

HOUSING, HEALTH AND ENVIRONMENT POLICY ADVISORY COMMITTEE MEETING

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

Membership:

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

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

<u>AGENDA</u>	<u>Page No.</u>
1. Apologies for Absence	
2. Notification of Substitute Members	
3. Urgent Items	
4. Notification of Visiting Members	
5. Disclosures by Members and Officers	
6. Disclosures of Lobbying	
7. To consider whether any items should be taken in public due to the possible disclosure of exempt information	
8. Minutes of the Meeting held on 30 October 2023	1 - 3
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Issued on Monday 6 November 2023

Continued Over/:

Alison Broom

Alison Broom, Chief Executive

PART II

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

Head of Schedule 12 A and Brief Description

13. Exempt Appendix to Item 11 - Proposed Private Sector Leasing Scheme (PSL) and changes to the current Landlord Incentive Scheme (LIS)	3 – Financial/Business Affairs	70
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INFORMATION FOR THE PUBLIC

In order to make a statement in relation to an item on the agenda, please call **01622 602899** or email committee@maidstone.gov.uk by 4 p.m. one clear working day before the meeting (i.e. by 4 p.m. on Friday 10 November 2023). You will need to tell us which agenda item you wish to speak on.

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

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

MAIDSTONE BOROUGH COUNCIL

HOUSING, HEALTH AND ENVIRONMENT POLICY ADVISORY COMMITTEE

MINUTES OF THE MEETING HELD ON MONDAY 30 OCTOBER 2023

Attendees:

Committee Members:	Councillors Knatchbull (Chairman), Conyard, Hastie, Jeffery, Joy, Mortimer, Rose and Springett
Cabinet Members:	Councillor Parfitt-Reid, Cabinet Member for Housing and Health
Visiting Members:	Councillors English

65. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Riordan and Khadka.

66. NOTIFICATION OF SUBSTITUTE MEMBERS

Councillor Conyard was present as Substitute Member for Councillor Khadka.

67. URGENT ITEMS

There were no urgent items, with it noted that the minutes of the previous meeting had been circulated to the Committee separately.

68. NOTIFICATION OF VISITING MEMBERS

Councillor English was present as Visiting Member for Item 10 – Granada House Refurbishment.

69. DISCLOSURES BY MEMBERS AND OFFICERS

There were no disclosures by Members or Officers.

70. DISCLOSURES OF LOBBYING

There were no disclosures of lobbying.

71. EXEMPT ITEMS

RESOLVED: That all items be taken in public, unless any Member of the Committee wishes to discuss Item 11 – Exempt Appendix to Item 10 – Granada House Refurbishment, in which case the Committee would enter into closed session due to the possible disclosure of exempt information, for the reason specified having applied the public interest test.

72. MINUTES OF THE MEETING HELD ON TUESDAY 10 OCTOBER 2023

RESOLVED: That the Minutes of the meeting held on Tuesday 10 October 2023 be approved as a correct record and signed.

73. 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.

74. GRANADA HOUSE REFURBISHMENT

The Cabinet Member for Housing and Health introduced the item, stating that Granada House was dilapidated and required works to ensure the property's compliance with the Decent Homes Standards. The property was 100 years old, with no major works having taken place since its completion. The building was owned by the Council and managed by Maidstone Property Holdings Limited. The council was experiencing a significant loss of rental income as the property was vacant.

The Cabinet Member outlined the previous procurement exercises undertaken, with the most recent resulting in a works price lower than previously given, although higher than the target price given by the Cabinet. The contractor could not meet the specification at the lower target price and was not willing to conduct works that were insufficient to meet health and safety requirements.

It was proposed that the scheme's total cost would be increased to meet the specification needed. The increased Total Scheme Cost would be met using some of the Council's share of the Local Authority Housing Fund (LAHF), with the units becoming affordable rented homes. The scheme would make a positive contribution to the local street scene. The decision was classified as urgent, with the call-in period having been waived by the Overview and Scrutiny Chairman to enable its immediate implementation.

In response to questions, the Director of Regeneration and Place confirmed that no other Council projects would be negatively impacted by using the LAHF monies at Granada House and that the rejected Figure E in the exempt appendix did not include the same 10% uplift as Figure A.

The Committee expressed support for the proposal.

RESOLVED TO RECOMMEND TO THE CABINET MEMBER:

That the following be agreed:

1. To carry out the proposed refurbishment works to Granada House up to a maximum cost of (See figure A in Exempt Appendix), but noting that the revised net Total Scheme Cost, as a result of the grant monies now being available, will still be within the previous approval;
2. To enter into a contract with the preferred contractor to carry out the refurbishment works to Granada House;

3. A) Officers explore fully with Pelling's (the appointed Employers Agent) and the appointed Contractor the merits of providing solar PV to the property as a way of off-setting electrical use;

B) That this option and additional expenditure, of up to £70,000 (above the figure in 1) is only pursued after consultation, post contract award with the Cabinet Member for Housing and Health;
4. The Director of Finance, Resources and Business Improvement be granted delegated authority to enter into any related appointments, legal actions, deeds, contracts and agreements which may be required to facilitate the refurbishment works required;
5. The Head of Mid Kent Legal Services be authorised to deal with all legal formalities including the negotiation and completion of the necessary contract documentation, deeds, agreements and ancillary documentation associated with the refurbishment works on the terms as agreed by the Director of Finance, Resources & Business Improvement or to appoint external solicitors to undertake this or elements of this work; and
6. To invite Maidstone Property Holdings Limited to surrender its lease on the building, so it can become affordable housing upon the grant funding being applied to it and that the Head of Mid Kent Legal Services be authorised to attend to the necessary legal requirements, formalities and ancillary documentation or to appoint external solicitors to undertake this or elements of this work.

75. EXEMPT APPENDIX TO ITEM 10 - GRANADA HOUSE REFURBISHMENT

RESOLVED: That the item be considered alongside Item 10 – Granada House Refurbishment.

76. DURATION OF MEETING

6.30 p.m. to 6.41 p.m.

MAIDSTONE BOROUGH COUNCIL FORWARD PLAN FOR THE FOUR MONTH PERIOD 1 OCTOBER 2023 TO 31 JANUARY 2024

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

A Key Decision is defined as one which:

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

The current Cabinet Members are:

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

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

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

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

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

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

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David Burton
Leader of the Council

Details of the Decision to be taken	Decision to be taken by	Relevant Cabinet Member	Expected Date of Decision	Key	Exempt	Proposed Consultees / Method of Consultation	Documents to be considered by Decision taker	Representations may be made to the following officer by the date stated
2nd Quarter Finance, Performance and Risk Monitoring Report	Cabinet	Cabinet Member for Corporate Services.	22 Nov 2023	No	No Open	Corporate Services Policy Advisory Committee 15 Nov 2023	2nd Quarter Finance, Performance and Risk Monitoring Report	Paul Holland, Adrian Lovegrove Head of Finance paulholland@maidstone.gov.uk, adrianlovegrove@maidstone.gov.uk
Proposed Private Sector Leasing Scheme (PSL) and changes to the current Landlord Incentive Scheme (LIS).	Cabinet	Cabinet Member for Housing and Health	22 Nov 2023	No	No Open	Housing, Health and Environment Policy Advisory Committee 14 Nov 2023	Proposed Private Sector Leasing Scheme (PSL) and changes to the current Landlord Incentive Scheme (LIS).	William Cornall Director of Regeneration & Place williamcornall@maidstone.gov.uk
LGPS Pension Guarantee for Waste Contract Approval for providing a Guarantee to the pension fund as part of the Mid Kent Waste Contract to enable four eligible transferring	Cabinet Member for Environmental Services	Cabinet Member for Environmental Services	Before 30 Nov 2023	Yes	No	Housing, Health and Environment Policy Advisory Committee 14 Nov 2023	LGPS Pension Guarantee for Waste Contract	Jennifer Stevens Head of Environmental Services & Public Realm jenniferstevens@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
employees to remain within the LGPS								
Property Acquisition 7	Cabinet	Cabinet Member for Housing and Health	20 Dec 2023	Yes	No Part exempt	Housing, Health and Environment Policy Advisory Committee 12 Dec 2023 Notification of ward members . Briefing to executive and lead member for PAC	Property Acquisition	Rachael Bennett, Philip Morris RachaelBennett@Maidstone.gov.uk, philipmorris@maidstone.gov.uk
Homelessness and Rough Sleeping Strategy 2024-2029 - Initial priorities and feedback Delivering the new strategic priorities for the Council in relation to homelessness and rough sleeping. A review of the themes and priorities for the Council.	Cabinet	Cabinet Member for Housing and Health	24 Jan 2024	Yes	No Open	Housing, Health and Environment Policy Advisory Committee 16 Jan 2024 Strategic process and needs assessment undertaken, including consultation opportunities across the district for a wide range	Homelessness and Rough Sleeping Strategy 2024-2029 - Initial priorities and feedback	Hannah Gaston hannahgaston@maidstone.gov.uk

Details of the Decision to be taken	Decision to be taken by	Lead Member	Expected Date of Decision	Key	Exempt	Proposed Consultees / Method(s) of Consultation	Documents to be considered by Decision taker	Representations may be made to the following officer by the date stated
						feedback. Feedback sought through formal consultation survey, local meetings and cost of living events.		
Provision of Wheeled Bins Summary of the policy for charging for replacement and new wheeled bins and review of recent developments to the policy.	Cabinet	Cabinet Member for Environmental Services	24 Jan 2024	No	No Open	Housing, Health and Environment Policy Advisory Committee 16 Jan 2024	Provision of Wheeled Bins	Jennifer Stevens Head of Environmental Services & Public Realm jenniferstevens@maidstone.gov.uk

Housing, Health and Environment Committee

Tuesday 14 November 2023

LGPS Pension Guarantee for Waste Contract

Timetable	
Meeting	Date
Housing, Health and Environment PAC	Tuesday 14 November 2023
Cabinet Member for Environmental Services	Wednesday 15 November 2023

Will this be a Key Decision?	No
Urgency	Not Applicable
Final Decision-Maker	Cabinet Member for Environmental Services
Lead Head of Service	William Cornall, Director of Regeneration and Place
Lead Officer and Report Author	Jennifer Stevens, Head of Environment and Public Realm
Classification	Public
Wards affected	None

Executive Summary

The Council has awarded the Mid Kent Waste Contract to SUEZ Recycling and Recovery UK and as part of the mobilisation, they are required to gain Admission Body status to enable four long-serving employees to remain within the LGPS.

To achieve this Maidstone and Ashford Borough Councils, as the Scheme Employer, are required to provide a guarantee to protect the fund from any shortfall or additional costs associated with underfunding or unpaid contributions.

This report asked the Committee to make a recommendation to the Cabinet Member for Environmental Services.

Purpose of Report

Recommendation to Cabinet Member for Environmental Services

This report asks the Policy Advisory Committee to consider the following recommendation to the Cabinet Member for Environmental Services;

1. To approve the provision of a guarantee to the total value of £383k to the Kent Pension Fund in partnership with Ashford Borough Council.

LGPS Pension Guarantee for Waste Contract

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>We do not expect the recommendation will by itself materially affect achievement of corporate priorities. However, it will support the Council’s overall achievement of its aims as set out in section 3.</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 will not specifically impact the cross-cutting objectives.</p>	Head of Environment and Public Realm
Risk Management	<p>The risks associated with the recommendation have been considered and are very low. However, the risk of not providing a guarantee is significantly higher as this will prevent the contractor from delivering its contractual obligations.</p>	Head of Environment and Public Realm
Financial	<p>The potential costs associated with this risk are not budgeted. This is due to it being a one-off nature and due to it being a low-risk guarantee. If funding were to be needed it would be managed within the in-year financial position or potentially from the general reserves.</p>	Head of Finance

Staffing	We will deliver the recommendations with our current staffing.	Head of Environment and Public Realm
Legal	The Council has negotiated with the new Service Provider, KCC and the Pensions Actuary to reach this position which is the best that could be achieved. The risk is shared with Ashford Borough Council and is deemed low. The Council has the power to enter into such an arrangement and it will facilitate a smooth handover to the new Service Provider.	Lucinda MacKenzie-Ingle, Team Leader, Contracts and Commissioning, MKLS
Information Governance	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	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	There are no implications to Crime and Disorder	Head of Environment and Public Realm
Procurement	No implications	Head of Environment and Public Realm
Biodiversity and Climate Change	The implications of this report on biodiversity and climate change have been considered and; <ul style="list-style-type: none"> • There are no implications on biodiversity and climate change. 	Head of Environment and Public Realm

2. INTRODUCTION AND BACKGROUND

3.1 In December 2022, the Communities, Housing and Environment Policy Advisor Committee recommended to Cabinet that the Mid Kent Waste Contract be awarded to Suez Recycling and Recovery UK.

- 3.2 Since then, work has been progressing on the mobilisation of the Contract which is due to commence on 24 March 2024. This has included plans for the service, communications, staff and vehicles.
- 3.3 As part of the mobilisation, staff currently employed by Biffa Municipal Ltd on the current Mid Kent Waste Contract will transfer to SUEZ Recycling and Recovery UK.
- 3.4 There are currently four employees on this contract that were originally Council employees and as such are members of the Local Government Pension Fund, administered by Kent County Council. To enable these employees to continue these rights, SUEZ Recycling and Recovery UK are required to become an Admission Body for the scheme. Maidstone and Ashford Borough Councils, as the Scheme Employer, are required to provide a guarantee to the Pension Fund to ensure that should any shortfall occur, this would be recovered. The level of guarantee for this is £383k, which is split across Maidstone and Ashford Borough Councils, as both have transferring employees in the LGPS.
- 3.5 The value of the Guarantee has been calculated at £383k, shared between Maidstone and Ashford Borough Councils. This value is based on a risk assessment of the fund and considers costs that could arise from underfunding, strain (such as redundancy costs) or unpaid contributions over the 8 year contract period. The risk of these coming to fruition have been assessed and are considered low, with additional protections to the Council included in the main agreement of the Mid Kent Waste Contract.
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3. AVAILABLE OPTIONS

- 3.1 The Council could decide to provide the Guarantee in partnership with Ashford Borough Council.
- 3.2 Alternatively, the Council could decide it is not willing to offer a Guarantee for the Pension which would prevent the SUEZ Recycling and Recovery UK from gaining Admission Body status and prevent the four affected employees from remaining within the LGPS.
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4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 It is recommended that the Council agree to provide the guarantee and enable the four eligible employees to remain within the LGPS.
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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.
- 5.2 The key risk to the Council is that it could be liable for costs up to £191k should the guarantee come into effect. However there have been no risks

identified over the past 10 years, during the current Mid Kent Waste Contract and no requirement to support the fund.

- 5.3 There is a greater risk to the Council should it decide not to provide the required Guarantee as the obligations within the Mid Kent Waste Contract would not be deliverable. There is a requirement within the contract for SUEZ Recycling and Recovery UK to gain Admission Body status and this would be compromised if a Guarantee is not provided. Although an alternative Guarantee or Bond could be considered, it is not assumed that the Kent Pension Fund would accept this and that it could be delivered in time for contract commencement.

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 The Communities, Housing and Environment Policy Advisory Committee recommended the award of the Mid Kent Waste Contract to SUEZ Recycling and Recovery UK in December 2022 and had previously considered the contract on several occasions. Outsourcing the contract was the agreed commissioning route and as such the employee's rights must be protected.

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 If agreed, the Council will sign the Guarantee within the Admission Body Agreement alongside Ashford Borough Council and this will form part of the Mid Kent Waste Contract.

8. REPORT APPENDICES

None

9. BACKGROUND PAPERS

None

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

14th NOVEMBER 2023

**Proposed Private Sector Leasing Scheme (PSL) and
Changes to the current Landlord Incentive Scheme (LIS)**

Timetable	
Meeting	Date
PAC	14 th November 2023
Cabinet	22 nd November 2023

Will this be a Key Decision?	Yes
Final Decision-Maker	CABINET
Lead Head of Service	William Cornall, Director of Regeneration & Place
Lead Officer and Report Author	William Cornall, Director of Regeneration & Place
Classification	<p>Public with one (of two) private appendix.</p> <p><u>Exempt Category</u></p> <p>The information contained with the report has been considered exempt under the following paragraph of Part I of Schedule 12A to the Local Government Act 1972:-</p> <p>Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information).</p>
Wards affected	All

Executive Summary

This report proposes that Maidstone Borough Council launches a Private Sector Leasing (PSL) scheme, whereby it will lease properties in the borough from landlords for a medium-term period and use these properties as Temporary Accommodation (TA) for households affected by homelessness. The reason for doing so would be to reduce the Council's reliance on nightly paid private owned TA, and so produce a financial saving to the Council. The report also details some changes that are already being made to the Council's existing Landlord Incentive scheme, and also seeks approval to shorten the programme for acquiring Council owned TA too, proposing that the delivery programme be shortened from three to two years.

Purpose of Report

Decision

Choose from the below options:

This report makes the following recommendations to the Cabinet;

1. Launch an MBC PSL scheme with an ambition to secure 50 homes within two years of launch.
2. Recast the capital programme to deliver the remainder of the purchased TA over 24/25, so shortening the programme from three to two years, subject to prevailing market conditions / availability of suitable stock.

PROPOSED PRIVATE SECTOR LEASING SCHEME (PSL) AND CHANGES TO THE CURRENT LANDLORD INCENTIVE SCHEME (LIS).

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>We do not expect the recommendations will by themselves materially affect achievement of corporate priorities. However, they will support the Council’s overall achievement of its aims as set out in section 3 [preferred alternative].</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>We do not expect the recommendations will by themselves materially affect achievement of the cross cutting objectives.</p>	Director of Regeneration & Place
Risk Management	See risk section in the main report.	Director of Regeneration & Place
Financial	The proposals set out in the recommendation will be included within the budget proposals	Section 151 Officer &

	for 2024/25 (Revenue Budget and Capital Programme) that will be coming to PACs and Council in the new year for approval as part of the regular budget process.	Finance Team
Staffing	We will deliver the recommendations with our current staffing.	Director of Regeneration & Place
Legal	<ul style="list-style-type: none"> • 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. • 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. • The Council has the power to acquire properties by agreement under the Local Government Act 1972, section 120. • Legal advice should be sought for all transactions and all necessary Legal documentation will be approved by Mid-Kent Legal Services before completion. 	Team Leader (Contentious and Corporate Governance)
Information Governance	The recommendations do not impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council processes.	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	We recognise that the recommendations will not negatively impact on population health or that of individuals.	Director of Regeneration & Place

Crime and Disorder	There are no implications to Crime and Disorder	Director of Regeneration & Place
Procurement	On accepting the recommendations, the Council will follow procurement policy in implementing the proposals.	Head of Service & Section 151 Officer
Biodiversity and Climate Change	The implications of this report on biodiversity and climate change have been considered and the Private Sector Leasing (PSL) scheme can potentially align well with supporting residents, landlords and housing associations, for retrofitting insulation, and low carbon heating systems to decarbonising and insulating homes and buildings, specifically Action 2.2 to 'Enforce Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015' of the Biodiversity and Climate Change Action Plan.	Biodiversity and Climate Change Manager

2. INTRODUCTION AND BACKGROUND

- 2.1 The Council currently has around 245 households in Temporary Accommodation (TA) to whom we owe a duty under Part 7 of the Housing Act 1996, of which 105 are MBC owned (plus a further 32 individuals also in Discretionary Accommodation, fully funded by the Rough Sleepers Initiative, to whom the Council does not owe a statutory accommodation duty). Therefore, the Council is currently using around 140 units of nightly paid TA. This nightly paid TA is a mixture of hotels and accommodation provided by specialist private sector providers.
- 2.2 The net cost to the Council of nightly paid TA is extremely burdensome, and **Exempt Appendix 1** sets out the following: -
- The LHA rents that the Council can charge households for TA.
 - The typically nightly paid TA costs.
 - The typical annual deficit per household in nightly paid TA.
- 2.3 MBC currently runs a Landlord Incentive Scheme (LIS) that is operated by three staff costing £100k per annum plus an operating budget of £85k per annum to offer landlord incentives to accept households from TA for permanent housing into the private rented sector (so that the Council's duty to those households is discharged).
- 2.4 However, the pool of reasonable Private Rented Sector (PRS) stock is shrinking (arguably) owing to rising landlord mortgage costs, adverse tax changes and the risk of the Renters Reform bill, which will give PRS tenants security of tenure. Furthermore, the demand for PRS housing is insatiable owing to the cost-of-living crisis, with agents reporting 20 offers per PRS unit advertised. The reality is that the incentives that MBC can

offer landlords (rent and repairs guarantees and golden hellos of say one month's rent) are insufficient to secure deals, as rents are increasing strongly.

- 2.5 During 2022/23 the Landlord Incentive Team completed 42 transactions, 35 for new placements into the PRS, and 7 to sustain previous placements. In terms of the sustainability of these placements, around 50% reapproached MBC and required further assistance, and so the long-term benefit of this scheme is at best unproven in terms of VFM to the Council and the household placed too.
- 2.6 Accordingly, the LIS operating budget will be reduced from £85k to £50k per annum, and make the LIS offer more self-serve and simple, and only those households that realistically are likely to be able to sustain tenancies in the PRS will be encouraged to pursue this avenue for housing. Furthermore, this cohort would be required to take the initiative themselves, inasmuch identify the property, agree the rent, and the Council could simply provide a capped deposit guarantee for the duration of the tenancy, and a golden hello payment equivalent to a maximum of one month's rent, upon the production of all the paperwork coupled with evidence that the household has vacated their TA. This budget reduction will in part fund an increase in the TA budget for 24/25, which will need to grow again, based on the current forecast overspend for the current financial year.
- 2.7 To bring down the average net cost to the Council per household in TA it is evident that MBC needs more TA under its own direct control. Over the past 5 years the Council has been purchasing its own portfolio that now stands at 105 units. The capital programme will see this figure increase by a further c60 units over 23/24, 24/25 and 25/26, and there seems to be a logic of shortening the investment period to deliver the homes over two years instead of three.
- 2.8 With this strategy of buying units, the business case initially was very robust, but as both the cost of borrowing and housing prices rise, the case weakens. IE a 3-bed property costing £350k would generate a rental income of £8,500, so a gross yield of c 2.5%, a likely net yield closer to 2%, which is well below our cost of funds even before the capital is repaid.
- 2.9 To manage their exposure (to buying stock), several Councils operate Private Sector Leasing (PSL) schemes, whereby they lease properties from landlords, to use as TA, on broadly the following terms: -
 - Circa 3 to 5-year lease term.
 - Rent guaranteed by the Council, at a discount to the market rent.
 - Full management service by the Council.
 - Minor repairs and voids work undertaken and paid for by the Council.
 - Property returned at lease end in previous condition, subject to fair wear and tear.
 - The landlord would be responsible for: -
 - The property being in good condition at the outset.
 - Major and structural repairs still undertaken by the landlord.

- Putting in place a gas safety maintenance contract for the lease term, and other key H&S compliance certification.
 - Insuring the property.
 - Providing their lenders approval.
- 2.10 Sample documents from a similar PSL scheme operated by the London Borough of Lewisham are attached as appendices to include a landlord fact sheet, sample agreement and property specification requirement.
- 2.11 It is proposed that MBC launches its own PSL scheme with an ambition to secure 50 homes over the next two years. If MBC had 50 such properties in a PSL scheme the annual saving would be c£300k.
-

3. AVAILABLE OPTIONS

- 3.1 **Option 1** would be to launch a Maidstone Borough Council Private Sector Leasing Scheme, for an initial 50 homes, to be used as Temporary Accommodation, and shorten the delivery period for the Council owned acquisition programme too, from three to two years.
- 3.2 **Option 2** would be to launch a Maidstone Borough Council Private Sector Leasing Scheme, for an initial 50 homes, to be used as Temporary Accommodation, and leave the delivery period for the Council owned acquisition programme unchanged at three years.
- 3.3 **Option 3** would be to just shorten the delivery period for the Council owned acquisition programme too, from three to two years, but not introduce a Private Sector Leasing Scheme.
- 3.4 **Option 4** would be to make no changes to the current arrangements.
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4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 The preferred option is **Option 1**, to launch a Maidstone Borough Council Private Sector Leasing Scheme, for an initial 50 homes, to be used as Temporary Accommodation. This option has the potential to generate considerable annual cost savings, and so can help manage the Council's overall financial exposure of delivering temporary accommodation to households affected by homelessness.
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5. RISK

- 5.1 There are risks to operating a PSL scheme to include: -
- Excessive tenant damage to PSL units and general degradation at the lease end.

- If the demand for TA falls, the Council could be left with excess PSL stock that it would still need to pay for. In this scenario, the Council would first sell (or convert to PRS) MBC owned TA in the first instance, so it is difficult to see this risk crystallising.
- It will increase the scale and complexity of the in-house housing management function.
- Most Council's operate a similar scheme, but the landlord market is unproven. Anecdotal feedback from the LIS team is that this type of "offer" would be more appealing to landlords than the current LIS scheme. However, the scheme could be reviewed after 12-months, and if the interest isn't there, it could be discontinued, but we need to give it time to attract and then convert the local landlord interest into deals.

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 The recommendations have been considered previously by the Corporate Leadership Team.
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7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 Officers will work with Mid Kent Legal Services to prepare a suite of legal documents for the PSL scheme in readiness for launch, and also prepare marketing collateral to launch and publicise the scheme.
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8. REPORT APPENDICES

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

- Appendix 1: Exempt Appendix.
 - Appendix 2: Sample PSL documents from the London Borough of Lewisham.
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9. BACKGROUND PAPERS

None.

Lease your property through Lewisham Council



About private sector leasing (PSL)

Through PSL, you lease your property to us for three–nine years, and we become your tenant. We let these properties to homeless families in need of long-term accommodation.

If your property is eligible for the scheme, we will pay your rent in advance and directly for the length of the lease, whether there are tenants in your property or not.

We will provide a full housing management service: nominating the tenants, collecting the rent and dealing with all the tenants' queries. When the lease ends, your property will be returned to you vacant and in good condition (apart from reasonable wear and tear).

About private managed accommodation (PMA)

Through our PMA scheme, we also lease residential properties for three–nine years and let them to homeless families. The difference between PMA and PSL is that you will fully manage the sub-tenancy, including dealing with repairs and any tenancy issues. On top of the rent, you will be paid up to £45 a week for providing this service.

If your property is eligible for the scheme, we will pay you rent in advance and directly for the length of the lease, whether there are tenants in your property or not.

This scheme is only for large portfolio landlords or managing agents. You can lease your property to use through PMA if it is within 90 minutes of the Lewisham borough.



What the benefits are to you

If you lease your property to us, you will get:

- a fixed-term lease of three–nine years
- guaranteed rental income for the lease period, even if the property is empty
- rent paid in advance
- no introduction or admin fee for renting your property
- professional property management service
- a one-off monetary incentive at the start of the lease.

What rent you will get for your property

The rent your property attracts depends on several factors such as bed size, location (inner/outer) and proximity to local facilities.

What type of property we're looking for

At the moment, we are mainly looking for unfurnished properties with two, three or four bedrooms. However, this could change over time. Under the PMA scheme, we consider properties up to 90 minutes from the borough.

What we expect from you

To rent your property to us, you should have:

- an energy performance certificate
- valid and satisfactory gas safe certificate
- valid and satisfactory NICEIC electric certificate
- a valid HomeCare 200 boiler and heating repair contract or equivalent
- current building insurance schedule/
breakdown of service charges from freeholder showing building insurance
- consent from the lender
- proof of ownership (land registry title)
- fitted smoke alarms at each floor level in hallways
- bank details for the account where you would like to receive payment
- authorisation from the owner of the property if you are an agent acting on behalf of the landlord
- property that conforms to Lewisham property standards.

What happens when the lease comes to an end

At the end of the term of the lease agreement, it automatically continues until we or you give notice to terminate it. It is our responsibility to return the property to you with vacant possession at the end of the lease.

We will continue to pay the agreed rent until we can return the property to you with vacant possession.

Responsibility for repairs while the property is leased

We will carry out minor repairs for the life of the lease. You are responsible for all internal and external structural repairs and any insured risks.

Responsibility for bills

The tenants living in the property will be responsible for all council tax, water and fuel bills.

Getting legal advice

You do not need a solicitor when you sign the lease, but the lease is a legal document so you can consult a solicitor if you are unsure.

Find out more

For more information, call 020 8314 6733 or email psl@lewisham.gov.uk.





THIS LEASE is made on the **day of** **2013**

BETWEEN:-

- (1) of
(hereinafter called the “Landlord”); and
- (2) **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF LEWISHAM** of the Town Hall, Catford Road, Catford, London SE6 4RU (hereinafter called the “Tenant”)

NOW THIS AGREEMENT WITNESSES as follows:-

1. DEFINITIONS AND INTERPRETATION

Throughout this lease including the schedules the following words and expressions shall have the following meanings:

- 1.1 “Property” means the dwelling house or flat known as,
- 1.2 “Term” means three (3) years commencing on **1st** day of **2013**
- 1.3 “User” means as a dwelling for the provision of temporary housing accommodation in accordance with the provisions of paragraph 6 of Schedule 1 of the Housing Act 1985 or any statutory amendments of the same. For the avoidance of any doubt any tenancy entered into with a sub-tenant by the tenant will be a non-secure sub-tenancy for the purpose of providing temporary housing accommodation as stated above.
- 1.4 “the Installations” mean the gas and electrical installation and any cooking apparatus within the property
- 1.5 “Insured Risks” means fire, lightning, explosion, damage or impact caused by aircraft (including articles dropped therefrom) subsidence, land slip, heave, riot, civil commotion, malicious persons, earthquake, storm, tempest, flood, escape of water from bursting or overflowing water pipes, tanks, sprinkler systems or other apparatus, the breakage or collapse of communication aerials, falling trees, the escape of oil from a heating system or other apparatus and accidental damage together with such other risks as the landlord shall from time to time reasonably deem it prudent to insure against or that the tenant shall reasonably require.

- 1.6 “Schedule of Condition” means the schedule of condition of the property as annexed to this lease incorporating the Inventory and Property Standard Survey.
- 1.7 “Rights” means the rights granted to the tenant as set out in the second schedule to this lease.
- 1.8 “Exceptions and Reservations” means the rights reserved to the landlord as set out in the third schedule to this lease.
- 1.9 “Building” means the building known asin which the property is located.
- 1.10 “Sub-tenant” means any person or persons (if applicable) with whom the tenant enters into a sub-tenancy in accordance with the user and clause 1.3 of this lease.
- 1.11 “Common Parts” means the interior common parts and the exterior common parts together
- 1.12 “Interior Common Parts” means the entrance halls landings lifts staircases passages toilets kitchens and other areas within the building provided for the common use and enjoyment of the tenant, sub-tenant and all other occupiers of the building
- 1.13 “Exterior Common Parts” means any communal gardens, bin areas, storage areas together with all pedestrian and vehicular ways and forecourts giving access to the building which are provided for the common use and enjoyment by the landlord, the tenant, sub-tenant and all other tenants of the building and all other persons expressly or impliedly authorised by them save for when they are closed for repair or in the case of an emergency.
- 1.14 Throughout this lease;-
- 1.14.1 Words importing the masculine gender only shall include the feminine and neuter gender where appropriate;
- 1.14.2 Words importing the singular number only shall include the plural number and vice versa;
- 1.14.3 Where a party comprises more than one person, the covenants and obligations entered into by that party are to be construed as having been made by all such persons jointly and severally;
- 1.14.4 Any reference to any statute shall (unless otherwise stated) include any re-enactment, consolidation and/or renewal thereof for the time being in force and any references to any statute or statutes in general shall include any order, instrument, plan, regulation, permission or direction made or issued thereunder or deriving validity therefrom.

- 3.3.2 any outbreak of dry or wet rot or any rising or penetrating damp at the property no matter howsoever it arose or was caused except in so far as any such outbreak or damp is caused by any act or default of the tenant or anyone at the property expressly or by implication with the tenant's authority; or by
- 3.3.3 damage caused by an insured risk ; or
- 3.3.4 any repairs or other works for which the landlord is liable under clauses 4.2, 4.4, 4.5, 4.6 and 4.14 of this lease; or
- 3.3.5 Landlord's fixtures and fittings listed in the First Schedule to this lease have been taken into account in the rent and therefore are written off over the term of the lease. The tenant nor any sub-tenant or visitors to the property can be held responsible for or be liable for any damage caused to or be liable for the replacement of such items and they will therefore not be repaired replaced renewed or reinstated by or at the expense of the tenant or any sub-tenant or visitor to the property at the end of the term or on the earlier determination of this lease.

and also PROVIDED THAT

(i) The tenant shall not be liable by virtue of this sub-clause to keep the property or the landlord's fixtures and fittings in a better state of repair than is evidenced by the Schedule of Condition and at the end of the term or on the earlier determination of this lease. The tenant will surrender and yield up the property with vacant possession thereof in a state and condition consistent with the proper performance of the tenant's obligations under this lease but in no better condition than is evidenced by the Schedule of Condition.

(ii) The tenant shall not be required to redecorate the premises at any time during the term or on the earlier determination of the term to any greater standard than as evidenced by the Schedule of Condition.

(iii) The tenant shall not be liable for any damage, damages, costs, claims, expenses or other sums incurred by the landlord at any time during the term which are the direct or indirect result of latent defects at the property including for the avoidance of doubt any defect due to the defective design of the property or defective workmanship in relation to any works carried out to at or in the property at any time including any period before the commencement of this lease.

(iv) For the avoidance of doubt the tenant hereby confirms that if damage is caused maliciously to the property or as a result of the misuse of the property by a sub-tenant or visitor to or at the property with the sub-tenant's permission and there is clear and irrefutable evidence of the same then the tenant, at all times during the term

acting in its sole discretion, may decide to pay a sum to the landlord of up to a maximum of one month's rent to the landlord as compensation. Such sum to be paid if required in the reasonable opinion of the tenant as soon as reasonably practicable after the end or earlier determination of the term.

(v) If the cost of the repairs required to the premises exceeds the sum set out in sub-clause 3.3 above then the landlord will at all times during the term be solely responsible for paying the total amount of the costs which exceeds the said sum. The amount by which the total cost of the repairs exceeds £500 will be deducted from future rental payments to the landlord in such amounts as the tenant shall consider appropriate.

- 3.4 To ensure that any garden at the property is kept in a clean and tidy manner.
- 3.5 To inform the landlord within seven (7) days or as soon as is practicable of the tenant becoming aware of any damage to the structure or exterior of the property or any other parts of the property which the landlord is liable to repair in accordance with the terms of this lease.
- 3.6 To permit the landlord and the landlord's duly authorised agents upon giving four days prior written notice to the tenant, to enter upon and examine the condition of the property at all reasonable times together, if deemed necessary by the landlord, with such operatives and plant and equipment as may be needed to execute repairs on at or to the property and to any adjoining premises belonging to the landlord provided that the property will be reinstated as soon as possible thereafter to the reasonable satisfaction of the tenant .
- 3.7 To include the property under it's annual LGSR (Landlord Gas Safety Record) gas safety inspection programme for each year of the term.
- 3.8 To notify the landlord verbally or in writing if the maintenance contractor is of the opinion that the gas boiler is beyond economic repair and the approximate cost of renewal.

USE/SUB LETTING OF THE PROPERTY

- 3.9 Not to assign, part with or share possession of the whole or part of the property SAVE as set out in sub-clause 1.3 of this Lease.
- 3.10 To use the property at all times during the term for the user only.
- 3.11 To ensure that any sub-tenant uses the property for residential purposes only and does not use the property for any illegal or immoral purpose or carry out any form of business at or in the property.
- 3.12 Not to make any structural alterations or additions to the property save only as permitted by sub-clause 3.13 of this lease.

- 3.13 Not to make any internal non-structural alterations to the property without the prior written consent of the landlord (such consent not to be unreasonably withheld or delayed).
- 3.14 Not to make any alteration to the structure of the property whatsoever.
- 3.15 To permit the landlord during the three months immediately preceding the determination of this lease to affix and retain without interference upon any part of the property a notice for the sale or re-letting of the same and during the said three months to permit persons with written authority from the landlord to view the property by appointment at the sole discretion of the tenant and any sub-tenant living at the property.
- 3.16 To keep the landlord's fixtures and fittings (other than those listed in the First Schedule hereto) in good and tenable repair, fair wear and tear excepted and to make good all damage thereto arising otherwise than from damage by an insured risk or reasonable and proper use.
- 3.17 To comply with the lawful requirements of any statutory or other competent authority save insofar as such requirements are the responsibility of the landlord under the terms of this lease.
- 3.18 To ensure that any sub-tenant does not cause any nuisance or annoyance to the landlord, its agents, staff or any of its other tenants or the owners and occupiers of adjoining premises PROVIDED THAT if the landlord provides substantive evidence that the sub-tenant or any other authorised occupant of the property is causing a nuisance or annoyance to the landlord, its agents, staff or tenants or the occupiers of any adjoining premises then the tenant will use its reasonable endeavours to evict the sub-tenant or occupant from the property.
- 3.19 If at the expiry of the term the tenant is unable to provide the landlord with vacant possession of the property as a sub-tenant is still living at the property then the tenant shall continue to pay the rent and any other sums due under this lease to the landlord at the times and in the manner aforesaid until such time as the tenant is able to provide the landlord with vacant possession of the property. For the avoidance of doubt this lease will continue until determined in accordance with the terms of this lease but for the avoidance of doubt any period of extension as referred to above shall not last longer than the period which is six (6) calendar months from the end of the term.

4. LANDLORD'S COVENANTS WITH THE TENANT

The landlord covenants with the tenant as follows:-

FINANCE

- 4.1 To pay all existing and future taxes assessments and outgoings imposed or charged upon the property other than those to be borne by the tenant under the terms of this lease.

REPAIRS

- 4.2 To comply with all existing and future legislation and all obligations imposed therein regarding the use and occupation of the property for the user and for the avoidance of doubt the landlord and the tenant hereby agree that such legislation includes (but not on an exhaustive basis) planning law, building regulations, the safety of gas and electrical equipment or appliances, environmental health law and all aspects of health and safety legislation.
- 4.3 To fully indemnify the tenant against all actions claims demands costs and expenses of whatever nature which may be brought made or incurred by the tenant at any time during the term in consequence of landlord's failure to comply with the terms of this lease.
- 4.4 At all times during the term to:-
- 4.4.1 Keep the structure (including any integral fixtures and fittings such as windows, doors and handles & hinges), roof and other exterior parts of the property (including boundary walls whether interior or exterior) and any load bearing compartmental or separating walls within the building in good and proper repair at all times during the term.
- 4.4.2 Keep the common parts (if any) of the building including the drains, gutters and external pipes and the lifts (if any) serving the property in good and proper repair at all times during the term. If the said common parts are not the responsibility of the landlord, the landlord to use all his/her reasonable efforts to ensure that such areas are maintained repaired and renewed by the owner of the freehold of the building or the management company responsible for managing the building or the superior landlord (if any).
- 4.5 At all times during the term at its sole cost to repair, replace, renew or reinstate any items listed in the schedule which are damaged broken or destroyed during the term.
- 4.6 To carry out any repairs for which liability would be imposed upon the landlord by the Landlord and Tenant Act 1985 section 11 notwithstanding the provisions of section 14 of that Act if it applied to this lease.

PROVIDED THAT

- (i) If the landlord fails to carry out its responsibilities under clause 4.4 of this lease after receiving reasonable notice from the tenant and do any works or repairs required in accordance with the said clause then the tenant shall be entitled to suspend rent or carry out all necessary works or repairs needed

to the property in its reasonable opinion and all costs incurred by the tenant in carrying out the said works or repairs shall be immediately repayable by the landlord to the tenant and shall be treated as a debt owed to the tenant by the landlord or by way of making deductions from future payments of rent as the tenant at its sole discretion shall decide. The tenant is also entitled to reasonable administrative costs in addition to the debt owed.

(ii) If any works or repairs required in relation to emergency repairs, urgent repairs and routine repairs (as defined below) are needed to the property then the tenant, after taking all reasonable steps to inform the landlord of the same and in the absence of being able to contact the landlord or obtaining a prompt response appropriate to the level of urgency from the landlord, shall be entitled to carry out the said repairs to protect the property from further damage or deterioration and to keep it in a habitable condition, and for the avoidance of any doubt in the event of the tenant carrying out any such works or repairs above the tenant shall be entitled to recover all proper and reasonable costs incurred by it in doing so from the landlord as a debt or by way of making deductions from future payments of rent as the tenant at its sole discretion shall decide. The tenant is also entitled to reasonable administrative costs in addition to the debt owed.

“Emergency Repairs” means repairs needed to the property as a result of damage caused by the total loss of electricity, gas or water supply, flooding, severe storm damage, blocked or ruptured drains or any other defect with or repair needed to the property which would put the health safety or security of the tenant, the sub-tenant or anyone else staying at or visiting the property in immediate risk or danger or which would adversely affect the structure of the property, making the property uninhabitable by the tenant or the sub-tenant. Such repairs are to be carried out by the landlord or their agent within 24 hours of being made aware save for in instances where the failure of the electricity, water or gas supplies requires work to be carried out by the relevant utility company to the property in which case such work must be done before the landlord or his/her agent can carry out any works to or at the property which are required in order to restore the relevant supply.

“Urgent Repairs” means repairs needed to the property as a result of a partial loss of electricity, water, or gas supply, rotten floorboards or stair treads, defective overflows, minor electrical faults, roof leaks, blocked gutters or severe dampness or such other defects which in the opinion of the tenant should be classed as such repairs, these repairs must be carried out by the landlord or his/her appointed agent within 5 working days from the date on which the landlord is made aware that they are required to the property by the tenant.

“Routine Repairs” means repairs needed to the property which need to be carried out to it but do not prevent the tenant, the sub-tenant or any visitors from staying at or visiting the property, such repairs must be carried out by the landlord or his/her appointed agent within 10 working days or as

agreed with the tenant from the date on which the landlord is made aware that they are required to the property by the tenant. Such repairs will include but not be limited to repairs to external walls, fences and paths, walls, brickwork, slates/tiles, plaster, repairs to gutters, the renewal of baths, showers/cubicles, basins, toilets and down pipes and the cutting, pollarding and removal of trees and shrubs.

4.7 To insure and keep the property and all parts of the building (if any) insured as long as the landlord owns the freehold of the building against loss or damage caused by insured risks in the full reinstatement value of the building and the property and to produce to the tenant upon demand a copy of the policy of insurance and the receipt or receipts for the premiums in respect thereof and to expend all monies received by virtue of such insurance in rebuilding and reinstating the building and the property or (as the case may be) replacing the landlord's fixtures and fittings so damaged or destroyed and to make up any deficiency out of his own monies.

4.7.1 If the landlord does not own the freehold of the building then the landlord is to use all reasonable endeavours to ensure that the owner of the freehold of the building or any management company appointed by them to manage the building or any superior landlord does keep the building including the property insured at all times during the term in the full reinstatement value of the same.

4.7.2 An insurance policy complies with the terms of this clause if:-

4.7.2.1 It is effected in the name of the landlord or superior landlord and in the names of such other persons interested in the building and the property as the landlord shall from time to time consider appropriate;

4.7.2.2 It provides cover against loss or damage to the property by any of the insured risks to the extent that such cover is for the time being available for property of the type of the building and the property;

4.7.2.3 The sum insured includes an appropriate percentage of the rebuilding costs for all professional fees which will be incurred in rebuilding or reinstating the building destroyed or damaged by an insured risk and for two year's loss of rent.

4.7.2.4 It is effected at an insurance office of good repute which is also a member of the Association of British Insurers.

4.8 That the tenant shall peacefully hold and enjoy the property during the term without any interruption by the landlord or any person rightfully claiming under or in trust for the landlord.

4.9 That all necessary consents and permissions relating to the grant of this lease and the use of the property in accordance with the user have been obtained from the landlord's insurers and any mortgagee or other person who has an interest in the property.

4.10 **MAINTENANCE**

4.10.1 On or before the date hereof to enter into contracts (the "Maintenance Contracts"), if not already existing, for the regular maintenance and servicing of the space and water heating systems serving the property and the other gas and electrical installations within the property ("the Installations") and at the landlord's sole expense to maintain such contracts and make all payments due thereunder throughout the whole of the term.

4.10.2 To ensure that the maintenance contracts, if not already entered into, which will be entered into by the landlord are on such terms and in such form as the tenant shall reasonably specify and be with contractors previously approved by the tenant (such approval not to be unreasonably withheld or delayed) and the landlord hereby irrevocably authorises the tenant who shall act reasonably) to instruct the contractors under the maintenance contracts to undertake any maintenance servicing or repair works to the Installations which may be required from time to time in accordance with the appropriate legislation PROVIDED THAT any such works will be carried out entirely at the cost and expense of the landlord (save only to the extent that such costs and expenses are the responsibility of the contractors under the Maintenance Contracts) and the landlord agrees to fully indemnify the tenant against any costs, expenses or other sums which the tenant may incur as a result of such maintenance.

4.10.3 If the landlord has already entered into maintenance contracts before the date of this lease then the following shall apply:-

(i) The landlord shall on or before the date of this lease provide the tenant with full details of the contractor or contractors he has entered into the maintenance contracts with, including providing the tenant with copies of the said contracts and proof that they have each been fully paid for by the landlord.

(ii) If any of the maintenance contracts expire or are brought to an end by the relevant contractor at any time during the term then the landlord shall use its best endeavours to enter into a new maintenance contract for the service required with a contractor previously approved in writing by the tenant (such approval not to be unreasonably withheld or delayed) on or before the expiry of the existing contract. If this is not possible then the landlord shall use its best endeavours to enter into a new maintenance contract for the service required with a new contractor as soon as possible after the expiry or termination of the existing contract.

4.10.4 To provide the tenant with copies of the maintenance contracts at least once in every calendar year.

4.10.5 To maintain repair renew and keep the Installations in good working order at all times during the term but only to the extent that such maintenance, repair and renewal is not actually carried out under the maintenance contracts.

4.10.6 that:-

- (i) the Installations have been serviced by a properly qualified person within the period of three months before the start of the term.
- (ii) The gas contractor is Gas Safe registered and that any electricity contractor has been approved by NICEIC or such other regulatory bodies which replace them respectively and at its sole expense to provide the tenant on or before the commencement date of this lease with a valid Gas Safety Certificate (LGSR), a valid Electricity Safety Certificate and an Energy Performance Certificate PROVIDED THAT if the Installations have not been serviced within the period of three months before the start of the term or if the landlord does not have any valid certificates as mentioned in sub-clause 4.10.6 (i) above then the landlord shall pay for and obtain the said certificates from one of the contractors contained in the list of approved contractors obtainable from the tenant 's building services department
- (iii) To carry out the ongoing maintenance, repairs and supply of a 3 star cover policy or equivalent
- (iv) That the tenant will automatically deduct the cost of the annual inspections from the rent on or before the anniversary of the current Gas Safety Certificate (LGSR) plus reasonable administrative costs.
- (v) (a) Within 7 working days from the tenant's notification in clause 3.8 above to renew the boiler using his own "Gas Safe" registered contractor
(b) the new boiler meets industry standards including energy efficiency and has a built in programmer and that existing radiators are upgraded with thermostatic valves where necessary.
- (vi) The landlord's contractor completes the benchmark commissioning checklist and LGSR (Landlord Gas Safety Record) which must be retained at the property and that a copy is forwarded to tenant for its records
- (vii) Landlord shall arrange for it's contractor to inspect, carry out the work and issue a satisfactory LGSR (Landlord Gas Safety Record) PROVIDED THAT it is agreed that If the work is not completed within 7 days, the tenant reserves the right to notify the landlord that the tenant will be immediately arranging for the gas boiler to be renewed and in that event the cost of renewal shall be automatically deducted from the rent and that "Notify" shall be deemed to mean by post, fax or email. This will also incur reasonable administrative costs, which the tenant will be entitled to.
- (viii) To provide the tenant with a valid Energy Performance Certificate in the appropriate form on or before the start of the term.

- 4.10.7 To observe and perform the covenants and conditions of any head lease (if any) and where not obliged to do so under the terms of any head lease then to procure compliance of the obligations under any superior lease (if any).
- 4.10.8 To keep any gardens forming part of the building, if it is the landlord's responsibility to do so or if not to ensure that the owner of the freehold of the property or the management company or the superior landlord will do so and if applicable to keep any garden at the property tidy at all times during the term and to keep all hedges and grass at the property regularly trimmed and cut.
- 4.10.9 To repair, renew or replace any of the furniture or furnishings which have become unusable due to fair wear and tear, defect or bad workmanship at any time during the term
- 4.10.10 To remedy any outbreak of dry or wet rot, or any rising or penetrating damp which occurs at the property at any time during the term whether such rot or damp arises from leaks penetration or failure of the damp proofing membrane at the property.
- 4.11 That the property complies with all applicable legislative fire safety standards and that it contains fitted and fully operational smoke detectors both as at the date of this lease and that it will do so at all times during the term.
- 4.12 That all electrical and gas installations in on or at the property have been tested prior to the commencement of this lease and comply with current standards dictated by the relevant legislation.
- 4.13 That there are no outstanding taxes or service bills in relation the property as at the commencement of this lease.
- 4.14 To be responsible for remedying any repairs to the property required at any time during the term (notwithstanding that such repairs might otherwise be the responsibility of the tenant under the provisions of this lease) from the date of this lease SAVE for any repairs resulting from the act or default of the tenant or anyone at the premises expressly or by implication with the tenant's authority.
- 4.15 That two full sets of keys to the property have been handed over to the tenant on or before the date of this lease.

5 PROVISOS.

The landlord and the tenant hereby agree that :-

LEASE RENEWAL

- 5.1 It is hereby agreed that the lease shall only be renewed PROVIDED The landlord reinstates the property to comply with Lewisham Council's property standards at the landlords own costs. Where the property is tenanted on the lease renewal date the landlord agrees and declares to carry out the reinstatement works when the property next becomes void solely at their cost.

FORFEITURE OF LEASE

- 5.1.1 If the rent hereby reserved or any part thereof shall remain unpaid for twenty-eight (28) days after becoming due (whether formally demanded or not) or if the tenant is in breach of any material agreements and covenants as contained in this lease the landlord may at any time thereafter re-enter the property or any part thereof in the name of the whole and thereupon this lease shall absolutely cease and determine subject to the tenant's right to claim relief from forfeiture.
- 5.1.2 For the avoidance of doubt it is hereby agreed and declared that this lease shall be determined and vacant possession shall be afforded by the tenant to the landlord's mortgagee (the "mortgagee") as soon as reasonably possible, but in all cases not before the expiration of one calendar month from the date that the tenant is notified by the landlord's mortgagee that it wishes to exercise its power of sale, if the mortgagee is entitled to exercise a power of sale conferred on it by its mortgage, or by section 101 of the Law of Property Act 1925 and the mortgagee requires possession of the property for the purpose of disposing of it with vacant possession in exercise of that power.

SUSPENSION OF RENT

- 5.2 If the property or any part of it shall at any time during the term be destroyed or damaged by an insured risk so as to be unfit for occupation and use or if the property or any part thereof must remain unoccupied to enable the landlord to comply with his obligations under sub-clauses 4.2,4.4, 4.5, 4.6 and 4.14 of this lease or to execute any repairs to any adjoining premises belonging to the landlord then and in any such case the rent hereby reserved (or a fair proportion thereof according to the nature and extent of the damage sustained and/or the extent and area of that part of the property as is so affected) shall be suspended until the property shall again be rendered fit and made available for habitation and use by the tenant and any sub-tenant. Any dispute as to the extent proportion or period of such suspension shall be determined by a single arbitrator to be appointed by the landlord and tenant and in case of disagreement, then by the president for the time

being of the Royal Institution of Chartered Surveyors in accordance with the provisions of the Arbitration Act 1996.

LANDLORD'S BREAK CLAUSE

- 5.3 If at any time after the expiration of the first year of the term the landlord shall desire to determine this lease and shall give the tenant not less than **three** months prior written notice of such desire (the "Landlord's Determination Notice") pursuant to this sub-clause then on the expiration of the said determination notice, the term shall absolutely cease and determine but without prejudice to the rights and remedies of either party to this lease in respect of any antecedent claim or breach of covenant relating to this lease.

TENANT'S BREAK CLAUSE

- 5.4 If at any time after the expiration of the first six months of the term the tenant shall desire to determine this lease and shall give the landlord not less than **four** weeks prior written notice of such desire (the "Tenant's Determination Notice") pursuant to this sub-clause then on the expiration of the said determination notice, the term shall absolutely cease and determine but without prejudice to the rights and remedies of either party to this lease in respect of any antecedent claim or breach of covenant relating to this lease.

NOTICE OF BREACH OF COVENANT

- 5.5 Without prejudice to any other remedy of the tenant if at any time during the term there shall be a material breach of any covenant contained in this lease on the landlord's part the tenant shall be entitled to serve a (the "First Notice") on the landlord requiring the landlord to remedy the said breach within a period of twenty-eight (28) days (or within a period the tenant may reasonably determine having regard to the nature and extent of the breach) and if the landlord fails to remedy the breach within the period specified in the first notice the tenant shall be entitled to serve a further notice (the "Second Notice") forthwith determining this lease and on the service of the second notice the term hereby granted shall absolutely cease and be deemed determined but without prejudice to the rights and remedies of either party to this lease in respect of any antecedent claim or breach of covenant relating to this lease.

DISPUTE RESOLUTION

- 5.6 If any dispute or difference shall arise between the landlord and the tenant under or arising out of this lease including the operation or construction thereof or the rights duties or liabilities of either party every such dispute or difference shall if the parties so agree in writing (but not

otherwise) be determined by an independent person to be appointed by agreement between the parties and in default of such agreement as to appointment by either:

- 5.6.1 An independent surveyor to be nominated on the application of either party by the president of the Royal Institution of Chartered Surveyors for the time being or;
- 5.6.2 A barrister or solicitor of at least five years qualification to be nominated on the application of either party to the president of the Law Society or the president of the Bar Council for the time being and the determination by the appointed person shall be as an arbitrator and shall be final and binding upon the parties hereto. The provisions of the Arbitration Act 1996 shall apply to any such arbitration reference and the arbitrator shall have sole and unfettered discretion as to the award of costs in the reference.

NO POWER TO GRANT SECURE TENANCY ETC.

- 5.7 The landlord is not a person or body capable of granting secure tenancies as defined by the Housing Act 1985 and the tenant has no interest in the property other than as tenant under this lease.

SERVICE OF NOTICES

- 5.8 Any notice given under or in relation to this lease shall be in writing and shall be served on the landlord personally or by leaving it for him at his last known address or by sending it to him by recorded delivery and shall be served on the tenant by sending it to the tenant at the address listed at the start of this lease and be marked for the attention of the "Private Sector Leasing Team".

YIELDING UP

- 5.9 At the end or sooner determination of the term the tenant will surrender and yield up the property to the landlord in accordance with the terms of this lease, and for the avoidance of doubt the landlord and the tenant hereby agree that the tenant will not be liable to replace any of the floor coverings at the property and shall not be under any obligation to carry out any redecoration internally or externally so as to put the property into any better condition than shown in the schedule of condition.

IN WITNESS WHEREOF the parties hereto have executed this Deed the day and year first before written.

SIGNED by)
)
in the presence of :-)

Witness name:
Witness signature:
Address:
Occupation:

[Form of execution clause to be confirmed]

(Either)

THE COMMON SEAL of the)
MAYOR AND BURGESSES OF THE)
LONDON BOROUGH OF LEWISHAM)
was hereunto affixed in the presence of :-)

.....
Head of Law

(OR)

SIGNED FOR AND ON BEHALF of the)
MAYOR AND BURGESSES)
OF THE LONDON BOROUGH)
OF LEWISHAM acting by:-)

Authorised Signatory

FIRST SCHEDULE

(Fixtures and fittings for which the tenant is not responsible for repair, replacement or renewal)

1. All chattels including furniture, carpets, floor coverings, curtains, refrigerators, cookers, washing machines, dishwashers and kitchen units at the property as at the commencement of the term.

SECOND SCHEDULE

(Rights granted to the tenant)

1. Free passage and running of water, soil, gas and electricity and other services in and through the sewers, drains, channels made or to be made upon, through or under the building or the property and the free and uninterrupted use of all gas, electric, telephone and other pipes, wires, cable and flues (if any) upon through or under the property.
2. The right for the tenant and all other persons authorised by it (in common with all others entitled to such right) at all times by day or by night for all such purposes as are reasonable on foot only to go pass and repass over and along the main entrance (if any) to the building of which the property forms part and the same such right over any and all common parts (if any) of the building. Further the right for the tenant and all other persons authorised by it (in common with all others entitled to such right) to use (if any of the following exist and are necessary and reasonable for the full use and enjoyment of the premises by the tenant) the common parts, forming part of the curtilage of the property or within the curtilage of the building of which the property forms part, PROVIDED ALWAYS that the tenant shall not cause or authorise or permit the obstruction of any common parts over which this paragraph gives them a right of use or passage.

THIRD SCHEDULE

(Landlord's exceptions and reservations)

1. The free passage and running of water, soil, gas and electricity and other services in and through the sewers, drains, channels made or to be made upon through or under the building or the property now or hereafter used and enjoyed from and to other buildings and land owned by the landlord.

Schedule of Condition

SAMPLE



PRIVATE SECTOR LEASING

PROPERTY STANDARDS

This information lists the basic requirements for properties used as temporary accommodation for households placed by the London Borough of Lewisham. The Council expects that the property will meet all statutory requirements in respect of gas and electrical safety, and will be in a satisfactory state of repair.

The property will be the main residence for the family placed for some considerable period of time and possibly the duration of the lease period.

EXTERNAL STANDARDS

1. THE ROOF

To be watertight, free from defects and loose or missing tiles etc.

2. GUTTERING

Pipes to be secured to wall gutters and be free from blockages, and in good repair.

3. GARDEN

Garden to be clear of rubbish and to have vegetation cut back including shrubs and trees.

Fences to be in good order.

Gate(s) to operate, gate posts/pillars to be secure.

Sheds, if applicable, to be safe and in good order, or be removed.

Greenhouses must be dismantled and removed.

Paths and steps must not be uneven and should be free of slime.

4. RUBBISH

Bins to be provided for the disposal of rubbish.

INTERNAL STANDARDS

1. WALLS & CEILINGS

1.1 Insulation

Loft to have a minimum of 250mm-loft insulation and cavity wall insulation (if cavity walls).

1.2 Damp

Property to be free from damp.

Walls to be free from evidence of damp, mould, condensation, peeling paper etc.

1.3 Plaster

Plaster to be sound, and not to show movement when examined.

1.4 Decoration

Surfaces to be painted, and/or papered.

Paint to be clean and free from obvious markings, dirt etc.

Wallpaper to be in good condition and free from defects.

Wood to be free from rot and painted to a reasonable standard with gloss paint.

1.5 Advice on Redecoration

The standards below apply to the landlord carrying out redecoration during the lease or when preparing the property for leasing.

All walls to be painted in vinyl emulsion.

Ceilings to be painted in emulsion.

Woodwork to be painted in gloss.

Walls in kitchen and bathrooms to be painted in eggshell.

2 WINDOWS

2.1 All windows must be double glazed, double glazed units or secondary glazing.

2.2 Glass

The glass and glazing must not be broken or have any visible cracks. All frames must be in good working order and in sound condition.

2.3 Operation

Louvre type windows and centre hung "swing" windows will be accepted at the discretion of the London Borough of Lewisham. Swing windows must have a restraining bar.

2.4 Child Safety

Windows above ground level present a danger to a child and must be fitted with a window restrictor mechanism.

2.5 Glazing

All glazing, which is under 800mm/2.8feet from the floor (and greater than 25cm in any direction) to be either re-glazed with toughened safety glass or covered with safety film.

3 DOORS

All external doors to have mortise locks fitted. To be capable of being locked and to be fitted with an additional "Yale type latch".

Doorbell to be fitted and working.

All internal locks to have keys removed, save for bathroom and toilet.

All large glass panes in doors to be fitted with safety glass or film.

4 STAIRCASES

All staircases must have banisters and balustrades
Gaps between spindles to be no more than 100mm.
A two-way light switch to be provided in the stairwell.
The gaps between balustrades must be no greater than 100mm.

5 HEATING

Heating must be Gas central heating or Electric "Economy Seven" heating. The heating is to be sufficient to maintain an internal temperature of 21 degrees Celsius in the living room and 18 degrees Celsius in the bedrooms, kitchen and hallway; when outside temperature is minus 1 degree Celsius.

Landlord to provide Gas safety certificate and a copy of the annual Homecare 200 Boiler Cover contract with NO EXCESS . Please note that warm air ducted heating systems, electric under floor heating and wall mounted panel heaters will not be accepted.

The heating system must have a timer and/or room thermostat.

The heating must operate independently from the hot water system.

6 ELECTRICS

The minimum number of sockets per room:

Living Room - 3 double sockets (2 is a minimum)

Double Bedrooms - 2 double sockets

Single Bedrooms - 1 double sockets

Kitchen - 4 sockets (2 double at worktop height, plus 1 socket for fridge and 1 socket for washing machine).

Boiler to be on a spur.

Landing - 1 socket.

The landlord is to provide a current NICEIC electrical safety report. This must have no items marked as requiring urgent attention or investigation.

7 CARPETS

Carpets to be clean, of reasonable quality and free from defects (tainting, excessive wear etc.)

8 CURTAINS

Curtain rail to be securely fitted above all windows, except in kitchen and bathroom.

Curtains to be clean and free from defects.

Nets are usually required to be fitted to all windows.

Light shades to be fitted to all habitable rooms.

9 FURNITURE

The London Borough of Lewisham requires carpets and curtains. Should furniture be left in the property, it will be at the landlord's own risk and no extra rent will be made for it. Any furniture that is left, must comply with the Furniture and Furnishing (Fire Safety) Regulations 1988 (as amended).

10 FIRE SAFETY

10.1 Front doors to Flats

Internal doors leading off communal hallway **MUST** be half hour fire doors, to meet Building Standard 476 part 22.

10.2 Fire Alarms

The preferred type of smoke alarm is an electrically operated interlinked smoke alarm installed to each floor. Alarms must comply with Building Standard 5839 Part 6 conforming to Grade D, Type LD2. However, the minimum standard is for single, battery-operated alarms to be installed to each floor. (If the property is a flat, then smoke alarms must be fitted in the hallway, one just outside the kitchen door and one in the main lounge.)

10.3 CO2 Monitors

This is required to be fitted in the same room as the Boiler to keep levels of Carbon Monoxide at a safe level.

11 KITCHEN

11.1 Sockets

Two double sockets at work top height.

Two low level sockets (for fridge and washing machine).

11.2 Sink

Tiling of splash back to a minimum of 300mm (two tiles high).

Sinks and worktops to be sealed around the edges with silicone sealant.

Waste pipes and taps to be defect free, with no leaks or drips.

Taps to be easy to operate.

11.3 Units

Floor units (excluding the sink unit).

A minimum of 2 x 1000mm fitted units to be provided

A minimum of two drawers to be provided per unit.

Units to be free from defects.

Wall units - A minimum of 2 x 1000mm wall units to be provided

11.4 Washing Machine

The London Borough of Lewisham does not require a washing machine to be provided.

Fittings to be provided to allow the installation of washing machine.

Non return valve to be fitted to the waste pipe.

11.5 Floor Covering

Floor covering to be of a vinyl type and free from defects.

12 BATHROOM

12.1 Floor covering to be of a vinyl type, sealed around the edge with silicone sealant.

12.2 Mirror; towel rail and toilet roll holder to be provided.

12.3 Bath

Bath to be clean.

Tiles to be to a height of 30cm around bath, sealed at the joints.

Plastic bath panels are an item London Borough of Lewisham will not accept responsibility for and may ask to be replaced if and when they become defective.

12.4 Showers (where provided)

Showers are not essential but where provided, the landlord must ensure that their use will not do damage to the property.

Separate shower cubicles to be tiled to a height of 2.00m plus.

Base to be adequately sealed.

Curtain / door to be provided

12.5 Shower fitted above baths

Tiling to be of sufficient height to protect the decoration of the wall (1.80m plus).

Shower door or curtain to be supplied and to be of a sufficient standard to prevent water damage to floor.

Sink(s) as for kitchen.

12.6 Wash Basin

Tiling of splash backs to a minimum of 300mm to be sealed around edges with silicon seal waster pipes and taps to be defeat free, no leaks, or drips and easy to operate.

12.7 Toilet

Toilet to be clean and secure.

Toilet seat to be secure.

Cistern to fill at a reasonable rate.

Floor (as for kitchen).

Sufficient ventilation to be provided.

Where necessary extractor fans to be provided.

13 BEDROOMS

Bedrooms must be a minimum size of 70 - 90 square feet.

14 GAS

Gas services must be on pre-payment Quantum Card Meter.

15 WATER

Stop cock must be inside, accessible and in good working order.

16 ELECTRICITY

Electrical services must be on pre-payment Electricity Key Meter and at a reasonable height.

17 PEST CONTROL

Property must be free from all pests, including Cockroaches, Mice, Fleas etc.

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

14 November 2023

**2nd Quarter Finance Update & Performance Monitoring
Report 2023/24**

Timetable	
Meeting	Date
Housing, Health & Environment Policy Advisory Committee	14 November 2023
Cabinet Meeting	22 November 2023

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

Executive Summary

This report sets out the 2023/24 financial and performance position for the services reporting into the Housing, Health & Environment Policy Advisory Committee (HHE PAC) as at 30th September 2023 (Quarter 2). The primary focus is on:

- The 2023/24 Revenue and Capital budgets; and
- The 2023/24 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.

Budget Monitoring

Overall net expenditure at the end of Quarter 2 for the services reporting to HHE PAC is £3.615m, compared to the approved profiled budget of £3.434m, representing an overspend of £0.181m. Continuing pressure on the budget for Temporary Accommodation for Homeless Persons means that the year-end overspend is projected to be £0.582m.

Capital expenditure at the end of Quarter 2 for HHE PAC was £6.217m against a total budget of £32.522m.

Performance Monitoring

50.0% (4 of 8) the targetable quarterly KPIs reportable to this Committee achieved their Quarter 2 target.

UK Shared Prosperity Fund Update

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

Purpose of Report

The report enables the Committee to consider and comment on the issues raised and actions being taken to address both budget pressures and performance issues as at 30th September 2023.

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

1. That the Revenue position as at the end of Quarter 2 for 2023/24, 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 2 for 2023/24 be noted;
3. That the Performance position as at Quarter 2 for 2023/24, including the actions being taken or proposed to improve the position, where significant issues have been identified, be noted.
4. That the UK Shared Prosperity Fund update, attached at Appendix 3 be noted.

2nd Quarter Finance Update & Performance Monitoring Report 2023/24

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.</p>	Senior Finance Manager (Client)

	The financial implications of any proposed changes are also identified and taken into account in the Council's Medium-Term Financial Strategy and associated annual budget setting process. Performance issues are highlighted as part of the budget monitoring reporting process.	
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>	Team Leader (Contentious and Corporate Governance)
Information Governance	The recommendations do not impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council processes.	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	Equalities and Communities Officer

	policy or service change, should one be identified.	
Public Health	The performance recommendations will not negatively impact on population health or that of individuals.	Director of Finance, Resources and Business Improvement (Section 151 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 2023/24 to 2027/28 - including the budget for 2023/24 - was approved by full Council on 22nd February 2023. This report updates the Committee on how its services have performed over the last quarter with regard to revenue and capital expenditure against approved budgets.
- 2.2 The financial position for HHE needs to be considered within context of the overall financial position for Maidstone. Currently there is a forecast overspend that will need to be managed over the rest of the year to come back within budget. We know this may fluctuate as demand as costs settle during the year. The HHE PAC will need to consider any actions it may need to take to ensure it manages within its controllable budgets.

- 2.3 Attached at Appendix 1 is a report setting out the revenue and capital spending position at the Quarter 2 stage. Overall net expenditure at the end of Quarter 2 for the services reporting to HHE PAC is £3.615m compared to the approved profiled budget of £3.434m, representing an overspend of £0.181m. There are a number of significant variances that are currently forecast by the end of the year and is detailed in Appendix 1. Capital expenditure at the end of Quarter 2 for HHE PAC was £6.217m against a total budget of £32.522m. There are a number of significant variances that are currently forecast by the end of the year, and these are also detailed in Appendix 1.
- 2.4 Attached at Appendix 2 is a report setting out the position for the KPIs for the corresponding period. Attached at Appendix 3 is an update on the UK Shared Prosperity Fund.
-

3. AVAILABLE OPTIONS

- 3.1 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 September 2023, the Committee can choose to note this information or could choose to comment.
-

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 2023/24. The budget is set against a continuing backdrop of limited resources and the continuation of a difficult economic climate. 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 Cabinet the best opportunity to take actions to mitigate such risks.
-

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

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

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

7.1 The Quarter 2 Budget & Performance Monitoring reports are being considered by the relevant Policy Advisory Committees during November 2023.

8. REPORT APPENDICES

- Appendix 1: Second Quarter Budget Monitoring 2023/24
 - Appendix 2: Second Quarter Performance Monitoring 2023/24
 - Appendix 3: UK Shared Prosperity Fund Update 2023/24
-

9. BACKGROUND PAPERS

None.

APPENDIX 1 – SECOND QUARTER BUDGET MONITORING

Contents

Part A: Second Quarter Revenue Budget 2023/24

- A1) Revenue Budget
- A2) Significant Variances

Part B: Second Quarter Capital Budget 2023/24

- B1) Capital Budget
- B2) Significant Variances

Part A - Second Quarter Revenue Budget 2023/24

A1) Revenue Budget: Housing, Health & Environment (HHE) PAC

- A2.1 The table below provides a detailed summary of the budgeted net expenditure position for the services reporting directly into HHE PAC at the end of Quarter 2. The financial figures are presented on an accruals basis (i.e. expenditure for goods and services received, but not yet paid for, is included).
- A2.2 This table now shows the variance split between expenditure and income to give more of an insight into the nature of the variance.

HHE Revenue Budget: NET EXPENDITURE (@ 2nd Quarter 2023/24)

Cost Centre	Approved Budget for Year	Approved Budget to 30 September 2023	Actual as at 30 September 2023	Variance as at 30 September 2023			Forecast March 2024	
	Net £000	Net £000	Net £000	Expenditure £000	Income £000	Net £000	Forecast Net £000	Forecast Variance £000
Lettable Halls	-4	-2	-7	4	1	5	-4	0
Community Halls	52	30	12	23	-5	18	52	0
Parks & Open Spaces	1,026	506	497	12	-4	8	1,026	0
Playground Maintenance & Improvements	154	75	24	51		51	123	31
Parks Pavilions	48	24	7	17	0	17	48	0
Mote Park	307	151	138	15	-2	13	307	0
Allotments	15	9	7	2		2	15	0
Cemetery	-19	21	21	-6	6	-0	-19	0
National Assistance Act	-0	-0	-1	1	0	1	-0	0
Crematorium	-962	-417	-402	-34	18	-15	-962	0
Community Safety	33	-115	-116	-5	6	1	33	0
PCC Grant - Building Safer Communities	0	-25	-26	1	0	1	0	0
C C T V	37	19	16	3		3	37	0
Licences	3	3	5	-0	-2	-2	3	0
Licensing Statutory	-63	-32	-34	-1	3	2	-63	0
Licensing Non Chargeable	9	4	4	-0		-0	9	0
Animal Licensing	-8	-3	-6		3	3	-8	0
Dog Control	30	13	31	-19	0	-18	30	0
Health Improvement Programme	6	6	0	6		6	6	0
Pollution Control - General	16	11	5	6	1	6	16	0
Contaminated Land	-3	-1	-1	1	-1	-0	-3	0
Waste Crime	4	2	4	9	-11	-2	4	0
Food Hygiene	10	4	-4	6	2	7	10	0
Sampling	4	2	0	1		1	4	0
Occupational Health & Safety	-8	-4	-3	-0	-1	-1	-8	0
Infectious Disease Control	1	1	1	0		0	1	0
Noise Control	1	0	0	0		0	1	0
Pest Control	-12	-6	-1	0	-5	-5	-12	0
Public Conveniences	300	128	102	26	0	26	300	0
Licensing - Hackney & Private Hire	-67	-45	-49	0	4	4	-67	0
Street Cleansing	1,319	660	647	-1	14	14	1,319	0
Household Waste Collection	2,276	794	756	38	1	38	2,296	-20
Commercial Waste Services	-46	-24	-51	15	12	27	-46	0
Recycling Collection	1,846	685	632	61	-7	53	1,826	20

Cost Centre	Approved Budget for Year	Approved Budget to 30 September 2023	Actual as at 30 September 2023	Variance as at 30 September 2023			Forecast March 2024	
	Net £000	Net £000	Net £000	Expenditure £000	Income £000	Net £000	Forecast Net £000	Forecast Variance £000
Social Inclusion	0	11	0	23	-13	11	0	0
Public Health - Obesity	0	-127	-127	-0	-0	-0	0	0
Public Health - Misc Services	0	-21	-15	-14	8	-6	0	0
Strategic Housing Role	12	7	5	2		2	12	0
Housing Register & Allocations	15	13	11	2		2	15	0
Private Sector Renewal	-47	-83	-86	2	1	3	-47	0
HMO Licensing	-20	-10	-27		17	17	-20	0
Homeless Temporary Accommodation	910	425	882	-580	123	-457	1,690	-779
Homelessness Prevention	186	-346	-291	-55	0	-55	223	-37
Aylesbury House	31	24	20	1	2	4	31	0
Magnolia House	44	22	15	5	3	7	44	0
St Martins House	5	3	1	2	0	2	5	0
Marsham Street	38	19	1	13	5	18	38	0
Sundry Temporary Accommod (TA) Properties	23	11	1	8	2	10	23	0
2 Bed Property - Temporary Accommodation	-26	-14	-16	-1	3	2	-26	0
3 Bed Property - Temporary Accommodation	-58	-30	-35	-17	22	5	-58	0
4 bed Property - Temporary Accommodation	-16	-8	-13	5	-0	5	-16	0
1 Bed Property- Temporary Accommodation	17	12	4	5	3	8	17	0
Trinity	-13	5	6	-7	6	-1	-13	0
Chillington House	-2	-1	-1	2	-2	0	-2	0
Long Lease Properties	10	5	3	-4	7	2	10	0
St Pauls Vicarage	4	4	4	0	0	0	4	0
Marden Caravan Site (Stilebridge Lane)	-22	-12	-3	-23	14	-9	-22	0
Ulcombe Caravan Site (Water Lane)	7	1	24	-28	5	-23	7	0
Head of Environment and Public Realm	119	59	59	0		0	119	0
Bereavement Services Section	322	161	150	12		12	322	0
Community Partnerships & Resilience Section	553	276	250	27		27	553	0
Licensing Section	127	63	53	5	6	11	127	0
Environmental Protection Section	294	147	101	46		46	204	90
Food and Safety Section	288	144	151	-7		-7	288	0
Depot Services Section	956	478	415	67	-3	63	891	65
New Business & Housing Development	121	60	120	-58	-2	-59	121	0
Head of Housing & Community Services	117	59	58	1		1	117	0
Homechoice Section	258	71	68	3	0	3	258	0
Housing Advice Section	250	-263	-277	14	0	14	250	0
Housing Standards Team	300	135	129	6	0	6	300	0
Housing Management	384	106	82	24	0	24	384	0
Homelessness Outreach	87	-207	-223	16	0	16	87	0
Accommodation Resource Team	118	25	18	7	0	7	118	0
Housing and Inclusion	0	-147	-175	22	7	28	0	0
Salary Slippage	-439	-220	0	-220		-220	-439	0
Fleet Workshop & Management	251	125	90	34	1	35	202	49
MBS Support Crew	-44	-22	-23	25	-23	1	-44	0
Totals	11,468	3,434	3,615	-406	225	-181	12,050	-582

By Cabinet Member

Cost Centre	Approved Budget for Year	Approved Budget to 30 September 2023	Actual as at 30 September 2023	Variance as at 30 September 2023			Forecast March 2024	
	Net £000	Net £000	Net £000	Expenditure £000	Income £000	Net £000	Forecast Net £000	Forecast Variance £000
Lettable Halls	-4	-2	-7	4	1	5	-4	0
Community Halls	52	30	12	23	-5	18	52	0
Community Safety	33	-115	-116	-5	6	1	33	0
PCC Grant - Building Safer Communities	0	-25	-26	1	0	1	0	0
C C T V	37	19	16	3		3	37	0
Social Inclusion	0	11	0	23	-13	11	0	0
Public Health - Obesity	0	-127	-127	-0	-0	-0	0	0
Public Health - Misc Services	0	-21	-15	-14	8	-6	0	0
Strategic Housing Role	12	7	5	2		2	12	0
Housing Register & Allocations	15	13	11	2		2	15	0
Private Sector Renewal	-47	-83	-86	2	1	3	-47	0
HMO Licensing	-20	-10	-27		17	17	-20	0
Homeless Temporary Accommodation	910	425	882	-580	123	-457	1,690	-779
Homelessness Prevention	186	-346	-291	-55	0	-55	223	-37
Aylesbury House	31	24	20	1	2	4	31	0
Magnolia House	44	22	15	5	3	7	44	0
St Martins House	5	3	1	2	0	2	5	0
Marsham Street	38	19	1	13	5	18	38	0
Sundry Temporary Accommodation (TA) Properties	23	11	1	8	2	10	23	0
2 Bed Property - Temporary Accommodation	-26	-14	-16	-1	3	2	-26	0
3 Bed Property - Temporary Accommodation	-58	-30	-35	-17	22	5	-58	0
4 bed Property - Temporary Accommodation	-16	-8	-13	5	-0	5	-16	0
1 Bed Property- Temporary Accommodation	17	12	4	5	3	8	17	0
Trinity	-13	5	6	-7	6	-1	-13	0
Chillington House	-2	-1	-1	2	-2	0	-2	0
Long Lease Properties	10	5	3	-4	7	2	10	0
St Pauls Vicarage	4	4	4	0	0	0	4	0
Marden Caravan Site (Stilebridge Lane)	-22	-12	-3	-23	14	-9	-22	0
Ulcombe Caravan Site (Water Lane)	7	1	24	-28	5	-23	7	0
Community Partnerships & Resilience Section	553	276	250	27		27	553	0
New Business & Housing Development	121	60	120	-58	-2	-59	121	0
Head of Housing & Community Services	117	59	58	1		1	117	0
Homechoice Section	258	71	68	3	0	3	258	0
Housing Advice Section	250	-263	-277	14	0	14	250	0
Housing Standards Team	300	135	129	6	0	6	300	0
Housing Management	384	106	82	24	0	24	384	0
Homelessness Outreach	87	-207	-223	16	0	16	87	0
Accommodation Resource Team	118	25	18	7	0	7	118	0
Housing and Inclusion	0	-147	-175	22	7	28	0	0
Salary Slippage	-439	-220	0	-220		-220	-439	0
Sub-Total: Cabinet Member for Health & Housing	2,968	-289	292	-793	212	-580	3,785	-817

Cost Centre	Approved Budget for Year	Approved Budget to 30 September 2023	Actual as at 30 September 2023	Variance as at 30 September 2023			Forecast March 2024	
	Net £000	Net £000	Net £000	Expenditure £000	Income £000	Net £000	Forecast Net £000	Forecast Variance £000
Parks & Open Spaces	1,026	506	497	12	-4	8	1,026	0
Playground Maintenance & Improvements	154	75	24	51		51	123	31
Parks Pavilions	48	24	7	17	0	17	48	0
Mote Park	307	151	138	15	-2	13	307	0
Allotments	15	9	7	2		2	15	0
Cemetery	-19	21	21	-6	6	-0	-19	0
National Assistance Act	-0	-0	-1	1	0	1	-0	0
Crematorium	-962	-417	-402	-34	18	-15	-962	0
Licences	3	3	5	-0	-2	-2	3	0
Licensing Statutory	-63	-32	-34	-1	3	2	-63	0
Licensing Non Chargeable	9	4	4	-0		-0	9	0
Animal Licensing	-8	-3	-6		3	3	-8	0
Dog Control	30	13	31	-19	0	-18	30	0
Health Improvement Programme	6	6	0	6		6	6	0
Pollution Control - General	16	11	5	6	1	6	16	0
Contaminated Land	-3	-1	-1	1	-1	-0	-3	0
Waste Crime	4	2	4	9	-11	-2	4	0
Food Hygiene	10	4	-4	6	2	7	10	0
Sampling	4	2	0	1		1	4	0
Occupational Health & Safety	-8	-4	-3	-0	-1	-1	-8	0
Infectious Disease Control	1	1	1	0		0	1	0
Noise Control	1	0	0	0		0	1	0
Pest Control	-12	-6	-1	0	-5	-5	-12	0
Public Conveniences	300	128	102	26	0	26	300	0
Licensing - Hackney & Private Hire	-67	-45	-49	0	4	4	-67	0
Street Cleansing	1,319	660	647	-1	14	14	1,319	0
Household Waste Collection	2,276	794	756	38	1	38	2,296	-20
Commercial Waste Services	-46	-24	-51	15	12	27	-46	0
Recycling Collection	1,846	685	632	61	-7	53	1,826	20
Head of Environment and Public Realm	119	59	59	0		0	119	0
Bereavement Services Section	322	161	150	12		12	322	0
Licensing Section	127	63	53	5	6	11	127	0
Environmental Protection Section	294	147	101	46		46	204	90
Food and Safety Section	288	144	151	-7		-7	288	0
Depot Services Section	956	478	415	67	-3	63	891	65
Fleet Workshop & Management	251	125	90	34	1	35	202	49
MBS Support Crew	-44	-22	-23	25	-23	1	-44	0
Sub-Total: Cabinet Member for Environmental Serv	8,500	3,723	3,323	386	13	400	8,265	235
Totals	11,468	3,434	3,615	-406	225	-181	12,050	-582

A2) HHE Revenue Budget: Significant Variances

A2.1 Within the headline figures, there are a number of both adverse and favourable net expenditure variances for individual cost centres. It is important that the implications of variances are considered at an early stage, so that contingency plans can be put in place and, if necessary, be used to inform future financial planning. Variances will be reported to each of the Policy Advisory Committees on a quarterly basis throughout 2023/24.

A2.2 The table below highlights and provides further detail on the most significant variances at the end of Quarter 2.

HHE PAC Variances (@ 2nd Quarter 2023/24)

	Positive Variance Q2	Adverse Variance Q2	Year End Forecast Variance
Housing, Health & Environment	£000		
Playground Maintenance & Improvements – There are vacant posts in the team, and the replacement equipment budget is currently underspend but will be utilised later in the year.	51		31
Housing Temporary Accommodation – This continues to be a significant issue as the demand for the service continues to be high. The cost-of-living crisis and issues with getting people out of temporary accommodation are the main challenges at present. Further properties are being acquired to help alleviate the pressure on this budget.		-457	-779
Homeless Prevention – Expenditure continues to be high on the Homefinder scheme, although there are plans to reduce the level of spend. There have also been unanticipated legal costs of £25,000.		-54	-37
Fleet Workshop & Management – Expenditure on unscheduled vehicle maintenance and vehicle hire is currently lower than forecast.	35		49

Part B – Second Quarter Capital Budget 2023/24

B1) Capital Budget 2023/24 (@ 2nd Quarter 2023/24)

Capital Programme Heading	Adjusted Estimate 2023/24	Actual to September 2023	Budget Remaining	Q3 Profile	Q4 Profile	Projected Total Expenditure	Projected Slippage to 2024/25
	£000	£000	£000	£000	£000	£000	£000
Private Rented Sector Housing	3,948	1,455	2,494	2,875	1,600	5,930	-1,981
Local Authority Housing Fund - Income		-2,372	2,372			-2,372	2,372
1,000 Homes Affordable Housing Programme - Expenditure	8,618	2,089	6,529	175	6,070	8,334	284
1,000 Homes Affordable Housing Programme - Income	-5,790	-2,110	-3,680			-2,110	-3,680
Temporary Accommodation	15,879	6,259	9,620	6,100	2,700	15,059	820
Commercial Development - Maidstone East	356		356		25	25	331
Heather House Community Centre	319		319		25	25	294
Housing - Disabled Facilities Grants Funding	1,212	509	704	354	350	1,212	
Acquisitions Officer - Social Housing Delivery Partnership	180	31	149	25	25	81	99
Sub-Total: Cabinet Member for Housing & Health	24,722	5,861	18,861	9,529	10,795	26,185	-1,463

Capital Programme Heading	Adjusted Estimate 2023/24	Actual to September 2023	Budget Remaining	Q3 Profile	Q4 Profile	Projected Total Expenditure	Projected Slippage to 2024/25
	£000	£000	£000	£000	£000	£000	£000
Street Scene Investment	50	52	-2			52	-2
Flood Action Plan	618	6	612		40	46	572
Installation of Public Water Fountains	15		15				15
Crematorium & Cemetery Development Plan	9	1	8	8		9	
Continued Improvements to Play Areas	144	3	142		4	7	138
Parks Improvements	69	29	40	39		68	1
Gypsy & Traveller Sites Refurbishment	131	57	75	75		131	
Waste Crime Team - Additional Resources	25		25	25		25	
Section 106 funded works - Open Spaces	517	118	399	200	199	517	
Expansion of Cemetery	80		80	19	10	29	51
Expansion of Crematorium	340	10	330	100	230	340	-0
Purchase of New Waste Collection Vehicles	5,800		5,800	2,000	3,800	5,800	
CCTV Upgrade & Relocation		80	-80			80	-80
Sub-Total: Cabinet Member for Environmental Services	7,800	356	7,444	2,466	4,283	7,105	695

Total	32,522	6,217	26,304	11,995	15,078	33,290	-768
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B2) Capital Budget Variances (@ 2nd Quarter 2023/24)

Housing, Health & Environment
<p>Private Sector Rented Housing/1,000 Homes Affordable Housing Programme - A number of schemes are at various stages of development at present, and further land/property acquisitions are likely to take place before the end of the financial year. 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.</p> <p>The figures also reflect grant funding that we anticipated receiving this year. To date we have received £2.1 from the Local Authority Housing Fund, which is being used to fund the Granada House Refurbishment Works, and £2.3m from the Brownfield Release Fund, which will be used to fund the initial development costs of the Maidstone East scheme. The initial programme does anticipate further funding, but some of that is linked to the development of certain schemes.</p> <p>The projected slippage for the Maidstone East Commercial Development and the Heather House Community Scheme reflects that the progress on the wider schemes of which they are a part has not moved on as far as the initial programme anticipated. As part of the budget setting process for 2024/25 and beyond the capital programme is being reviewed, and there will be a revised budget in place for the third quarter financial update report that will more accurately reflect the position of the various schemes.</p>
<p>Temporary Accommodation – There have been a significant number of acquisitions to date this year, and the team continue to seek suitable properties, but any purchases agreed in the fourth quarter are unlikely to be completed within this financial year so the unused budget will be rolled forward.</p>
<p>Continued Improvements to Play Areas – The projected slippage is a sum set aside for the refurbishment of the Penenden Heath play area, which is scheduled to take place in the first quarter of 2024/25.</p>
<p>Flood Action Plan - The flood action plan budget was set up to allow the Council to deliver, or contribute towards, schemes that would mitigate flood risk. At this stage, the only schemes that have been identified have been small scale natural flood management schemes. Officers are discussing with counterparts in the Environment Agency, Kent County Council and the Upper Medway Internal Drainage Board what can be done to promote appropriate and practical schemes in the future.</p>
<p>CCTV Upgrade & Relocation – This is an unbudgeted cost relating the scheme which took place in 2020. The contractor contacted the Council and advised us that there was a final payment due. Officers reviewed the position and agreed that this was the case and the payment was made.</p>

APPENDIX 2 – SECOND QUARTER PERFORMANCE MONITORING

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

Note

Where KPIs are 'data only' PIs, the short/long term trend arrows represent whether the numbers are higher or lower than the previous comparison period.

Performance Summary

RAG Rating	Green	Amber	Red	N/A ¹	Total
KPIs	4	3	1	16	24
Direction	Up	No Change	Down	N/A	Total
Last Quarter	10	0	6	8	24
Last Year	7	0	9	8	24

- 50% (4 of 8) the targetable quarterly key performance indicators (KPIs) reportable to this Committee achieved their quarter 2 (Q2) target¹.
- Compared to last quarter (Q1 23/24), performance for 62.5% (10 of 16) KPIs have improved, and for 37.5% (6 of 16) KPIs have declined¹.
- Compared to last year (Q2 22/23), performance for 43.75% (7 of 16) KPIs have improved, and for 56.25% (9 of 16) KPIs have declined¹.

Housing & Health Q2 Performance

Performance Indicator	Q2 2023/24				
	Value	Target	Status	Short Trend (Last Quarter)	Long Trend (Last Year)
Housing					
Number of Rough Sleepers accommodated by the Council on the last night of the month	28				
Number of homeless cases where the cause of homelessness is domestic abuse	35				

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

Performance Indicator	Q2 2023/24				
	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)	274				
Number of households living in nightly paid temporary accommodation last night of the month	164				
Percentage of successful Prevention Duty outcomes	59.64%	65%			
Number of households prevented or relieved from becoming homeless	124	125			
Percentage of successful Relief Duty outcomes	33.33%	40%			
Private Sector Housing					
Number of private sector homes improved (through PSH interventions)	45	45			
Total number of Disabled Facilities Grants processed within the period	41				
Number of completed housing assistances	Annual Indicator				
Housing Allocation & Strategy					
Number of affordable homes delivered excluding first homes (Gross)	67	50			
Affordable homes as a percentage of all new homes	Annual Indicator				
Community Safety					
Percentage of CPWs to CPNs in period (CPT/SMP)	11.1%				
Number of Community Protection Notices (CPNs) in period (CPT/SMP)	1				
Number of Community Protection Warnings (CPWs) in period (CPT/SMP)	9				
Health, Biodiversity & Climate Change					
Improvement in Air Quality	Annual Indicator				
Borough wide carbon emissions reduction (Gov Data)	Annual Indicator				

Housing & Health Comments (where targets have been missed)

The indicator monitoring the “**Percentage of successful relief duty outcomes**” achieved an outcome of 33.33% against a target of 40%, therefore missing its quarterly target by more than 10%. The most recently released government data is from January to March 2022, at which point the national average was 38.2% and the Kent average was 33.8%. Therefore, our performance is on par with the average in the area, although the data at the point of release is already dated. Anecdotally, we know that the homelessness numbers have

increased more recently, therefore, benchmarking against national league tables, which are twelve months ago, can prove difficult.

As previously reported, 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, which gives only a short window of opportunity to relieve homelessness. In the quarter, we undertook a project to clear the backlog of relief-duty decisions, with a far higher proportion of cases having a final decision made in this quarter than usual. When recording this final decision, as the 56-days have passed, only a negative outcome can be selected in respect of the H-Clic data returns sent to DLUCH. As a result, the proportion of successful reliefs will have been significantly impacted and this figure is unlikely to indicate the true picture of work which has taken place.

In addition to this, 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 private rented accommodation from those who are not economically disadvantaged. Additionally, Via choice-based lettings (CBL), only limited levels of accommodation are available for those in band H (homeless), or via Direct Lets, given the volume of individuals applying for this accommodation.

In order to reduce the number of individuals in interim/temporary accommodation, these final decisions need to be made in a timely manner, further impacting on this statistic.

The KPI monitoring for "**Percentage of successful Prevention Duty outcomes**" missed the target by less than 10%, achieving 59.64% against a target of 65%. It's important to note that during July, the team migrated to a new case management system, which resulting in an exceptionally low number of homelessness preventions being successfully closed. This unique circumstance has significantly impacted the figures on this occasion.

The KPI for "**Number of households prevented or relieved from becoming homeless**" also slightly missed its target, achieving 124 against a target of 125. As previously mentioned, the significant decrease in successful preventions achieved in July has had an impact on this figure.

Environmental Services Q2 Performance

Performance Indicator	Q2 2023/24				
	Value	Target	Status	Short Trend (Last Quarter)	Long Trend (Last Year)
Public Realm					
The percentage of relevant land and highways that is assessed as having acceptable levels of litter	97.22%	98%			
The percentage of relevant land and highways that is assessed as having acceptable levels of detritus	96.11%	95.00%			
Waste Services					
Percentage of household waste sent for reuse, recycling and composting	TBC	53.00%	TBC	TBC	TBC

Performance Indicator	Q2 2023/24				
	Value	Target	Status	Short Trend (Last Quarter)	Long Trend (Last Year)
Contaminated tonnage (rejected) as a percentage of tonnage of household waste sent for reuse, recycling or composting	TBC	6.00%	TBC	TBC	TBC
Tonnage of household waste produced per household	TBC			TBC	TBC
Missed bins per 100,000 collections	27	40			
Biodiversity & Climate Change					
Number of trees planted/size of area rewilded	Annual Indicator				

Environmental Services Comments (*where targets have been missed*)

Public Realm

The KPI tracking "**The percentage of relevant land and highways that is assessed as having acceptable levels of litter**" missed the target by a margin of 0.78%. Missing the target can be attributed to the inspection of two high-speed rural roads in the North Downs ward, which temporarily fell below the required standard in terms of litter. However, it's these roads were promptly cleaned just a few days after the inspection, as part of our regular cleansing regimen.

Waste Services

Data for these indicators is provided by Kent County Council, who often have a lag in producing the data. An update will be provided at the next round of reporting.

UKSPF 2023/4 Quarter 2 Update:

In July 2023 the Department for Levelling up, Housing & Communities (DLUHC) confirmed that the End of Year Report submitted in May 2023 for the year 2022/23 was approved, this also confirmed our approach to the underspend from Year 1 is accepted. We have also returned the Memorandum of Understanding and received our allocation of funding for Year 2. We will be submitting our 6-monthly report to DLUHC for activities so far this year in November.

Rural Fund: The authority has been allocated £134,932 for this financial year, the first round for submissions was opened in April and closed in June. The submissions were reviewed by a panel in July. A total of four bids were successful will all funds allocated. The Panel have also committed a further £49,438 of 2024/25 funding to support the two of the bids received this year. A further £409,358 will be available in the final year of the Rural Fund.

Year 2 projects and an update:

Intervention	Project	Detail	2023/24 budget	Amount spent:	£ Committed	Q2 Update:
E6: Local arts, cultural, heritage & creative activities	Project A - Building Pride in Place through promotion of the Town Centre and Events.	Creative communities fund for local organisations and groups to support events	£35,830	£21,000	£0	19 applications were received with, 11 bids awarded funding in Round three. Round four is now open and closes November 30 th 2023
		Literature Festival	£15,000	£0	£9,606	The event will be held in October, organising and advertising for the event is well underway. A company has been commissioned to support the delivery of the event.
		Iggy Sculpture Trail	£60,000	£26,410	£49,400	Locations for the sculptures has been agreed. The trail will be supported by a digital trail app which is being populated with information, this is expected to launch in the new year.
		Equipment purchases to support events	£2,751	£3083	£0	Purchases of a set of temporary exhibition walls, and 2 microphones have been completed. A underspend in Year 1 has been carried over for purchases this yea
		Arts Carnival	£20,000	£29,000	£606	The Arts Carnival; which was rearranged due to adverse weather, took place on Saturday

						9 th September. The next Carnival will take place in 2025.
		Partner for Elmer 2	£40,000	£0	£40,000	Contract is in the process of being signed.
	Project C- A Community Arts Hub & Maker Space	Feasibility Study	£5,000	£0	£4,911	The final amended feasibility report was received in August with an MBC working group set up to action the results of the report.
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	£15,000	£4,576	£560	The majority has been allocated to promote events in Q3 such as the illuminations trail and activities in the build up to Christmas.
		Borough Insight Events and Town centre focussed	£30,000	£0	£0	This will be spent on the Autumn 2023 edition of the magazine which is due to be delivered to residents from October 2023.
		Promotional video for business and events in TC	£5,000	£5000	£0	This will be used later in the year to capture footage of events.
E9: Impactful Volunteering and/or Social action Projects	Project B- A Safe and Attractive Town Centre achieved through Greening and Lighting	An externally commissioned green Volunteering Project to Improve Town Centre Green Spaces, Increase Volunteering and Improve Wellbeing.	£60,000	£0	£0	Five sites have been worked with 25 volunteers involved with 59 volunteering events. The sites are Maidstone Community Support Centre, Trinity House, Brenchley Gardens, Fairmeadow and planters in the Town Centre.
Management Overheads			£9,897	£4,949	£4949	
Total:			£298,478	£94,018	£110,032	.
				£204,050		

Agenda Item 13

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

Document is Restricted