low carbon heating, renewable energy generation, sustainable transport, and biodiversity enhancement will greatly reduce this impact.'	Biodiversity and Climate Change Officer

2. INTRODUCTION AND BACKGROUND

2.1 The Policy & Resources Committee approved the 1,000 Affordable Homes programme in January 2022, and this report details the progress made to deliver this key ambition and also covers the Council's other housing programmes; Private Rented Sector (PRS) housing, and Temporary Accommodation (TA) for those households affected by homelessness.

2.2 At the time of writing, the Council's housing portfolio comprises:

- Affordable Rented dwellings 0 units
- TA dwellings 120 units
- Regulated Council tenancy dwellings 0 units
- PRS dwellings 118 units
(107 of which are managed by MPH Ltd)
- **Total dwellings 238 units**

2.3 The next Medium Term Financial Strategy (MTFS) Capital Programme, which is still subject to approval, proposes further investment in the three different streams, as follows:-

- *Affordable Rented dwellings £178.2m (net) over 10-years for 1,000 units
- TA dwellings £32m (net) over 3-years for c 80 units
- PRS dwellings £46.5m (net) over 10-years for c 186 units
- Heathlands £5m "promotional and planning"

- 2.4 *This figure is net of the £50m of suggested internal subsidy that will come from revenue over the business plan period (referred to later in this report).
- 2.5 This report will assess the progress made to date, and the direction of travel against the following topic areas: Staffing, Consultant teams, Viability and risk, and Progress to date.

Staffing

- 2.6 The Wider Leadership Team restructure was signed off in the summer of 2022, and this amongst other changes, created a Head of Service role (Head of New Business & Housing Development) to manage the various housing development programmes. The successful candidate was appointed in November 2022, along with two further Development Project Managers and a Garden Community Project Manager that have all been appointed and will all be in post by April 2023.
- 2.7 This will mean from April the team will comprise 1 x Head of Service, 3 x Development Project Managers, and there is an ambition to also create 1 x Development Project Officer for which the recruitment is in train.
- 2.8 A good proportion of these staff salaries will be capitalizable. In the Registered Provider (RP) sector it is normal practice that circa 2% of annual capital spend be used to help pay for staffing costs associated with housing programme delivery. Given the Council's spend on these programmes will be circa £25m pa, 2% would be £500k. Therefore, the team's costs need not impact greatly on the Council's revenue account.
- 2.9 All the new roles attracted a lot of market interest and positive perception, and good quality candidates have been appointed. This is the first time that the Council has had a specialist team exclusively focussed on housing development and so this is an extremely positive achievement.

Consultant teams

- 2.10 The Council in the Autumn completed the procurement and appointment of three separate firms to aid the delivery of the various housing development schemes. Each has a distinct and specific discipline as follows:
- BPTW as architect, designing most of our schemes to point of securing detailed planning permission. Wherever possible, we will encourage our appointed contractors to utilise BPTW for post planning design work too.
 - Calfordseaden as Employer's agent, which is a multi-disciplinary function that encompasses Project Management, Quantity Surveying, Contractor Procurement, Project Management, Contract Administrator, Principal Designer and Clerk of Works.

- Red Loft as housing development consultants. Red Loft will provide additional capacity across all the various housing programmes, to supplement and support the in-house team. In particular their role will focus upon the early stage of some projects, to include undertaking site identification, feasibility studies, acquisition negotiations, obtaining of approvals and managing the due diligence process for site acquisitions. Red Loft will also be working on the TA programme, as well as the Heathlands project too.

2.11 Having these three firms in place for the duration of the programme is a huge step forward, bringing the following benefits.

- All three firms are market leaders, and the Council has done extremely well to attract them to work with us. They all have outstanding expertise and experience in the housing development sector and are at the cutting edge of current best practice.
- These firms can now work together, with the in-house team to create long term continuity on all our future projects so as to achieve a partnering ethos and continuous improvement. I.E learning from the previous project can now be carried forward and implemented into the next project, as well as lessons learnt etc. This will manifest itself in schemes having improved “buildability” or VFM.
- Because of the long-term commitment that the Council is making to these firms, their tendered rates are very attractive which means better VFM for the Council and improved scheme viability.
- Lengthy and time-consuming consultant team procurement exercises are no longer required on a project-by-project basis.
- These three firms will offer softer benefits to the in-house team such as training events, seminars, sector briefings and partnering events.
- They will undertake a number of early-stage scheme feasibility exercises for new schemes at cost, on the strength of the future workstreams. This means the in-house team can explore more schemes opportunities, faster, cheaper and to a better standard than previously.
- More generally, the appointment of these firms will help the Council build higher quality homes, that will meet the Maidstone Building for Life 12 standard, which will mean those homes will be supported with grant funding from Homes England. I.E Homes England will not fund either refurbished homes nor new build homes that are not of a high quality design standard.

Viability and Risk

2.12 The report to P&R in Jan 2022 set out a number of risks to the delivery of the programmes, and these remain, and some cases have worsened since then. The most primary area of concern is build cost inflation that is being caused by; construction labour shortages, material supply chain issues, rising material costs, increasing housing design standards through

Building Regulations, and generally contractors pricing in a greater risk-premium into their pricing owing to the market volatility.

- 2.13 The appointment of the three consultancy firms will help us to manage the construction cost risk to some degree, but it will remain a challenge to scheme viability.
- 2.14 Another possible antidote could be the use of Modern Methods of Construction (MMC) and in particular factory-built housing. Typically, the costs of MMC have been higher (than traditional construction) but arguably could still offer better VFM through reduced construction periods and improved quality.
- 2.15 However, whilst MMC should be part of our thinking, it isn't a "silver-bullet" for us, as our programme isn't of the scale required, nor are we likely to be able to achieve the standardisation of unit types, given the shapes and sizes of the sites available to us, to drive genuine efficiencies through repetition. Also, there are risks around supplier solvency when paid for work-in-progress sits within someone else's factory. Calfordseaden will be delivering a seminar to the Cabinet in the current quarter on this topic.
- 2.16 There may be the possibility of offering schemes that will run concurrently to a single contractor, so that they can achieve better economies of scale and share these savings with the Council as client. A possible example of this approach could include the Maidstone East and Springfield library sites that will have similar programmes, comparable scale and are in close proximity.
- 2.17 Other scheme viability risks include:
- Static Local Housing Allowance (LHA) rates versus rising scheme costs.
 - Possible house price deflation in 2023.
 - Rising borrowing costs of Prudential Borrowing. However, the Council has secured the first £80m before the autumn 22 market volatility, and so potentially this situation will have eased, to some degree, before more borrowings need to be secured. Ultimately if the cost of funds does become higher in the medium term, the financial hurdle rates will need to be raised to take account of this.
- 2.18 Potential viability opportunities include:
- More realistic land price expectations and greater availability brought about by prevailing market conditions.
 - Housebuilders and SME developers more willing to sell stock off plan owing to prevailing market conditions.
 - Town planning, the Council development management planning service is performing strongly without application backlogs and is geared up to provide high-quality pre-application advice. Therefore, planning delays should not be an issue.
 - Market rents would appear to be rising in line with build cost inflation.

- Reduced competition for sites from RP's that may be struggling with reduced financial capacity as a result of; rising borrowing costs, inflationary pressures and higher than expected stock reinvestment requirements (eco and fire safety).
- Homes England have confirmed in a rent meeting with the Council that our focus upon urban regeneration sites is well judged, and that they will soon be launching a new funding stream suited to such sites, to pay for demolition, infrastructure, and decontamination abnormal costs.
- The council has a growing pot of c£2m through S106 off-site affordable housing contributions from developers. This can be used as an alternative to Homes England grant funding to deliver affordable homes, if and when, Homes England grant funding may not be forthcoming on a given site.

- 2.19 On balance the overall scheme viability has worsened in the last year, with rapidly rising construction costs being the key issue. However, it is not yet clear whether Homes England will start to offer increased grant rates to mitigate this situation. Officers intend to open a more detailed dialogue with HE this spring once our two big schemes have planning permission, and our position of negotiation is stronger. By that time, we would also expect to have more land opportunities secured too.
- 2.20 As set out in the report to Policy and Resources Committee in January 2022, even with Homes England grant there is likely to be a requirement for the Council to subsidise affordable housing. This arises because the level of borrowing required for land purchase, construction costs and fees cannot be sustained by affordable rents alone. In due course the Council will need to account for affordable housing through a ringfenced Housing Revenue Account (HRA). When completed units are transferred to the HRA, their capital value and the associated borrowing must be financially sustainable. This will be achieved by transferring the units net of a capital subsidy.
- 2.21 In terms of the subsidy per unit, the January 2022 report stated that this would need to be set at £17,600 per affordable rented dwelling (due upon the completion of the units), to total £17.6m for the 1,000 affordable homes in total. This level of subsidy was predicated on a typical construction cost per unit of £201,250 (£2,500 per m² of construction on a typical 2-bed apartment of 70m² plus 15% for communal areas).
- 2.22 This internal subsidy figure has subsequently been revised upwards to £50,000 per unit, on the basis of construction prices rising by (at least) at 15% over the past twelve months to circa £2,875 per m². This has increased the typical unit construction cost by a little over £30,000 per dwelling, and the percentage "on-costs" on top of this will rise accordingly too. Therefore, the suggested level of internal subsidy at £50k per affordable rented remains logical, even before considering any further forecast adverse construction cost increases in the coming months. The difficulty for the Council as developer is that rents

chargeable are capped at the Local Housing Allowance, which is not increasing at the same rate (as construction costs), if at all.

- 2.23 The following is a comparison table that shows the impact that increased construction costs will have on the overall amount of “Internal Subsidy” that the Council will need to provide to deliver the programme in a financially sustainable manner. IE. It shows the assumption made at the start of the programme versus today.

Typical 2-bed flat for Affordable Rent	Jan-22	Feb-23
*Net Cost Per Unit	£ 200,000	£ 232,400
Investment Value	£ 182,400	£ 182,400
Viability Gap Per Unit	-£ 17,600	-£ 50,000
Viability Gap per 1,000 homes	-£ 17,600,000	-£ 50,000,000
*Land + Build Cost + On Costs - Grant / S106 subsidy		

- 2.24 There is no new information or assumptions to suggest that this level of subsidy per unit should be reduced, inasmuch there are likely to be rising unit costs versus static rental assumptions.
- 2.25 Ultimately, in order to deliver the programmes, the Council has to continue to focus on land and property acquisitions and securing planning permissions for these various landholdings. Viability will continue to be evaluated post acquisition, and officers will continue to work with Homes England the Department for Levelling Up to access different subsidy streams. Furthermore, should this route not be fruitful, the risk and exposure on larger schemes could be shared with partners such as the contractor and/or RPs.

Progress to date.

- 2.26 The Council has in the last year completed the land assembly at the Maidstone East (Former Royal Post Office site) and Springfield Library site, which together have the potential to provide 335 residential plots. Furthermore, a further two schemes have been approved for a further 32 homes combined for which the land contracts are exchanged. During the current quarter (to year end) Officers are expecting to bring forward at least a further three schemes for approval that will provide a further 39 units (one of which is the Royal British Legion site in Parkwood for 12 homes) that the Council owns and now has planning permission.
- 2.27 Therefore, by the end of the financial year, Officers expect to have at least 406 residential plots approved and the bulk of these contractually committed too.

- 2.28 In addition to these, Officers are working on two large land transactions that could yield in excess of 500 residential plots between them, and these will be discussed with the Cabinet in some detail imminently. However, nothing is guaranteed at this stage.
- 2.29 Furthermore, the officers have compiled (and shared with the Portfolio Holder) a pipeline table of realistic scheme opportunities that are currently being worked on that have a reasonable chance of coming to fruition. This list is in excess of the number of residential plots that are required for the current programmes, and negotiations are ongoing with the respective vendors, but they comprise a range of short, medium, and long-term opportunities.
- 2.30 The Council's housing development aspirations have been widely promoted and all the key players in the borough are aware of them, and are engaged with our team, with good quality scheme opportunities coming forward on a regular basis. Therefore, positive progress continues to be made with developing the Affordable Rented and PRS programmes.
- 2.31 The buying of street properties for TA in 2023 should be easier than in the previous year owing to more favourable market conditions. Furthermore, the resource to be provided by Red Loft will be invaluable for this programme as well as the (new) Development Project Officer to work alongside them. The challenge here will be stock availability whilst not driving up prices through our own demand. Also, TA has to be acquired in the form of street properties, good quality individual apartments, or modestly sized apartment or hostel blocks. The last point is key to the sound management of those assets.
- 2.32 Finally, Heathlands is reported on separately to Corporate Services PAC and the executive. The partnership with Homes England remains strong, and Heathlands now features in the draft Maidstone Local Plan Review for which the second stage Hearings will get underway in circa April 2023. Joint shared expenditure with Homes England will likely be £3m at the point of allocation. Should an allocation be achieved, a circa further £2m of shared expenditure would need to be approved by both parties to cover the likely costs up to and including securing the outline planning permission during 2025.

3. AVAILABLE OPTIONS

- 3.1 Not applicable as the report is for noting.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 Not applicable as the report is for noting.
-

5. RISK

5.1 The various risks are explored within the main body of the report.

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

6.1 N/A.

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

7.1 New schemes for approval will continue to be brought through the Communities Housing & Environment Policy and Advisory Committee and the Executive.

8. REPORT APPENDICES

8.1 It would be helpful for Committee Members to read the report that went to the January 2022 Policy and Resources Committee, attached.

9. BACKGROUND PAPERS

9.1 None

Affordable Housing Delivery by the Council

Final Decision-Maker	Communities Housing & Environment Committee
Lead Head of Service	William Cornall, Director of Regeneration & Place
Lead Officer and Report Author	William Cornall, Director of Regeneration & Place
Classification	Public with a private appendix. Exempt Category 5: Information in respect to which a claim to legal professional privilege could be maintained in legal proceedings.
Wards affected	All wards.

Executive Summary

At Full Council on 29th September 2021, the Leader of the Council set out an ambition to build and own 1,000 affordable homes in the shortest possible time frame. This report provides a development strategy as to how this ambition could best be achieved.

It is likely that each affordable home will have a net cost of at least £200k, so the overall programme will be worth at least £200m.

Market conditions in terms of high land and house prices are not favourable at present and so the Council will need to be bold, creative, and flexible in respect of the types of projects it will consider and the amount of risk that it will be willing to accept.

The Council has had successes in delivering new homes over the past five years, but the pipeline of new projects has dwindled latterly both because of market conditions and a lack of consensus as to what types of projects should be pursued. Accordingly, there will now need to be a different strategy deployed and this will require Councillors, and this Committee in particular, to prioritise the delivery of the programme over other considerations.

Purpose of Report

Decision.

This report makes the following recommendations to this Committee:

1. To note the proposed capital spend of c£200m, net of any grant, to build a portfolio of 1,000 Affordable Homes over the ten-year period commencing 1st April 2022, with individual schemes subject to approval by this Committee.
2. To note the preliminary officer advice and the legal advice (provided as exempt Appendix 1) on the possible and likely corporate structure arrangements within which an affordable housing portfolio could be held once it passes 200 homes, and that a further report on this matter, for decision, will be brought back to this Committee during the next financial year.
3. To note that a bid for grant to Homes England via the Continuous Market Engagement route will be made in the coming months but subject to a further detailed decision by this Committee to approve any grant Funding Agreement that is offered by Homes England.
4. To note that this Affordable Homes programme is proposed to be supplemented by further additional capital spend of c£46.5m in Private Rented Sector (PRS) Housing, to build a further 200 such homes over the five-year period commencing 1st April 2022, with individual schemes subject to approval by this Committee.
5. To note that the proposed Affordable Homes and PRS programmes will be supplemented by investment in circa 60 Market Sale homes, via joint venture arrangements with incumbent scheme contractors, with individual schemes subject to approval by this Committee. As per the capital programme for approval, proposed exposure will be capital spend of circa c£22m over the programme period.
6. To approve the scheme target hurdle rates for Affordable Housing and PRS investments as being a positive Net Present Value (NPV) and Internal Rate of Return of 4%, and that there will be cognisance of the challenges in respect of the likely cost / value ratio on some schemes. These hurdle rates will be kept under review by the Director of Finance and Business Improvement and any changes will be dealt with through reporting on the Capital Strategy.
7. To note the likely viability gap per Affordable Housing home developed which will equate to circa £1.7m per 100 homes built, and that provision will be made by this Committee elsewhere in the Council's Medium Term Financial Strategy to meet this viability shortfall. I.e., the creation of a Maidstone Housing Investment Fund (MHIF).
8. To approve that all the Affordable Housing will be let as Affordable Rented Homes, with rents set at 80% of the prevailing market rent but capped at the Local Housing Allowance.
9. To approve the overall Development Strategy that is set out from paragraph 2.49 to 2.58 of this report and endorse it for subsequent approval by the CHE Committee at a later date.

Timetable	
<i>Meeting</i>	<i>Date</i>
Committee (please state)	19 th January 2022
Council	N/A

Affordable Housing Delivery by the Council

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>Accepting the recommendations will materially improve the Council's ability to achieve its corporate priorities.</p>	Director of Regeneration & Place
Cross Cutting Objectives	<p>The four cross-cutting objectives are:</p> <ul style="list-style-type: none"> • Heritage is Respected • Health Inequalities are Addressed and Reduced • Deprivation and Social Mobility is Improved • Biodiversity and Environmental Sustainability is respected <p>The report recommendations support the achievement of the Council's cross cutting objectives.</p>	Director of Regeneration & Place
Risk Management	Already covered in the risk section.	Director of Regeneration & Place
Financial	Budgetary approval for this project is part of the capital programme report elsewhere on the agenda.	Senior Finance Manager (Client Accountancy)
Staffing	We will need access to extra expertise to deliver the recommendations, as set out in section 3 [preferred alternative]. There is a need for two additional Development Management Officers, that are currently in place on an interim basis, but the intention is	Director of Regeneration & Place

	to make permanent appointments in due course. The cost of these additional staff will be capitalised, and this situation will be reflected in the next Medium Term Financial Strategy and Capital Programme (subject to approval).	
Legal	<p>Under s1 of the Localism Act 2011 the Council has a general power of competence which enables it to do anything that individuals generally may do.</p> <p><i>Under section 111 of the Local Government Act 1972 the Council has power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.</i></p> <p><i>The Council has the power to acquire properties by agreement under the Local Government Act 1972, section 120.</i></p> <p><i>Legal advice is sought for all transactions and all necessary Legal documentation will be approved by Mid-Kent Legal Services before completion.</i></p> <p><i>At this stage legal implications are not specific to proposed schemes yet to be presented for decision.</i></p>	Interim deputy Head of Legal Services.
Privacy and Data Protection	Accepting the recommendations will increase the volume of data held by the Council. We will hold that data in line with our retention schedules.	Policy and Information Team
Equalities	The recommendations do not propose a change in service therefore will not require an equalities impact assessment	[Policy & Information Manager]
Public Health	We recognise that the recommendations will have a positive impact on population health or that of individuals.	Director of Regeneration & Place
Crime and Disorder	The recommendation will not have a negative impact on Crime and Disorder.	Director of Regeneration & Place
Procurement	On accepting the recommendations, the Council will then follow its usual procurement protocols and Financial Procedure Rules to deliver the programme.	Director of Regeneration & Place
Biodiversity and Climate Change	The implications of this report on biodiversity and climate change have been considered and there are no implications on biodiversity and climate change.	[Biodiversity and Climate Change Officer]

2. INTRODUCTION AND BACKGROUND

LSVT Background

- 2.1 A return to building council housing, or affordable housing, as it is commonly now termed, would be a significant reversal of a previous Council decision, inasmuch, back in 2004 the Council opted to transfer its council housing stock of around 6,000 units to Golding Homes (formerly Maidstone Housing Trust). Therefore, Maidstone is a Large-Scale Voluntary Transfer (LSVT) local authority.
- 2.2 Consequently, the Council's Housing Revenue Account (HRA) was closed, and at present, an HRA is the only mechanism by which a Council can directly hold and fund council housing at scale (beyond 200 homes). If a Council doesn't any longer have an HRA, like Maidstone, it could re-open one. There are alternative corporate structures that can be considered too, and these will be explored later in the report.

Recent housing delivery by the Council

- 2.3 The Council's current housing portfolio is as follows:

Tenure	No. of homes	Commentary
Long leases and tied accommodation	15 homes	As these properties become void, they will be considered for either Private Rented Sector (PRS) or Affordable Housing (AH).
Temporary Accommodation (TA) for homeless households	65 homes	This portfolio has been assembled through Purchase & Repair programmes, these properties are able to be held long term in the General Fund.
Private Rented Sector (PRS) homes managed by Maidstone Property Holdings Limited (MPH)	89 homes	Granada House, Lenworth House, Brunswick Street, Union Street and Springfield Mill Phase 1.
Affordable Homes (AH)	23 homes	Trinity Place, to be refurbished and let by 31 st March 2022.
	192 homes	

- 2.4 At the present time, the Council only has one new development on site at Springfield Mill Phase 2, 14 PRS homes, and these will complete in May 2022. Furthermore, there are further sums allocated within the capital programme to acquire further TA homes.

- 2.5 In 2019 a decision was made to re-enter the AH sector. There is £30m in the current Capital Programme to build circa 200 homes. To date, the Council has only contractually secured Trinity Place, a stock transfer from Hyde Housing Group. Also, there is further capacity (c £35m) within the current capital programme to increase the PRS portfolio to circa 175 units. The balances of these sums will be rolled into the Council's new MTFs and Capital Programme for 2022-27, which will then fully reflect the Council's housing growth ambitions and the strategy set out in this report.

Affordable Housing in the Borough, new delivery, and subsidy

- 2.6 There are currently around 9,000 affordable rented homes within the borough and around 75% of these are owned by Golding Homes. The other main stock holding Registered Providers (RPs) are Hyde, Town & Country, West Kent, Clarion and Orbit.
- 2.7 In terms of growing the stock of affordable homes in the borough, this happens through the following means:
- Section 106 affordable housing delivered through planning gain. RPs (formally housing associations) tend to bid circa 75% of market value for these homes. Typically, 70% of these homes are for affordable rent and 30% for shared ownership. Around 300 such affordable homes are delivered through this means every year. It is worth noting that the Council benefits from 100% nomination rights to these homes.
 - Grant funded affordable homes. This is where Homes England pays grant at circa £50k possibly up to circa £65k per home, to convert a new build home not designated as affordable via a S106 agreement to become an affordable home. I.e., these are homes that would otherwise typically be offered for market sale or rent by the developer. A note of caution on this option is that the amount of grant offered by Homes England often makes the viability marginal. Furthermore, the Planning Committee has recently taken to capping the quantum of affordable housing on consented sites, so have started to close this route to some degree.
 - Rural exception sites. These are small sites that would not ordinarily secure planning consent but can be used for affordable housing in perpetuity. Rural exception sites seek to address the needs of the local community by accommodating households who are either current residents or have an existing family or employment connection. Through this mechanism, land can be acquired at typical agricultural value, plus a very modest uplift of say 10%. This ability to acquire land at below normal residential land values in effect provides the subsidy. Given the considerable rural nature of the borough, this is a source of affordable housing land that the Council is already exploring.
- 2.8 Over the past ten years virtually all new affordable housing delivered in the borough has been delivered through the Section 106 route.

Affordable Housing Tenure Options

- 2.9 In terms of the available affordable housing tenures, these are as follows:
- Social Rent, which has the cheapest rents at circa 50% of the market rent plus service charge.
 - Affordable Rent, with rents charged at 80% of the market rent (capped at the Local Housing Allowance (LHA), inclusive of service charge.
 - Shared Ownership, where the purchaser buys a minimum 25% share in a home and pays a low rent on the unsold equity. Purchasers can buy (staircase) further shares through to outright ownership.
 - First Homes, typically delivered by the housebuilder, with a home sold at a discount to market value (say 70% of market value), and this discount must remain vested in the property for perpetuity. There is no rent payable on the unsold equity. Realistically, it is more practical for housebuilders to offer this product directly to purchasers, and the scope for the Council to deliver it is very limited.
- 2.10 For the first two rented products, the landlord would hold all the repairing liabilities, and the properties would usually be subject to the Right to Buy, meaning there is a risk they could be sold for less than their net cost, so providing an unwelcome financial exposure to the Council. For the sale tenures, 100% of the repairs' liability is with the tenant.
- 2.11 Officers do not feel that it is wise for the Council to offer Low-Cost Home Ownership (LCHO) products. This is because of the introduction of First Homes, which will be most appropriate for developers and housebuilders to deliver themselves. The other consequence of First Homes is that the quantum of homes for Shared Ownership will be squeezed and so it may become a diminishing sector in years to come.

Corporate Structure for holding an Affordable Housing portfolio

- 2.12 The Council can hold 200 completed affordable homes within its General Fund. Once the Council's portfolio goes above 200 completed homes, they must be held in one of the following;
- a) Housing Revenue Account.
 - b) 100% Council owned Registered Provider.
 - c) Community Benefit Society.
- 2.13 Preliminary specialist legal advice has been sought on these options and this is enclosed in **Private Appendix 1**. The Council does not need to take a firm decision now on its preferred structure, as it will take time to get to 200 AH units, and so a further report dealing with this point specifically will come to this Committee later in 2022.
- 2.14 The officer view is that option C should be dismissed as it would result in the Council losing direct control over its considerable investment in the portfolio. Option A is the most straightforward although there are some drawbacks created by the risks presented by the Right to Buy (RTB). However, there is an option to manage this risk through the housing assets being held in a Council owned company and then leased to the Council itself to manage.

- 2.15 Regardless, the reduced discounts on offer nowadays arguably make the risks of RTB more manageable financially and it has also caused the tenant interest in it to decline too. Officers are therefore at this stage of the view that Option B may be overly complex, time consuming and costly to set up and run, given the modest RTB risk.
- 2.16 Irrespective of the chosen corporate structure, the Finance Director is unequivocal in his view that Prudential Borrowing is the most advantageous means of funding the portfolio at the present time, so this therefore rules out the use of any Income Strip Lease arrangements (referred to in the legal advice note) for the time being.
- 2.17 MPH is not appropriate because it is not an RP and so cannot access Homes England Grant nor hold stock delivered via S106 agreements.

Development Opportunity Appraisal

- 2.18 The Officer advice is that the Council's programme for affordable homes should be entirely rented, so either social rent or affordable rent. The following tables demonstrate that whilst social rent is a laudable ambition, the Council will not be able to offer social rented homes at the scale sought, because they would require too much internal subsidy to be affordable for the council. Therefore, the advice is that the Council should deliver only Affordable Rent homes in its AH programme to be let at 80% of the market rent but capped to the Local Housing Allowance (LHA) (capping to the LHA means that homes remain affordable to households on benefits).
- 2.19 The table shows the typical rents that would be charged for different rented tenures (Social Rent, Affordable Rent and PRS) and shows the estimated investment value of the different tenures, and for ease the 2-bed apartment column is highlighted as this could form the mainstay of the programme.

	1 bed apartment	2 bed apartment	2 bed house	3 bed house	4 bed house
Rents PCM					
Social Rent + Typical Service Charge	£ 492	£ 561	£ 524	£ 625	£ 674
Affordable Rent (80% of market rent, capped @ LHA)	£ 640	£ 760	£ 813	£ 972	£ 1,247
Market Rent	£ 800	£ 950	£ 1,050	£ 1,400	£ 1,650
Investment Values (80% of rent capitalised @ 4%)					
Social Rent + Typical Service Charge	£ 117,967	£ 134,753	£ 125,726	£ 149,906	£ 161,772
Affordable Rent (80% of market rent, capped @LHA)	£ 153,600	£ 182,400	£ 195,062	£ 233,354	£ 299,177
PRS Market Rent	£ 192,000	£ 228,000	£ 252,000	£ 336,000	£ 396,000

- 2.20 The investment value is created by capitalising the net rental income at a yield of 4%. The Council's investment hurdle is set at 4% as this reflects being able to access Prudential Borrowing at 2%, with the need for capital to be repaid too over the maximum 50-year borrowing period (as well as interest costs being met).

- 2.21 The table shows that the investment value of each unit type tends to flatten as the units get larger, and this is even more pronounced for social rented homes.
- 2.22 The difficult market conditions of rising land and construction prices coupled with relatively flat rental returns and modest grant or S106 subsidy means that the investment value of AH homes tends to be lower than their production cost, again using the 2-bed apartment example.

2 bed 4 person apartment, 70m2	Affordable	PRS
Open Market Value (OMV) @ £365 per Sq ft	£ 275,000	£ 275,000
Target Price, circa 90% of OMV	£ 250,000	£ 250,000
Build Cost @ £2,500 per m2 inc communal parts	£ 201,250	£ 201,250
On Costs @ 8% of Constuction Costs	£ 16,100	£ 16,100
Residual Land Value	£ 32,650	£ 32,650
Gross Cost Per Unit	£ 250,000	£ 250,000
Subsidy S106 Discount or Homes England Grant	-£ 50,000	£ -
Net Cost Per Unit	£ 200,000	£ 250,000
Net Cost Per Unit as % of OMV	73%	91%

- 2.23 The table below demonstrates this viability gap for a typical 2-bed apartment for affordable rent, where in fact the viability gap is at its lowest.

Typical 2-bed flat for Affordable Rent	
Likely cost	£ 200,000
Investment Value	£ 182,400
Viability Gap Per Unit	-£ 17,600
Viability Gap Per 100 homes	-£ 1,760,000
Viability Gap Per 1,000 homes	-£ 17,600,000
How do oher RP's subsidise?	
Existing asset base / business plan	
Stock disposals	
Homes for market sale	

- 2.24 Therefore, market forces mean that there tends to be a viability gap for every affordable housing home delivered, the competition from other RPs to deliver new affordable stock can drive up the cost of production too. The table shows how other RPs can subsidise their programmes, but the Council is more constrained inasmuch it does not have an existing sizeable

asset base and its overall income is too small (relatively) to risk a sizeable market sale programme.

Internal subsidy and the creation of a Maidstone Housing Investment Fund (MHIF)

- 2.25 Therefore, even though the Council's portfolio will benefit from either (or both) S106 subsidy and grant from Homes England, each AH unit will require circa £17.6k of internal subsidy too. If it was assumed the 1,000 homes would be delivered over ten years, this internal subsidy would be circa £1.7m per annum or £17.6m over the ten-year delivery period. Therefore, a MHIF will be required and the options for how this is achieved include:
- Putting aside council resources including New Homes Bonus (NHB) or potentially other one-off funding or windfall resources;
 - Making existing Council owned land available for housing development;
 - Selling some homes for market sale;
 - Cutting other Council services / costs to create financial headroom.
- 2.26 Following discussion with political party leaders, the favoured route is that of utilising one off resources where appropriate and NHB and to a lesser degree making use of some Council owned land with perhaps some market sale exposure through joint venture (with the developer contractor) on suitable sites. A reduction in spend on other Council services was not favoured.
- 2.27 Given the uncertainty over the existence of NHB in the medium to long term, the use of it to help subsidise the 1,000 homes project in the short term is very important, as well as making some Council owned land available too. In the latter years of the programme, it is possible that some modest market sale exposure could be a source of subsidy too, but this will need to be proportionate to the Council's revenue budget and only where schemes are suitable for this tenure in terms of surety of demand, and where there is a willing and appropriately experienced contractor available with who the Council can joint venture with.

Grant funding from Homes England

- 2.28 As per the section on development opportunity appraisals, any affordable homes that are not delivered through the Section 106 route will require grant, and in most cases, this will be provided by Homes England, but is subject to strict bidding criteria and Value For Money assessments. To streamline their processes, and support the largest developers of affordable housing, Homes England allocates the bulk of its resources to a relatively small number of RPs that they classify as Strategic Investment Partners. The current Homes England programme for 2021-2026 is for £7.39 billion.
- 2.29 For the Council to access the grant monies it needs, up to £50m, based on 1,000 homes multiplied by £50k per affordable home, it has two options:

- Make Continuous Market Engagement (CME) bids to Homes England on a scheme-by-scheme basis.
 - Access the grant via forming a partnership with an existing Homes England Strategic partner. In the Maidstone area, these are Hyde, Orbit, Optivo and Clarion.
- 2.30 The officer view is that in the early years of the programme it is most appropriate to use the CME route direct to Homes England. In time, once the Council has built up a good land bank and has more to offer, it would be worth exploring the possibility of joining a strategic partner under their umbrella.
- 2.31 Furthermore, the Council does also have some commuted sums (circa £1m at present) from developers via Section 106 agreements that are intended for the provision of off-site affordable housing. This pot can be utilised to get the schemes underway in the early years, pending successful bids to Homes England.
- 2.32 Regardless of which route the Council engages with Homes England, it must be appreciated that they are a delivery focussed organisation that awards grants to those RPs that deliver on time, and they withdraw funding from those that do not, so building a credible pipeline of schemes will be vital to strengthen the relationship with them.
- 2.33 For the CME route, the Council will need to apply to Homes England to become a (regular) partner as part of making its first CME bid and enter into a Grant Funding Agreement with them, and this would need to be subject to a further decision by this Committee in due course.

Typical project timelines / milestones

- 2.34 There appears to be a cross party political will to build 1,000 affordable homes and a desire for these homes to be delivered as soon as possible. However, it is worth noting that the lead time for new homes from the initial scheme identification through to the keys being handed over is significant reflecting a long process, typically as follows:
- Month 1 Scheme identification.
 - Month 3 Negotiate land purchase & gain Committee Project Approval.
 - Month 6 Complete land purchase.
 - Month 12 Submit Planning application.
 - Month 18 Secure Planning consent.
 - Month 24 Contractor completes post Planning design & starts on site.
 - Month 48 Scheme handover, assuming a typical 24-month build period.
- 2.35 Therefore, an aggressive programme for a typical scheme is 4 years, but this can be longer if there are delays in any of the stages.
- 2.36 The programme for certain schemes could be shortened in some cases, were the Council to, for example, purchase sites with the benefit of an

existing planning consent or indeed buying (to be) completed homes off plan once they are already on site. However, there is usually a premium to be paid if it is perceived by the vendor that they have already added value or have held some risk in the process prior to disposal.

- 2.37 Furthermore, the later in the development process the Council identifies the opportunity, there then becomes much less scope to have the homes designed and specified to the Council's exact requirements. This can be an issue also in terms of the fact that Homes England usually require higher standards in the new homes they grant fund, than the market would typically deliver. An example of this would be that a condition of securing Homes England grant is that the funded homes need to meet the National Space Standards, which are not mandatory for developers to meet, unless they are adopted within a borough's Local Plan (which in Maidstone they currently are not).
- 2.38 Similarly, Homes England is usually reluctant to provide grant funding for "Purchase and Repair" programmes of acquiring second-hand stock for affordable housing. The reason being is that Homes England are motivated to use their grant funding to leverage the delivery of the government's ambition for 300k new homes each year. Also, they want grant funded homes to be of the highest standards, and this would not usually be the case in terms of eco and space credentials for second-hand stock.
- 2.39 Regardless, Officers have expressed an interest (to Homes England) in undertaking a grant funded "Purchase & Repair" programme for 50 Affordable Rented Homes to be completed by 30th April 2022. Their response is awaited, but as stated previously, such programmes tend not to be their preference. Furthermore, there is the current dearth of good quality, well priced second-hand stock on the market to consider too.
- 2.40 The Council could in theory deliver such a Purchase & Repair programme without the benefit of grant funding, but this would increase the amount of internal subsidy required by a further c£50k per unit, and so would be difficult to justify. Furthermore, the Council is already undertaking a similar programme for Temporary Accommodation at the present time, but this has slowed markedly in recent months because of the dearth of suitable homes available. I.e., taking these matters into account, the potential for the early delivery of Affordable Homes is difficult.

Types of Project

- 2.41 There are several different routes through which the Council could assemble stock, and these together with their pros and cons are set out in the table below:

	Route	Pros	Cons	AH	PRS
1	Acquire S106 stock from developers (without grant)	Low risk High quality High demand	RP competition Not new supply Nomination rights regardless	Yes	
2	Acquire Non-S106 stock from developers	Low risk High quality High demand	Tenure balance Seller's market	Yes	Yes

			Planning Committee resistance		
3	Rural Exception sites	Desirable locations Meets local needs Land at agricultural value +10%	Parish support needed Speed of delivery Small schemes	Yes	
4	Develop Council owned sites	Free / cheap land Design excellence Regeneration impact	Opportunity cost Consensus Small land bank	Yes	Yes
5	Buy & develop non-Council owned (urban brownfield) sites	Scale & density Design excellence Regeneration impact Enabling grants	Overpriced Brownfield risks Construction risk Planning risks	Yes	Yes
6	Master-developer role (E.G. Heathlands)	New supply Design impact Develops pipeline	Slow to deliver Limited sites Up front "at risk" investment	Yes	Yes
7	Acquire old social housing stock from housing associations	VFM	Scarcity Not new supply	Yes	

- 2.42 In terms of route 1, in the main, this is already being effectively delivered by the RPs and the Council already benefits to the Nomination Rights (from our Housing Register) to these properties. Arguably, there would be limited value in the Council investing its resources in this route, unless a given scheme was not attracting RP interest, as is sometimes the case with smaller schemes of less than 10 affordable homes.
- 2.43 Under the current market conditions there will be a scarcity of options from route 2, but this will ebb and flow over time.
- 2.44 Route 3 often provides excellent and popular schemes but realistically, the officers will be largely dependent on Parish and Ward Councillors to identify and bring forward suitable sites. This route can make a valuable contribution to the programme, but it is unlikely to be the mainstay, as such schemes are usually small, complex, and lengthy to deliver.
- 2.45 In terms of route 4, the Council does not have an extensive land bank, and for the sites it does use, there are usually competing uses that would need to be sacrificed to make way for development. Such sites tend to be resisted by Ward Councillors for this reason.
- 2.46 Route 5, therefore would be able to make the largest contribution to delivering the program, with the added benefit of delivering it within a relatively small number of larger, high density schemes. Such schemes would also bring an important regeneration impact to their localities too. There are several such sites, especially in and around Maidstone town centre, some of which appear to be stalled. However, viability is invariably challenging on these sites, and this is being exacerbated by steeply rising construction prices too. The opportunity is whether these viability challenges can be offset by securing additional brownfield type grants from Homes England and government, a tactic the Council has successfully deployed on previous schemes. N.B. our planned acquisitions and investments at Maidstone East fall into this route.

- 2.47 The Heathlands project, where the Council is acting as master developer (route 6) may deliver some homes for the programme if it becomes an allocation in the Local Plan Review, as the Council has the right of first refusal on all the affordable housing that will be delivered at Heathlands, but this will not yield any homes for around seven years. There is the potential to deploy this type of approach on other sites, whereby the Council acquires land, secures planning consent, allows a private developer to deliver the market sale homes but retain the affordable itself. This route can contribute and there may be other schemes of this ilk, but it will not be the mainstay of the programme.
- 2.48 Finally, route 7, the number of opportunities is likely to be scarce, but they will be considered when they arise. However, even if such deals were to occur, they would not increase the overall supply of affordable housing in the borough.

Development Strategy

- 2.49 To deliver 1,000 affordable homes in a reasonable time frame, say by March 2032, the Officer opinion is that all routes to market would always need to be supported by Cllrs. The officer opinion is that a realistic distribution of stock through these routes would be as follows:

	Route	%	Number
1	Acquire S106 stock from developers (without grant)	10%	10
2	Acquire Non-S106 stock from developers	15%	150
3	Rural Exception sites	5%	50
4	Develop Council owned sites	10%	100
5	Buy & develop non-Council owned (urban brownfield) sites	50%	500
6	Master-developer role (E.G. Heathlands)	10%	100
7	Acquire old social housing stock from housing associations	0%	0
		100%	1,000

- 2.50 The table above indicates that the most effective means to build new homes at pace will be to buy and develop further brownfield sites. As discussed previously, this will also give a regeneration impact but there is an increasing risk around rising build costs, which seems to be particularly acute in respect of higher density schemes. This does present the risk that whilst schemes may still deliver acceptable financial returns, the cost of production may from time to time exceed end values. Additional grants maybe available to offset this phenomenon, but it is not uncommon in terms of regeneration projects, but the situation seems to be becoming extreme at the present time.
- 2.51 The counter argument might be to instead purchase greenfield sites, but competition for these from private sector housebuilders is intense. As these firms have "in-house" contracting capacity, so can build cheaper, and therefore offer more for the land than the Council could. Similarly, housebuilders are at the present time reluctant to bulk sell off plan new stock to the Council, as they have strong demand from private purchasers, and bulk sales bring some perceived risks in terms of social cohesion and

estate management. However, market conditions will ebb and flow over the programme period.

- 2.52 Also, this proposed strategy of developing a small number of larger schemes in and around the town centre, irrespective of the challenging costs, is consistent with the delivery of the Council's emerging Town Centre Strategy. I.e., focussing a sizeable slice of the capital programme towards construction in and around the town centre is logical and is likely to deliver social value and returns, beyond purely the financial returns.
- 2.53 Furthermore, it is proposed that the Council continues to invest in PRS housing too, so the capital programme contains proposals to continue to grow this portfolio, by a further 200 homes over the next five years, and these homes will be managed by Maidstone Property Holdings Limited.
- 2.54 Similarly, the capital programme assumes that the Council will also invest modestly in market sale housing, perhaps delivering around 60 such homes over the next five years, and ideally with the risk shared with the incumbent developer / contractor on a given scheme. Market sale will not be a suitable tenure for all schemes, it will be site specific and generally is best suited to houses rather than apartments within the Maidstone market.
- 2.55 By delivering PRS, as well as modest levels of market sale, this does benefit the overall programme as it will allow the Council to create more balanced communities, and this is especially important on larger schemes. Market sale also can provide some modest levels of subsidy back into the overall affordable housing programme.
- 2.56 In terms of the Council investing in affordable rented housing, returns will be modest. The net rent will be around 80% (of the gross) allowing for management, rent loss, void loss, and repairs and maintenance costs to include service costs. As per the current investment criteria, the Council will seek a positive Net Present Value (NPV) and an Internal Rate of Return (IRR) of 4% or above. On some brownfield land developments, it may be that grant monies for brownfield remediation and infrastructure will be necessary to ensure development costs do not exceed development value. The investment profiles of Affordable Rent and PRS housing will be comparable, and as such the investment hurdles will be the same too.
- 2.57 The PRS programme will not subsidise the Affordable programme from a revenue perspective, but with the PRS programme there is potential to capture capital growth through sales, which could in theory pay down overall borrowing. The affordable housing programme has no potential for long term capital growth because of the conditions attached to it either through Homes England grant funding or the Council's own S106 agreements, as affordable housing is generally required to be provided in perpetuity.
- 2.58 In terms of the development strategy generally, it will need to be reviewed annually and be flexed to reflect the pace of progress made as well as the prevailing market conditions.

Risks

2.59 Developing and investing in residential property is capital intensive, requiring considerable cash lock up, followed by modest but steady long-term returns. The overall programme will be subject to several risks, the main ones being:

- **Committee approvals**. New housing is often contentious, and often new proposals have been brought forward to this Committee, even when they have been approved, there has been resistance to the projects from some Cllrs, especially those local to the scheme. To deliver a programme of this scale will require difficult decisions to be made, to start to build the programme at pace. Realistically, the housing programme started well in 2016 but the pipeline has dwindled in the last two years as it has been difficult to gain consensus as to the best types of projects to take forward. Similarly, pragmatic approaches in terms of key design facets will be required too, around such issues as, for example height, density, and parking ratios, to allow the Council to be competitive in the marketplace.
- **Land availability**. The amount of developable land in the borough is very constrained, and demand for it is high, which means high prices. Land prices tend to remain high even in tougher economic times, as landowners can utilise cheap finance to mothball sites until such time as the economic environment improves, hence there tend not to be bargains / fire-sales irrespective of prevailing market conditions. Land values are also determined by the "residual" means of valuation, whereby those bidders that have the cheapest rates of production (build costs) will be the most successful in acquiring sites. Furthermore, those purchasers that develop for market sale will be in a more advantageous position too, as investment values of rented stock tend not to match open market values.
- **Construction prices**. This is perhaps the biggest threat to the delivery of the programme at the present time. Construction prices have been rising above inflation for many years, arguably driven by higher quality standards being rolled out in terms of design, aesthetics, building safety, eco-credentials, space etc, but there appears to have been a seismic shift upwards in the build up to BREXIT and since then. This phenomenon has been exacerbated by the pandemic, further driving labour shortages, and adding to on site complications around working practices and the supply and availability of materials.

To illustrate this point, when the Council tendered the works for Brunswick St and Union St, prices were around £2,000 per m² when the schemes started on site in Jan 2019. Over the past three years, the team have been modelling schemes with an assumption that build prices will be around £2,500 per m². However, more latterly our cost consultants have been quoting expected rates of £3,500 to £4,000 per m². At these quoted rates, build prices will already exceed end values of the homes, before taking into the cost of land and other production costs.

Even with these costs of construction, it should still be possible to deliver schemes that have an acceptable IRR and NPV, but this is because the Council can use Prudential Borrowing to finance the programme at very low rates. But Cllrs will need to be cognisant that they may be approving schemes where the cost of production exceeds end open market values.

Obviously, officers can work at the margins with their professional teams to design schemes that are efficient to build, and the government is pushing other remedies such as the greater use of “off-site” and Modern Methods of Construction (MMC) which can help to curtail the problem, as per the proposed King Street scheme design.

Realistically though, inflation is rising elsewhere in the economy, and there are also imminent new housing standards to meet in the form of the Future Homes Standard (carbon neutral housing) as well as any other local standards that the Council may choose to implement through its own Local Plan Review. So, to summarise, rising build prices are a huge issue, and it is difficult to see this situation reversing, and so it may well be that production values exceed end values on some schemes.

- **Contractor solvency.** When the Council lets construction contracts, it is on the basis of “design & build” fixed price contracts, whereby the client (Council) commissions the design up to the grant of Planning permission, and the contractor undertakes the post Planning design and delivers the works for a guaranteed fixed price thereafter. Therefore, the contractor holds the risk of future construction price rises and so if they bid incorrectly, they can be exposed. Past experiences are that contractors can be most vulnerable in a rising construction market rather than in a recession, and so the Council will need to protect itself using financial stability checks, overall exposure checks, Performance Bonds, quality monitoring and retentions. Needless to say, the more stable the contractor, the greater the premium. Contractor failure on smaller lower density sites whilst not ideal, is not hugely problematic, but on larger higher density projects it is. This is a risk that needs to be managed very carefully, inasmuch when trying to mitigate the risk of rising construction prices, the perceived remedy (of using smaller, newer, and less experienced contractors) can instead just expose one to another risk (of contractor insolvency).
- **Town Planning.** When buying sites “at risk” of or “subject to” Planning consent, it is important that the team take pre-application Planning advice to ensure that the development aspirations for a given site will be achievable in terms of Planning. This is a relatively straightforward risk to manage if the Council acting as developer is treated comparably to others by the Local Planning Authority.
- **Pipeline.** The Council does not have a large land bank nor a pipeline of approved scheme, and so the programme will take ten years to deliver, and there will need to be rapid progress in the early years in

terms of scheme approvals and site acquisitions, and this period will realistically coincide with adverse market conditions.

- **Competing priorities.** The market conditions will make the programme challenging to deliver. The ambition to deliver 1,000 affordable homes in the shortest time possible will be further compromised if the Council then seeks to add further “softer” aspirations to various schemes such as enhanced eco credentials (above policy), increased affordability to the end user (in terms of Social Rent versus the proposed Affordable Rent), a general bias towards larger homes and houses, will all further adversely affect the financial metrics and deliverability of the programme.
- **Market sales.** A modest market sales programme is proposed. Should market conditions move against such schemes, once work on site has begun, this risk can be managed by switching tenures to either Affordable Rent or PRS.
- **Grant funding.** The Council will need to build a strong delivery reputation to secure long-term grant funding support from Homes England. Furthermore, when securing grant, the Council will be bound by the conditions sought by Homes England too in terms of the long-term stewardship of the affordable housing assets, as well as adhering to good practice (Scheme Development Standards) in terms of how those assets are developed.

3. AVAILABLE OPTIONS

- 3.1 Option 1 – to approve the proposed Development Strategy set out in the main body of this report.
- 3.2 Option 2 – to give the lead officer feedback as to how the proposed Development Strategy could be amended and invite that it be brought back to a subsequent meeting for further consideration. The most practical alternative approach might be to instead to focus the programme on acquiring Section 106 affordable homes from developers, to meet the ambitious growth target. Beyond an expansion of this route (S106) the other routes to market are unlikely to achieve the number of homes required even with a much greater amount of officer focus and attention.
- 3.3 Option 3 – to decide not to proceed with affordable homes programme at all.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 The preferred approach is Option 1, the Development Strategy as detailed in this report, as it will ensure that the sizeable investment made by the Council into this sector will be focused upon new affordable homes that would otherwise not have been delivered and bring a regeneration impact to the town centre too. I.e., If the Council were to amend the

Development Strategy to instead focus upon the acquisition of S106 homes, this is not recommended, as these homes are already largely being delivered acceptably by RPs, and the Council already benefits from the nomination rights to these homes, irrespective of who owns them.

5. RISK

5.1 The various risks are covered within the main body of the report.

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

6.1 All the various political party leaders have been briefed and consulted with in respect of the development of this development strategy. This report and its recommendations are consistent with those discussions.

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

7.1 There are several subsequent steps that will need to be undertaken to include:

- Agree the longer-term corporate structure for holding the affordable housing portfolio.
 - Agree the details of any grant funding agreement with Homes England.
 - To review the progress made in delivering the programme in January each year at this Committee, making any adjustments necessary.
 - To receive feedback from Homes England on the prospects of them funding a Purchase and Repair programme to deliver early home completions by May 2022, and if encouraging, bring a more detailed scheme approval paper to this committee.
-

8. REPORT APPENDICES

- Private Appendix 1: Legal advice on corporate structure options.
-

9. BACKGROUND PAPERS

None.

Agenda Item 18

COMMUNITIES, HOUSING & ENVIRONMENT POLICY ADVISORY COMMITTEE

14 February 2023

Housing Strategy 2023 - 2028

Timetable	
Meeting	Date
CHE PAC	14 February 2023
Executive	22 March 2023

Will this be a Key Decision?	Yes
Urgency	Not Applicable
Final Decision-Maker	EXECUTIVE
Lead Head of Service	William Cornall Director of Regeneration & Place
Lead Officer and Report Author	John Littlemore Head of Housing & Regulatory Services
Classification	Public
Wards affected	All

Executive Summary

The Housing Strategy sets out the Council's strategic approach to tackling the major housing challenges facing the Borough for the next five years. It supports the Council's strategic ambition for the Borough to be a vibrant, prosperous, urban and rural community at the heart of Kent where everyone can realise their potential.

One of our four key priorities is 'Homes and Communities', which emphasises the importance of providing a wide variety of housing types to meet the needs of our residents. The Strategy identifies three key areas of activity: the delivery of housing; existing homes and housing standards; assisting vulnerable households.

The Strategy will form the basis for our work with Maidstone residents and partner organisations. It will inform the development of other important strategies and policies that link to housing, including the Local Plan.

Purpose of Report

Decision

This report asks the Committee to recommend to the Executive:

1. That the draft Housing Strategy 2023-2028 be approved for adoption.

Housing Strategy 2023 - 2028

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• Accepting the recommendations will materially improve the Council's ability to achieve the priority of Homes and Communities.	Head of Housing & Regulatory Services
Cross Cutting Objectives	<p>The four cross-cutting objectives are:</p> <ul style="list-style-type: none">• Heritage is Respected• Health Inequalities are Addressed and Reduced• Deprivation and Social Mobility is Improved• Biodiversity and Environmental Sustainability is respected <p>The report recommendation supports the achievement of improving deprivation and social mobility.</p>	Head of Housing & Regulatory Services
Risk Management	<ul style="list-style-type: none">• Accepting the recommendation provides the Council with a clear policy direction for the Housing Service and reduces the risk of the Council being legally challenged.	Head of Housing & Regulatory Services

Financial	<ul style="list-style-type: none"> The proposals set out in the recommendation are all within budgetary headings and capital programme that are being finalised for 2023/24. Assuming the budget is approved funding will be available for implementation of the strategy. 	Head of Finance
Staffing	<ul style="list-style-type: none"> We will deliver the recommendations with our current staffing. 	Head of Housing & Regulatory Services
Legal	<ul style="list-style-type: none"> Accepting the recommendations will fulfil the Council's duties under current housing, homelessness and safety legislation. 	Interim Team Leader (Contentious and Corporate Governance)
Information Governance	<ul style="list-style-type: none"> The recommendations will impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council processes. The Information Governance Team will/have reviewed the processing of personal data affected and the associated documentation has been/will be updated accordingly, including a data protection impact assessment. The recommendations do not impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council Processes. 	Information Governance Team – either Anna, Georgia or Lauren to review and approve.
Equalities	<ul style="list-style-type: none"> We recognise the recommendations may have varying impacts on different communities within Maidstone. Where necessary, a separate equalities impact assessment will be provided for each bespoke policy change. 	Equalities & Communities Officer
Public Health	<ul style="list-style-type: none"> In accepting the recommendations the Council would be fulfilling the requirements of the Health Inequalities Plan 	Head of Housing & Regulatory Services
Crime and Disorder	<ul style="list-style-type: none"> Accepting the recommendation will support the priorities set out in the 	Head of Housing &

	Safer Maidstone Partnership's Strategic Plan.	Regulatory Services
Procurement	<ul style="list-style-type: none"> None identified 	Head of Housing & Regulatory Services
Biodiversity and Climate Change	<ul style="list-style-type: none"> Climate change increases inequality, as it has a disproportional impact on low income and vulnerable groups. Ensuring sufficient housing that is resistant to the long-term impacts of climate change (flooding and heatwaves), while enhancing biodiversity and utilising low carbon heating solutions, high standards of insulation and energy efficiency is in keeping with the aims of the MBC Biodiversity and Climate Change Action Plan. 	Biodiversity and Climate Change Manager

2. INTRODUCTION AND BACKGROUND

- 2.1 The Housing Strategy is an overarching plan that guides the council and its partners in tackling the major housing challenges facing the borough. It sets out the priorities and outcomes that we wish to achieve and provide a clear strategic vision and leadership in an uncertain economic climate.
- 2.2 The Strategy contributes to the council's corporate priorities for Maidstone, which emphasises the importance of providing a wide variety of housing types to meet the needs of our residents. The Maidstone Housing Strategy is also intrinsically linked with other plans and strategies of the council, most notably the Local Plan and its current review. It is proposed that the new strategy looks ahead for five years, covering 2023- 2028.
- 2.3 The ambition behind this Strategy is to ensure that all people in the Borough have access to good quality homes that are affordable for them and meet their needs. Every council has a responsibility to understand what matters most to its local communities and to respond to this through investment, service planning and delivery. The Council also has to take into account both national and regional aspirations and sometimes balance these against local priorities.
- 2.4 Following the extensive research, analysis and consultation, it is recommended that CHE PAC recommends to the Executive that the new Maidstone Housing Strategy 2023-2028 is designed around the following key priorities and stated outcomes:
- 2.4.1 Priority 1: To deliver a mixture of housing types and tenures which are affordable and meet the needs of everyone in the borough.

Areas of Focus 2023 to 2026:

- Deliver the council's ambition to deliver 1,000 affordable new homes.
- Ensure we have the capacity and framework to support the new Housing Management Service – including developing our Housing Revenue Account; a suite of tenancy documents and policies.
- Increase the availability of high-quality private sector rented homes through Maidstone property Holdings Ltd.
- Reduce the time households spend in temporary accommodation by providing a range of options that will include the council's ambition to build and manage its own affordable housing stock.
- Working with our housing association partners in the borough to explore how we can make more use of their stock available for those affected by homelessness.
- Make use of our Homefinders, landlord incentive scheme, by reviewing and strengthening our offer to landlords in the private rented sector.
- Purchase more temporary accommodation stock to reduce its reliance on nightly paid temporary accommodation and provide a better quality of home within our own locality.
- Maidstone Borough Council and Homes England are working in partnership to deliver a unique, attractive, and desirable new rural Kentish town located between Maidstone and Ashford. Heathlands will provide around 5,000 new homes, of which 40% will be affordable for local people. The new community will be designed sensitively to respond to its natural and distinctive setting

2.4.2 Priority 2: To ensure existing homes meet the decent homes standard, are energy efficient and safe, to enable healthy, independent living.

Outcomes – What we plan to achieve.

- The Council will continue to work with private landlords where hazards have been identified.
- We will continue to support residents access national funding programmes to ensure homes are energy efficient, to meet the national ambition to "Improve the quality of UK homes to reduce greenhouse gas emissions and to safeguard our comfort, health and wellbeing as the climate changes". [UK housing: Fit for the future?](#)
- We will work in partnership with suitable providers and the Greater South-eastern Energy Hub to promote and support the delivery of government funding schemes to homeowners, tenants, and landlords

- We will work with Registered Providers, private landlords, freeholders and Kent Fire and Rescue Service to ensure that all residential buildings, including those that are managed by ourselves abide by the relevant fire safety legislation.
- We will make sure that landlords follow guidelines and abide by their legal responsibilities to ensure their properties do not put their tenant's health and safety at risk. Particular emphasis will be given to ensuring that people's homes meet the government's Decent Homes Standard and we will intervene where we find a failing on the part of the landlord.

2.4.3 Priority 3: To secure the very best support and housing outcomes for Maidstone's most vulnerable groups

Outcomes – What we plan to achieve.

- A main priority is to improve the experience for residents within housing to build resilience. This includes providing more training opportunities for all staff, for example - to have a better understanding of trauma awareness and Adverse Childhood Experiences and how best to achieve positive outcomes for our residents.
- The council is also working on a number of new initiatives to support victims of domestic abuse. This includes working with private landlords, providing digital mapping of the nearest support and future plans to coordinate a programme for male victims of domestic abuse, as well as medium to low-risk domestic abuse victims. We are also developing our initiative with Xantura and Kent Police, to use data to intervene as early as possible.
- The Council is developing a multi-agency approach to financial inclusion and will monitor these trends to be able to deliver what assistance and grant schemes are available.
- We will work with the Home Office to ensure those placed here from other areas are properly supported and their longer-term needs are met, including those from Syria and Afghanistan being accommodated under the relevant refugee programmes.
- We will continue assisting Ukrainian refugees who wish to remain in the UK after the Homes for Ukraine scheme ends through various routes including rematching with new hosts and the private rented sector.
- The Housing Service will work in partnership with Planning colleagues to develop the policies that will be adopted in response to the need for more gypsy and traveller sites.

3. AVAILABLE OPTIONS

- 3.1 The CHE PAC could recommend that the Executive does not adopt a new Housing Strategy, but this is not recommended as housing remains a key area of activity for the council. A failure to have an up-to-date strategic document for this area of work may lead to poor outcomes for the service and our residents.
- 3.2 By recommending adoption of the Housing Strategy the document will provide the council, its residents, and officers with a clear direction of travel for a range of housing services. This will also assist our core stakeholders to be able understand how they can support the council's ambitions around housing.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 The preferred option is paragraph 3.2 for the reasons stated.
-

5. RISK

- 5.1 Assess if within the council's risk appetite and any mitigating actions proposed if needed.

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 A range of consultations have been undertaken during the gestation of the Strategy. This included a survey between 12 November and 31 December 2021. It was promoted online through the Council's website and its social media channels. Residents who had signed up for consultation reminders were notified and sent an invitation to participate in the consultation.
- 6.2 Residents and Stakeholders differed in what they thought the most important priority was. Stakeholders placed 'prevent homelessness and enable vulnerable people to access appropriate housing and support' as the most important while residents placed 'ensure existing homes are safe, sustainable, of good quality and support residents' health and wellbeing' first.
- 6.3 When asked about building new homes residents rated 'improving the design of housing and neighbourhoods through the creation and maintenance of open space areas, energy efficiency and parking standards' as the most important element. Stakeholders placed this element second and rated 'providing attractive and energy efficient homes' first.
-

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 Once the draft Housing Strategy is adopted by the Executive, the intention is to develop the accompanying action plan over the next three months. The draft action plan will then be brought back to the CHE PAC for consideration before being adopted by the Executive Lead Member with responsibility for Housing and Health.
-

8. REPORT APPENDICES

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

- Appendix 1: Draft Housing Strategy 2023-2028
-

9. BACKGROUND PAPERS

None

Maidstone Borough Council

126

Housing Strategy 2023 - 2028

Good housing remains one of the fundamental requirements for our residents that enables our communities to flourish and succeed. With a growing population comes the requirement to ensure we have an adequate supply of housing in the right places. This includes homes that provides a range of sizes and type to meet the wide spectrum of need across our community. From home ownership to affordable rented, the Housing Strategy will compliment the Local Plan to help deliver the housing for our residents and their families as they grow. Affordability remains a key issue, with the cost of housing rising each year. Rather than solely relying on our partners, we have taken the bold decision to return to developing and managing our own Council housing stock. Our ambition to provide 1,000 new affordable homes is a statement of intent to tackle the difficulties linked to affordability and provide the opportunity for the Council to deliver high quality, energy efficient homes for our community in addition to those being provided by our partners.

Priority will also be given to the existing homes in our district. The tragic death of a child in the Northwest, linked to the condition of their home, has reinvigorated our determination that housing must meet good standards. We will be focusing our attention to this area of activity to ensure we have the capacity and policies in place to not only react when issues are brought to our attention but also to take an active role in helping landlords to maintain their properties to at least the decent homes standard. We will work with the Department of Levelling Up, Homes & Communities to address fire safety concerns and property conditions. This will include exploring ways of working with Health Colleagues to promote healthy homes and healthy communities.

Homelessness is housing need at its most acute, which is why we have invested in our ability to prevent homelessness. This means that our homeless prevention outcomes are in the best top quartile performance across the country. Despite the excellent work, the homeless pressures continue to increase, particularly in London and the Southeast. The use of temporary accommodation becomes unavoidable but our experience in providing our own accommodation for this use has meant we can provide good quality, self-contained homes within our locality for a fraction of the cost. The opening of Trinity marks a particular milestone in our ability to end rough sleeping, moving from an outreach provision to a supported approach that helps sustain those who were once street homeless in a stable home. Trinity has been developed to provide an excellent facility that is used by community groups and health services alike, right in the centre of our Town.

We understand the challenges ahead and our Housing Strategy sets out how, together with our partners, we will tackle these through innovation and determination.

Our Visions and Priorities

The Council's vision is for Maidstone Borough to be a vibrant, prosperous, urban and rural community at the heart of Kent where everyone can realise their potential. Our Strategic Plan, published in 2019, clearly sets out our ambitions for Maidstone through to 2045 and how we can achieve this.

One of our four key priorities is 'Homes and Communities', which emphasises the importance of providing a wide variety of housing types to meet the needs of our residents. This includes the provision of affordable homes, homes that promote health and wellbeing, as well as addressing homelessness and rough sleeping. Our Homelessness and Rough Sleeping Strategy, published in 2019 clearly supports our Strategic Plan, as it sets out our plans to try and tackle homelessness, reduce rough sleeping and our reliance on temporary accommodation in Maidstone through to 2024. Our Homelessness and Rough Sleeping Strategy will also play a significant role in informing our visions put forward in this Housing Strategy.



Our vision for this Housing Strategy is to ensure that all Maidstone residents have access to high quality, sustainable and affordable homes which meets each of their needs. This will be achieved across our three key priority areas:

Priority 1 - To deliver a mixture of housing types and tenures, including 1,000 new affordable homes, that meet the needs of everyone in the borough.

Priority 2: To ensure existing homes meet the decent homes standard, are energy efficient, comply with building fire safety standards - to enable healthy, independent living.

Priority 3: To secure the best support and housing outcomes for Maidstone's most vulnerable groups.

Priority 1: To deliver a mixture of housing types and tenures, including 1,000 new affordable homes, that meet the needs of everyone in the borough.

Why is this important?

Housing Needs

In our Strategic Plan, we have set an ambitious target of meeting all housing needs within the borough by 2045, including affordable housing needs. We have a duty to ensure that we set out our goals for the future development of an area through local plans, including policies on new housing developments. Currently, we are in the process of updating our Local Plan, which will translate our housing priorities into a statutory planning policy framework and to maintain a five-year land supply.

The government has set out an aim to increase the number of houses being built towards a target of 300, 000 homes per year by the mid- 2020s.

In 2021 we commissioned a Strategic Housing Market Assessment (SHMA) to inform the review of the Local Plan. The SHMA identified a need for an additional 1,157 homes per year. 422 of which are to be rented affordable housing, 137 affordable home ownership and 598 market housing.

The latest data on Maidstone Borough’s stock profile reveals that 68% is owner occupied, 19% is part of the privately rented stock and 13% is part of affordable housing stock.

Heathlands – a public sector led garden community

Maidstone Borough Council and Homes England are working in partnership to deliver a unique, attractive, and desirable new rural Kentish town located between Maidstone and Ashford. Heathlands will provide around 5,000 new homes, of which 40% will be affordable for local people. The new community will also provide 5,000 new jobs, and 50% of the site will be green space, and the new community will be designed sensitively to respond to its natural and distinctive setting. This public sector led initiative now features as a draft allocation in the Maidstone Local Plan Review, that is scheduled to be adopted towards the end of 2023. Heathlands is a longer-term project that is scheduled to commence in around 2027 and will have a 25-year plus delivery period.

1,000 New Affordable Homes

The main challenge facing Maidstone is the demands on the overall housing stock, and within this stock, the percentage that is available for affordable housing. The Council has put in place means to increase the overall supply of housing through the Local Plan Review process.

In a significant move, the Council recognises that if it is to meet housing need then it must intervene itself. The Council has approved plans to build 1,000 new affordable homes and grow our Private Rented Sector portfolio with Maidstone Property Holdings Ltd by a further 250 homes. Returning to delivering, owning and managing its own housing stock represents a bold move forward and a statement of intent on the part of the Council.

The new accommodation will be delivered in parallel with the existing social housing sector. It is not the Council's intention to compete with housing associations for development opportunity. Instead, the Council will focus on the smaller sites and more difficult development opportunities in order to provide additional affordable housing. Once the Council has reached the delivery figure of 200 units, it will be obliged to seek the agreement of the relevant Secretary of State to reopen its Housing Revenue Account (HRA). This was closed in 2004 following the transfer of the housing stock. Planning will begin now in order to prepare for, and be compliant with, the regulatory requirements of the HRA.

Rented accommodation, let at a genuinely affordable rent remains a priority to meet the demands identified in the SHMA. A lack of family sized affordable housing is exacerbating the length of time that a significant proportion of our residents are having to wait to acquire homes through the Housing Register or having to spend in temporary accommodation. An emphasis on the delivery of larger family homes through the planning system and let at a genuinely affordable rent will be a priority for the council to achieve.

Our new 1,000 new affordable homes will be let on a 12 month introductory tenancy before transitioning into a periodic (lifetime) secure tenancy once the new tenant has fulfilled their probationary period. The new homes will be advertised, allocated and let in accordance with the Council's Allocation Scheme.

We will seek to develop our housing management policies that reflect the emerging themes captured in the Government's White Paper that seeks to embrace a Charter for Social Housing Residents. The charter sets out seven commitments that residents should expect from their landlord:

1. To be safe in your home.
2. To know how your landlord is performing, including on repairs, complaints and safety, and how it spends its money.
3. To have your complaints dealt with promptly and fairly, with access to a strong Ombudsman.
4. To be treated with respect, backed by a strong consumer regulator and improved consumer standards for tenants.
5. To have your voice heard by your landlord.

- 6. To have a good quality home and neighbourhood to live in, with your landlord keeping your home in good repair.
- 7. The government will ensure social housing can support people to take their first step to ownership.

First Homes

The National Planning Policy Framework (NPPF) requires at least 10% of homes on major development sites to be for affordable home ownership.

The Government recently announced that its future preferred affordable home ownership product is First Homes. These are homes for first time buyers, which are discounted by a minimum 30% against the market value. The first set of First Homes properties went on the market in June 2021. A programme of 1,500 First Homes is being delivered over the next 2 years in over 100 locations across England. We will support bids for the delivery of First Homes in the Borough that meet our eligibility criteria.

The affordable and local needs housing SPD (July 2020) sets out indicative relative proportions of property sizes for affordable housing provision within new developments as:

Table 60: Indicative requirements for different dwelling sizes (2011-31)

	1-bed	2-bed	3-bed	4+ bed
Market	5-10%	30-35%	40-45%	15-20%
Affordable	30-35%	30-35%	25-30%	5-10%

Requirements will be revised as part of the process to update the Local Plan and will reflect the recent national policy changes around First Homes.

Private Rented Sector

The Council recognises that not all Maidstone residents will want or be able to buy a home. Homes available to rent privately are an important part of a balanced housing market. Over the last 10 years there has been a marked increase in the number of households living in the private rented sector.

In response to heightened demands for private rented properties, we have set up Maidstone Property Holdings Limited (MPH) to become a significant residential landlord in the private rented sector. Maidstone Property Holdings aims to set new standards in terms of the quality of private rented stock offered and service delivered to residents. This will provide an alternative solution to solving housing needs and will also ensure that there is a balanced housing market within Maidstone. MPH has delivered on a number of new housing developments, providing over 100 new homes and the ambition is to grow on this success to provide more high-quality new homes for the private rented market.

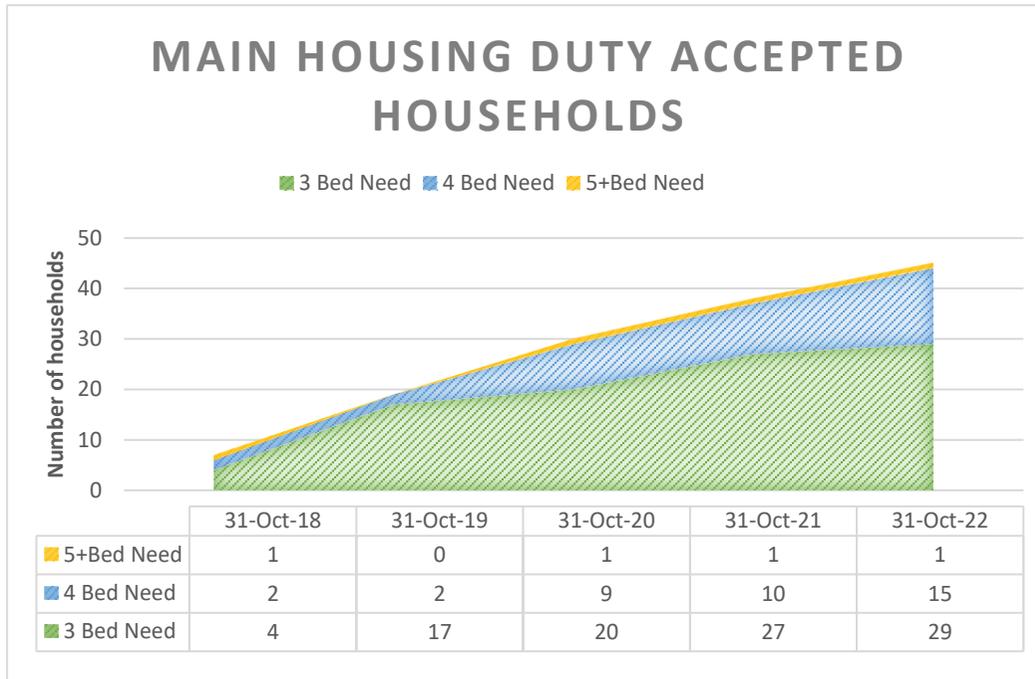
Temporary Accommodation:

We also have the duty to meet housing needs of those who are homeless, or at risk of becoming homeless by providing temporary accommodation. We must provide interim accommodation whilst we look into a homeless application for those who have priority need and are eligible for assistance.

The borough is facing increasing demands for temporary accommodation, as a result of Homelessness Reduction Act 2017 and the COVID- 19 pandemic. Prior to the pandemic, the Council had approximately 100-125 households in temporary accommodation at any one time. However, as of September 2022, the number in temporary accommodation was 192.

This rise in demand also seems to relate to the end of the moratorium on landlord evictions (established in the pandemic) as well as emerging inflation and cost of living crisis. Further demands have also stemmed from the recent Domestic Abuse Act, as well as increases in the number of refugees and out of area placements.

We are also facing challenges for the increased demand for larger families owed the main housing duty, who are currently living in temporary accommodation.



The average waiting time to be successful in bidding for a 3 or 4 bed home for homeless applicants where the full housing duty has been accepted has increased over the past 3 years.

Our goal is to seek other suitable and innovative ways of finding accommodation for those households for which we have a statutory duty for and those who have a local connection to our district.

What have we done already?

- ✓ During 2020/21, Maidstone delivered the highest number and proportion of additional affordable dwellings in Kent. 408 affordable homes (24.1% of the Kent total).
- ✓ To date, Maidstone Property Holdings has delivered and now manages over 100 homes with an ambition to provide more well managed, quality homes over the lifetime of this Strategy.
- ✓ We recently purchased the former Springfield library site on Sandling Road that will contribute to providing more new homes for Maidstone residents.
- ✓ We have delivered on our ambition to bring empty buildings back into use. Trinity is a focal point in the Town Centre and we recently refurbished the building into a multi- use communal space, which also provides accommodation and support for people who are homeless.
- ✓ The purchase of our own temporary accommodation helps provide good quality accommodation and reduces the amount we use nightly temporary accommodation providers. The council has a temporary accommodation portfolio of around 70 properties as well as around 30 additional bed sits.
- ✓ We have reviewed and updated our excellent offer to landlords in the private rented sector to help households who are homeless or threatened with homelessness gain access to the private rented sector, where this would have otherwise been unaffordable.

Areas of Focus 2023 to 2026:

- ✓ We will deliver 1,000 new affordable homes to be retained by the Council and let on secure tenancies once the probationary period is completed.
- ✓ We will develop our readiness to reopen the Housing Revenue Account.
- ✓ A suite of housing management policy and practice documents will be developed to comply with the Regulator of Social Housing's guidance to ensure we provide the highest levels of service to our tenants.
- ✓ Reduce the time households spend in temporary accommodation by providing a range of options that will include the council's ambition to build and manage its own affordable housing stock.
- ✓ Working with our housing association partners in the borough to explore how we can make more use of their stock available for those affected by homelessness.

- ✓ Make use of our Homefinders, landlord incentive scheme, by reviewing and strengthening our offer to landlords in the private rented sector.
- ✓ Purchase more temporary accommodation stock to reduce its reliance on nightly paid temporary accommodation and provide a better quality of home within our own locality.
- ✓ Maidstone Borough Council and Homes England are working in partnership to deliver a unique, attractive, and desirable new rural Kentish town located between Maidstone and Ashford. Heathlands will provide around 5,000 new homes, of which 40% will be affordable for local people. The new community will be designed sensitively to respond to its natural and distinctive setting.

Priority 2: To ensure existing homes meet the decent homes standard, are energy efficient and safe, to enable healthy, independent living.

Why is this important?

Standard of homes:

81.21% of respondents to our recent 2022 Resident Survey, claimed that they were satisfied with their current housing, whilst 7.90% claimed they were dissatisfied. Our Housing Standards Enforcement Policy sets out Maidstone’s commitment to assist tenants living in poor conditions. This means we take action to help tenants who are living in unsafe, damp, and cold homes and see that improvements are made.

During 2020/21, the Council undertook over 340 interventions in relation to housing conditions. The Housing Act 2004 sets out the current statutory framework under which we are able to intervene on resident’s behalf. We ensure that landlords meet the Electrical Safety Standards, the Minimum Energy Efficiency Standard, and the Smoke and Carbon Monoxide Alarm Regulations and take action where required. We also ensure that Letting Agents in the Borough are signed up to a Letting Agent Redress Scheme.

In June 2022, the government introduced a White Paper for Fairer Private Rented Sector Homes. This details the government's long-term goals for improving standards of private rented housing. Local councils will be provided with guidance to implement any new legislation.

In late 2022, following the tragic death of a two year old child in Rochdale attributed to the mould and damp at his home, the Secretary of State for the Department of Levelling Up, Housing & Communities made a number of announcements in relation to tackling poor housing conditions. This follows on from decision by the Housing Ombudsman, criticising a number of social landlords for failing their residents in taking this issue seriously. The council will strive to use its powers under the Housing Act 2004 to ensure that no similar untimely death occurs in Maidstone as a result of poor housing conditions.

Activity by the Council’s Housing & Health Team related to damp and mould is listed in the table below:

Year	Total inspections carried out under Housing Act 2004	Damp & mould related	Damp & mould inspections required	Improvement Notice required	Category 1 Hazards identified	Category 2 Hazards identified
2019/20	346	22	20	3	0	18
2020/21	88	25	13	2	0	14
2021/22	256	40	29	1	0	14
2022/23 (Qtr3)*	161	50	24	4	0	20

* For the period April – December 2022 Qtrs 1-3.

Houses in Multiple Occupation:

A House in Multiple Occupation is a property rented out by at least three people who are not from one 'household' but share facilities such as a kitchen and a bathroom. This type of accommodation provides a necessary form of housing, particularly for those who are unable to afford self-contained housing and people under the age of 35 who may only be eligible to the shared-room rate of housing benefit.

Certain types of HMOs are required to be licensed by the Council's Housing Service. This includes renting out a large HMO in England. A property is defined as a large HMO if all of the following apply:

- it is rented to 5 or more people who form more than 1 household
- some or all tenants share toilet, bathroom or kitchen facilities
- at least 1 tenant pays rent (or their employer pays it for them)

There has been an increase in the number of HMOs in the borough. The latest estimate of HMOs in the borough is 690, whilst the number of licensed HMOs is 199.

It is important that we make sure that all HMOs in the borough are kept to a good standard and are well managed so that all tenants can live in a clean and safe environment. The council is active in ensuring those HMOs that fall within the statutory licensing scheme meet the requirements of the regulations.

Energy Efficient Homes:

The council recognises the challenge to adapt the housing stock to the impacts of the changing climate: for higher average temperatures, increased flooding, and water scarcity to keep us safe and comfortable as climate change risks grow.' *Climate Change Committee (CCC) report: UK housing: Fit for the future? – key relevant findings*

Building new homes. New homes should be built to be low-carbon, energy and water efficient, and climate resilient. The need for energy efficient homes is essential in helping prevent climate change and reducing fuel poverty in households. Heating bills for households could be reduced by 20% if the energy efficiency of homes were improved.

In terms of retrofitting existing homes, we acknowledge that the Council has a role in ensuring existing homes are low-carbon and resilient to the changing climate as a major UK infrastructure priority. The majority of private rented homes in Maidstone Borough have an Energy Performance Rating of D; approximately 2790 have this rating. We enforce the Minimum Energy Efficiency Standard contained within the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015.

The government is proposing that private rented properties (new tenancies) will need have an EPC rating of C by 2025 and all tenancies will need to have an EPC rating of C by 2028. We have recently entered into agreement with the Southeast Consortium to deliver the Home Upgrade Grant Phase 2. This approach compliments the Inter Authority Agreement that MBC is signatory to, that sets out how partnerships in local government between local health, housing and energy teams can lead to bespoke partnerships to tackle fuel poverty and deliver the Sustainable Warmth services.

Fire Safety:

The Fire Safety Act 2021 places responsibility upon responsible persons for multi- occupied residential buildings to oversee and reduce the risk of fire for the external structure of the building. This includes walls, cladding, balconies, windows, and doors.

The new Fire Safety (England) Regulations aim to improve the fire safety of blocks of flats. This will be fully implemented on 23 January 2023. The council recently adopted a Fire Building Safety Policy to guide the Housing Service in the delivery of its duties.

Supporting people to live independently

It is vital that a variety of homes and support options are available for people to live independently and as safely as possible in their own homes.

Maidstone is predicted to have an 54% increase in the number of residents aged 65 and over by 2037, with a large majority of these being over 75 years of age.

The Council will work with Kent County Council, developers, care providers and registered providers, to identify suitable sites for the development of specialised housing for older people.

Disability Grants

The number of people in Maidstone expected to be living with a long-term health condition or disability (including mobility issues), is expected to rise by 39% by 2037. Maidstone Borough Council have identified a need for 923 homes suitable for wheelchair uses between 2019- 2037.

The Disabled Facilities Grant, in collaboration with Occupational Therapy Service and the Home Improvement Agency, gives residents finance and support to make changes to their homes so that they can live more independently. In 2022, we have so far provided 55 grants and in 2021, we provided 83.

It is important that we assist our residents apply for disabled facilities grants to ensure their homes can provide them with proper support. To this end, the council recently commissioned Foundations to carry out a review of how we deliver this service. Their recommendations will form the basis of reconfiguring our service and approach to provide a better and more effective experience for our residents.

What have we done already?

- ✓ We have made use of the Better Care Fund to provide for a range of services to be delivered.
- ✓ Our Helping You Home Scheme assists those who are ready to be discharged from hospital by preparing their homes in advance to ensure they are safe and have necessary support in place.
- ✓ To ensure our approach to housing adaptations remains effective and as efficient as possible, we have engaged the services of Foundations (the government sponsored body for Home Improvement Agencies) to help us to review our policy and practice.
- ✓ We have taken action against landlords who had failed to provide safe homes. In 2021 we served 44 notices on landlords requiring them to improve their rented properties.
- ✓ We have updated our Housing Standards Enforcement Policy.
- ✓ We are reviewing our Housing Assistance Policy with the expectation that this will contain new ways of providing a more efficient and effective service.
- ✓ We have supported Kent County Council and visited homes to make sure they are safe and suitable for Ukrainian guests under the Homes for Ukraine Scheme by visiting 206 dwellings hosting 456 guests.
- ✓ We are currently helping 50 individuals, not only with securing housing, but also with returning to employment. This will support our residents with living independently.
- ✓ We provided 83 grants and spent over £670,000 on disabled facilities grants in 2021. And so far in 2022, we have provided 65 grants and spent £580,000.

Areas of Focus 2023 to 2026:

- ✓ The Council will continue to work with private landlords where hazards have been identified.
- ✓ We will continue to support residents access national funding programmes to ensure homes are energy efficient.
- ✓ We will work in partnership with suitable providers and the Greater South-eastern Energy Hub to promote and support the delivery of government funding schemes to homeowners, tenants, and landlords
- ✓ Introduce as part of our Housing Renewal Policy a more effective mechanism to prioritise the completion of discretionary and statutory grants for those residents experiencing a repaid onset illness and end of life condition.
- ✓ We will work with Registered Providers, private landlords, freeholders and Kent Fire and Rescue Service to ensure that all residential buildings, including those that are managed by ourselves abide by the relevant fire safety legislation.
- ✓ We will make sure that landlords follow guidelines and abide by their legal responsibilities to ensure their properties do not put their tenant's health and safety at risk. Particular emphasise will be given to ensuring that people's homes meet the government's Decent Homes Standard and we will intervene where we find a failing on the part of the landlord.

Priority 3: To secure the very best support and housing outcomes for Maidstone's most vulnerable groups.

Why is this important?

Domestic Abuse

Recognising the impact of domestic abuse, the Government enacted the 2021 Domestic Abuse Act, which changed the duty on the council for those who have been made homeless as a result of domestic abuse. This means that local authorities must provide accommodation and support for victims of domestic abuse and their children. Currently, 15% of homeless applicants approaching the council for support are those escaping domestic abuse, which is in line with national figures. The majority of which are females, between the ages of 21- 39 years of age.

Maidstone is working closely with colleagues from Kent County Council as part of the Domestic Abuse Local Partnership Board. A variety of schemes are currently offered by the council to support all victims of domestic abuse and further work is being undertaken on prevention and developing a housing pathway for survivors.

Out of Area Placements

Out of Area placements occur when residents from one area are placed by a statutory body into another borough. These organisations often place their residents into Maidstone with no plan in place, which means they have difficulty accessing GP services, educational services, and a support network, which can often result in increases in anti-social behaviour.

This can also reduce the availability of accommodation as well as increasing the prices in the local area, both of which can be challenging for residents. This is becoming more difficult due to the rises in the number of individuals being placed into the area; between 2018 and 2021, there was a total of 975 out of area placements.

It is therefore important that we try and prioritise the needs of our residents, whilst also ensuring that those placed from another area are well supported.

Financial exclusion

Financial exclusion occurs when individuals have a lack of access to mainstream financial services, which can lead to social exclusion, poverty and may have a negative impact on a person's mental and physical health. It also means that households do not have the requisite savings to obtain a mortgaged property or place a deposit on private rented accommodation. This is becoming more difficult with the recent cost of living crisis, which has seen a rise in housing costs, energy bills and rent prices.

In Maidstone, there has been an increase in the housing benefit and council tax support administered by the council; between April 2018 to July 2022, there were 3, 823 households on benefits generally, and 2,267 were receiving housing benefits and universal credit.

It is important that we support households through the cost-of-living crisis and intervene as early as possible to prevent eviction from properties, which could then lead to homelessness.

Ex- Offenders

Between April 2018 to July 2022, there were 927 ex-offenders, who needed housing support in Maidstone. In addition, the only Probation approved premises for the whole of Kent is located in Maidstone.

Individuals leaving prison are at an increased risk of becoming homeless as result of losing their accommodation, struggling with accessing universal credit and other necessary support to access appropriate housing. Studies have shown that the lack of housing or insecure housing is often a contributor to offending or habitual offending. Under the Homelessness Reduction Act, we have a duty to provide assistance 56 days before a prisoner at risk of becoming homeless is due for release. Maidstone Borough Council works closely with those organisations with primary responsibility towards offenders to help reduce this risk.

The importance of a joint approach captured in the Kent, Surrey & Sussex Reducing Reoffending Plan 2021-2024 and cited in the Safer Maidstone Partnership's Strategic Plan, which highlights the innovative partnership work being undertaken in Maidstone.

Refugees

The number of refugees entering the UK, needing help with finding accommodation is increasing. We have committed to supporting the government's schemes for refugees from Ukraine, Syria and Afghanistan.

Maidstone's residents have been particularly generous in offering homes to Ukrainian households with over 450 people having been helped. Between February 2022 until the end of July 2022, 10 Ukrainian households were owed a prevention or relief duty in Maidstone. This does, however, place a particular burden on the council should the hosts be unable to continue to sponsor these families after the initial 6 months.

We have also supported the government's Afghan Relocations and Assistance Policy since it opened in 2021, as well as the Afghan citizens' resettlement scheme (ACRS) since January 2022. We have housed two extended families from Afghanistan in Maidstone properties and assisted a third into the private rented sector.

Under the government's Vulnerable Person Resettlement Schemes for Syrian refugees, we have managed to provide housing support for one large Syrian family in Maidstone.

Since April 2022, we have engaged with the Home Office and Local Government Association in their consultation on the latest initiative called the Asylum Dispersal Scheme. As a national scheme, we are likely to see people being accommodated by the Home Office being placed into private rented accommodation. The Council has responded to the Home Office where the proposed accommodation is unsuitable or does not meet the necessary standards. The Council is also minded that such proposals should not displace residents currently accommodated, as this would lead to an increase in homelessness locally. Where such suggestions are made, the Council will vigorously engage with the Home Office to avoid a homelessness situation occurring.

Gypsy and Travellers

The national and local shortage of caravan and other mobile housing sites puts the gypsy and traveller community at risk of becoming homeless. Between April 2018 and July 2022, there were 75 gypsy and travellers in Maidstone who needed support finding accommodation.

We work closely with our Spatial Planning Team, who carry out the housing assessment needs for gypsy and travellers. An assessment was completed in January 2012, which revealed a need for 157 pitches between October 2011 and March 2026. These figures were extended until 2031, resulting in a need for 187 pitches. A new Gypsy and Traveller Accommodation Needs Assessment is being undertaken as part of the Council's ongoing Gypsy and Traveller Development Plan Document (G&T DPD). The G&T DPD will contain a suite of policies specifically addressing matters of Gypsy and Traveller accommodation and future need. Previous experience has shown that the greatest challenge is identifying a suitable piece of land which can provide a sustainable site at an affordable cost.

Maidstone Borough Council recognised that the sites in our ownership had suffered from a lack of investment over a number of years. In response, the Council invested significantly in our two publicly owned sites to bring the sites up to a modern standard. This has included replacing the amenity blocks with new facilities on both sites, updating the water and mains electricity supplies to enable individual metering to be provided, the replacement of the communal lighting to provide more efficient and effective lighting on site. Bringing the sites back into the direct management of the Council will ensure that the sites will experience better asset management. The Council is committed to maintaining the sites and developing our management approach to ensure that they remain fit for purpose moving forward.

Mental Health

Those that struggle with their mental health often find it difficult to sustain living conditions and keep up with their rent payments. Without early intervention and support, this could lead to eviction and potentially leave the individual homeless. Our OneView Data analytics system has been able to identify low-income households and has found increases in cases of mental health issues in relation to housing and the threat of becoming homeless. Those who are homeless and rough sleeping are at an increased risk of developing severe mental health issues.

Between April 2018 to July 2022, the number of applicants needing housing support in Maidstone who had a diagnosed mental health problem was 2389. We have a duty to provide social care to support people experiencing mental health problems. We are required to provide after care services and also assist those moving out of hospitals.

Veterans

Maidstone recognises the significant service and contribution from members of our armed forces. Sadly, individuals leaving the armed forces are at an increased risk of experiencing difficulties finding appropriate housing and accommodation. Between April 2018 to July 2022, there were 79 veterans who needed housing support in Maidstone, 49 of which suffered with mental health problems.

We have a duty to investigate a veteran's situation if they have approached the council and Maidstone is committed through our Armed Forces Covenant to support our serving personnel and veterans as they transition back into civilian life.

Preventing Homelessness and Rough Sleeping

There has been an increase in homelessness and rough sleeping both nationally and locally. As of October 2022, 34% of applicants on the housing register had a housing need under the homeless legislation. Of these, 34% are aged between 30 and 39 years old, and 24% are aged between 18 and 29. This has

increased by 6% since January 2022. Additionally, there was a total of 832 rough sleepers in Maidstone between April 2018 and July 2022, and a further 112 individuals were rough sleeping at time of approach.

The main reason that people become homeless is because family and friends are no longer willing or able to accommodate them, with the second largest reason being due to eviction by a landlord. Under the Homelessness Reduction Act, we have a duty to support an applicant that is threatened with homelessness, by providing accommodation.

The implementation of initiatives like the use of data analytics to prevent homelessness at an early stage has been proven to help the council and residents to retain their homes without the need to go through the trauma and disruption of becoming homeless.

What have we done already?

- ✓ We have provided a flexible approach to supporting those who are vulnerable, by acknowledging that each individual has their own unique experience with their own personal barriers.
- ✓ In 2021, we received the Local Government Chronicle Awards for our successful OneView Data Analytics system. It alerts frontline staff three to six months before a house is at risk of financial crisis or threatened with homelessness, so support can be offered early on. Our performance in preventing homelessness is with the top quartile nationally with over 70% of cases being successfully prevented from becoming homeless.
- ✓ The council has successfully converted Trinity into a multi-use communal space, which provides accommodation and a range of support for homeless and vulnerable people.
- ✓ Through our Rough Sleeper Initiative, we have been able to tackle entrenched rough sleeping and sustain the position where no one needs to be rough sleeping. As a result, our Outreach Service will be able to transition to a Homeless Support Service over the period of this Strategy supported by the further government funding between 2022 to 2025.
- ✓ We have introduced new coordinator roles for domestic abuse and safeguarding who provide day to day advice and guidance and facilitate trauma awareness training. Co-ordinators oversee the response to domestic abuse and safeguarding across the district in partnership with key stakeholders.

- ✓ We also have a number of initiatives in place to support victims of domestic abuse, including our sanctuary scheme, as well the operation of One Stop Shops at Trinity, which offers free advice and support for victims of domestic abuse.
- ✓ A multitask force has been established in five housing blocks, which have been identified as high risk. This has been successful in reducing incidents of violence.
- ✓ We have worked collaboratively with Surrey & Sussex in producing a Reducing Reoffending Plan 2021-2024, which highlights the innovative partnership work being undertaken in Maidstone.
- ✓ Our Helping You Home Scheme assists those who are ready to be discharged from hospital by preparing their homes in advance to ensure they are safe and have necessary support in place. During 2020/21, 496 referrals were successfully dealt with under our Helping You Home Scheme, despite the challenge that the pandemic brought.
- ✓ Our mental health service works together with our homeless support team to ensure that those that are struggling with their mental health have the help they need.
- ✓ Since August 2021, we have worked with private rented landlords to help accommodate Afghan refugees. We have also collaborated with partners such as Kent Resilience Forum to supply immediate assistance to Ukrainians arriving in Maidstone.

Areas of Focus 2023-2026

- ✓ A main priority is to place a trauma aware approach within housing to build resilience. This includes providing more training opportunities for all staff, about the impact of trauma and Adverse Childhood Experiences and how best to achieve positive outcomes.
- ✓ The council is also working on a number of new initiatives to support victims of domestic abuse. This includes working with private landlords, providing digital mapping of the nearest support and future plans to coordinate a programme for male victims of domestic abuse, as well as

medium to low-risk domestic abuse victims. We are also developing our initiative with Xantura and Kent Police, to use data to intervene as early as possible.

- ✓ The Council is developing a multi-agency approach to financial inclusion and will monitor these trends to be able to deliver what assistance and grant schemes are available.
- ✓ We will work with the Home Office to ensure those placed here from other areas are properly supported and their longer-term needs are met.
- ✓ We will continue assisting Ukrainian refugees who wish to remain in the UK after the Homes for Ukraine scheme ends through various routes including rematching with new hosts and the private rented sector.
- ✓ The Housing Service will work in partnership with Planning colleagues to develop the policies that will be adopted in response to the need for more gypsy and traveller sites.