

# CABINET MEETING

Date: Wednesday 28 June 2023  
Time: 6.30 pm  
Venue: Town Hall, High Street, Maidstone

Membership:

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

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

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## AGENDA

Page No.

1. Apologies for Absence
2. Urgent Items
3. Notification of Visiting Members
4. Disclosures by Members or Officers
5. Disclosures of Lobbying
6. To consider whether any items should be considered in private due to the possible disclosure of exempt information
7. Minutes of the Meeting held on 18 April 2023 - To Follow
8. Presentation of Petitions (i any)
9. Questions from Local Residents to the Leader or Individual Cabinet Member (as appropriate)
10. Questions from Members to the Leader or Individual Cabinet Member (as appropriate)
11. Matters Referred to the Cabinet for Reconsideration (if any)
12. Report of the Water Management Cycle Working Group (Overview and Scrutiny Committee) - Water Management Cycle 1 - 36
13. Response to the Report of the Overview and Scrutiny Committee - Safety in the Town Centre 37 - 48

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**Issued on Tuesday 20 June 2023**

**Continued Over/:**

*Alison Broom*

**Alison Broom, Chief Executive**

14. Matters Referred to the Cabinet by another Committee - Reference from Planning, Infrastructure and Economic Development Policy Advisory Committee - Notice of Motion Town Centre Strategy	49 - 51
15. Any Matter Relating to a Serious Service Failure or Nuisance (if any)	
16. Receipt of Written Representations from Members of the Council (if any)	
17. Cabinet Forward Plan - To Follow	
18. 4th Quarter Financial Update and Performance Monitoring Report	52 - 116
19. Strategic CIL Assessments & Spend	117 - 160
20. Property Acquisition 1000 Affordable Homes Programme	161 - 168
21. Property Acquisition	169 - 176

## **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**

22. Exempt Appendices to Item 20 - Property Acquisition for 1,000 Affordable Homes Programme	3 – Financial/Business Affairs	177 - 185
23. Exempt Appendices to Item 21 - Property Acquisition	3 – Financial/Business Affairs	186 - 192

## **INFORMATION FOR THE PUBLIC**

In order to ask a question at this meeting, please call **01622 602899** or email [committee@maidstone.gov.uk](mailto:committee@maidstone.gov.uk) by 4 p.m. one clear working day before the meeting (i.e. by 5 p.m. on Monday 26 June 2023). You will need to provide the full text in writing.

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

In order to make a statement in relation to an item on the agenda, please call **01622 602899** or email [committee@maidstone.gov.uk](mailto:committee@maidstone.gov.uk) by 4 p.m. one clear working day before the meeting (i.e. by 4 p.m. on Monday 26 June 2023). You will need to tell us which agenda item you wish to speak on.

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

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**CABINET**

**28 JUNE 2023**

**Report of the Water Management Cycle Working Group (Overview and Scrutiny Committee) – Water Management Cycle**

<b>Timetable</b>	
<b>Meeting</b>	<b>Date</b>
Overview and Scrutiny Committee	13 April 2023
Cabinet	28 June 2023

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

**Executive Summary**

This report provides an outline of the Water Management Cycle Working Group’s (Overview and Scrutiny committee), review into the Water Management cycle and the recommended actions produced as a result.

**Purpose of Report**

Decision

**This report makes the following recommendations to the Cabinet: That**

1. The report of the Water Management Cycle Working Group (Overview and Scrutiny Committee), be received; and
2. A substantive response to the report be provided via the completion of the SCRAIP report.

# Report of the Water Management Cycle Working Group (Overview and Scrutiny Committee) – Water Management Cycle

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<p><b>Impact on Corporate Priorities</b></p>	<p>The four Strategic Plan objectives are:</p> <ul style="list-style-type: none"> <li>• Embracing Growth and Enabling Infrastructure</li> <li>• Safe, Clean and Green</li> <li>• Homes and Communities</li> <li>• A Thriving Place</li> </ul> <p>Accepting the recommendations may materially improve the Council’s ability to achieve all corporate priorities and have been put forward by the Water Management Cycle Working Group following its review into the Water Management Cycle.</p> <p>It is expected that an Overview and Scrutiny Recommendation Action and Implementation Plan will be provided to the Cabinet at a future meeting, which will contain comments from the relevant officers on the recommended actions.</p>	<p>Director of Strategy, Insight &amp; Governance</p>
<p><b>Cross Cutting Objectives</b></p>	<p>The four cross-cutting objectives are:</p> <ul style="list-style-type: none"> <li>• Heritage is Respected</li> <li>• Health Inequalities are Addressed and Reduced</li> <li>• Deprivation and Social Mobility is Improved</li> <li>• Biodiversity and Environmental Sustainability is respected</li> </ul> <p>Accepting the recommendations may materially improve the Council’s ability to achieve all cross-cutting objectives and have been put forward by the Water Management Cycle Working Group, following its review into the Water Management Cycle.</p>	<p>Director of Strategy, Insight &amp; Governance</p>

	It is expected that an Overview and Scrutiny Recommendation Action and Implementation Plan will be provided to the Cabinet at a future meeting, which will contain comments from the relevant officers on the recommended actions.	
<b>Risk Management</b>	See Section 5 of the report	Director of Strategy, Insight & Governance
<b>Financial</b>	<p>The recommendations of the Water Management Cycle Working Group will likely need to be delivered within already approved budgetary headings. If any new funding is required for implementation this will need to be addressed as part of the annual budget process.</p> <p>The Overview and Scrutiny Recommendation Action and Implementation Plan will be provided to the Cabinet at a future meeting, with a 'financial implications' section included to highlight any costs and or savings associated with each recommendation.</p>	Head of Finance
<b>Staffing</b>	<p>The delivery of any of the recommendations produced by the Water Management Cycle Working Group will be subject to consideration by the relevant Senior Officers for the applicable Service Area.</p> <p>It is expected that an Overview and Scrutiny Recommendation Action and Implementation Plan will be provided to the Cabinet at a future meeting, which will contain comments from the relevant officers on the recommended actions.</p>	Director of Strategy, Insight & Governance
<b>Legal</b>	In accordance with Part 1A of the Local Government Act 2000 (as amended by the Localism Act 2011) the Council is operating under Executive Arrangements. These arrangements must include provision for the appointment of one or more Overview and Scrutiny Committees to review and scrutinise the Executive Decisions made, or other	Interim Team Leader (Contentious and Corporate Governance)

	<p>actions taken relating to the exercise of the Authority and/or Executive Functions – LGA 2000, Section 9F.</p> <p>The Overview and Scrutiny Committee has exercised this power through its review and associated recommended actions for presentation to the Cabinet and has done so via a Working Group. A response has to be provided within two months, unless otherwise specified by the Overview and Scrutiny Committee (LGA 2000, 9FE)</p> <p>It is expected that an Overview and Scrutiny Recommendation Action and Implementation Plan will be provided to the Cabinet at a future meeting, which will contain comments from the relevant officers on the recommended actions; should further advice be required at a later stage, such as at a future decision-making stage relating to the recommended actions, this would need to be raised by the relevant Senior Officers.</p>	
<b>Information Governance</b>	The recommendations do not impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council processes.	Senior Information Governance Officer
<b>Equalities</b>	The recommendations do not propose a change in service therefore will not require an equalities impact assessment.	Equalities & Communities Officer
<b>Public Health</b>	<p>We recognise that the recommendations of this report will not negatively impact on population health or that of individuals.</p> <p>It is expected that an Overview and Scrutiny Recommendation Action and Implementation Plan will be provided to the Cabinet at a future meeting, which will contain comments from the relevant officers on the recommended actions.</p>	Housing and Inclusion Team Leader
<b>Crime and Disorder</b>	No impacts identified.	Director of Strategy, Insight & Governance

<b>Procurement</b>	No impacts identified.	Director of Strategy, Insight & Governance
<b>Biodiversity and Climate Change</b>	<p>The aim of this report aligns with the following actions of the Biodiversity and Climate Change Action Plan:</p> <p>Action 6.4 Enhance and expand wetland coverage across the Borough to support nutrient neutrality, flood prevention, and enhance biodiversity.</p> <p>Action 6.5 Implement a Nature Recovery Strategy, linking habitat restoration and creation to improve flood protection and water quality.</p> <p>Action 6.6 Work with local farms and landowners to deliver landscape scale biodiversity initiatives Nature Recovery Strategy – including reconnection of habitats, floodplain restoration, reduced chemical inputs and reintroduction of lost native species.</p>	Biodiversity and Climate Change Manager

## 2. INTRODUCTION AND BACKGROUND

- 2.1 The Overview and Scrutiny Committee (OSC) created the Water Management Cycle Working Group, to carry out a review into the Water Management Cycle. The review took place between October 2022 to March 2023, with the information relating to the review accessible through section 9 of this report.
- 2.2 The OSC produced a total of 22 recommended actions from the review, of which 21 are applicable to the Cabinet.
- 2.3 The recommended actions are contained within Appendix 1, alongside each action's 'intended outcomes' and relevant Lead Officer/s. This is to provide the Committee's reasoning in putting forward each action, alongside providing a clear record of which Officers and Members have responsibility for the applicable service areas.
- 2.4 The report attached at Appendix 1 for the Cabinet's consideration was agreed by the OSC at its April 2023 meeting and has been amended to reflect the changes to Cabinet portfolios.

## 3. AVAILABLE OPTIONS

- 3.1 Option 1 – A substantive response to the report be provided via the completion of the SCRAIP report. **This is the recommended option.**

Request further information on the recommended actions from the relevant officers, in the form of an Overview and Scrutiny Recommendation Action

and Implementation Plan (SCRAIP). The completed SCRAIP would then be presented to the Cabinet at a subsequent meeting, in producing a formal response from the to the OSC.

3.2 Option 2 – Amend and/or Agree to implement the recommended actions.

If agreed, the relevant Lead Officers will implement the agreed actions or conduct further work, as appropriate. However, this would involve amending and/or approving the recommendations without having considered advice from the relevant officers. This is not recommended.

3.3 Option 3 - Reject the recommended actions.

The Cabinet could choose not to implement the recommended actions however this may mean that an opportunity to improve the Water Management Cycle, is missed alongside the recommendations having been rejected without having considered advice from the relevant officers. This is not recommended

3.4 It is a legislative requirement that the Cabinet provide a response to the OSC within two-months of having received the report attached at Appendix 1. The OSC will be formally informed of the Cabinet’s response once provided at a future meeting.

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**4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

4.1 There is no preferred option from an officer perspective, as this report has been produced to support the OSC in presenting its recommended actions to the Cabinet as the relevant decision-maker. The OSC unanimously agreed the recommended actions for the Cabinet.

4.2 As outlined above in points 2.4 and 2.6, the reasons for the recommended actions are contained within the ‘intended outcomes’ section for each action.

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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. We are satisfied that the risks associated are within the Council’s risk appetite and will be managed as per the Policy.

**6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

6.1 This is the first time that this issue has been presented to the Executive, although the Cabinet Member for Corporate Services did attend some of the Working Group meetings.

6.2 The actions taken by the OSC in conducting the review are briefly outlined in points 2.1 and 2.2 of this report, with full details provided in appendix 1 to this report.

6.3 As outlined in points 7.2 and 7.3 below, the outcome of this report's consideration will be reported to the OSC.

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## **7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

7.1 This will depend on the types of recommended action, and whether they are agreed.

For the actions that can be agreed and implemented, the relevant Officers will implement the actions when appropriate.

For the actions that require further consideration, further work will take place before any corresponding actions are implemented.

7.2 The Overview and Scrutiny Committee will be provided with a formal response on behalf of the Cabinet, which will outline the Cabinet's consideration of this report and associated appendices and which actions were agreed, if any. This is a legal requirement, where an Overview and Scrutiny Committee has formally published a report to the Cabinet resulting from a review.

7.3 Consideration could be given as to whether the Overview and Scrutiny Committee receives a further update post-implementation of any agreed actions. However, this would not need to be decided at this point.

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## **8. REPORT APPENDICES**

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

- Appendix 1: Report of the Water Management Cycle Working Group (Overview and Scrutiny Committee) – Water Management Cycle.

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## **9. BACKGROUND PAPERS**

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

Agenda and Minutes for the Overview and Scrutiny Committee Meeting held on 13 April 2023: [Your Councillors - Maidstone Borough Council](#)

# Water Management Cycle

**April 2023**



A review conducted by the Maidstone Borough Council Overview and Scrutiny Committee's, Water Management Cycle Working Group

Report prepared by Oliviya Parfitt, Democratic Services Officer, on behalf of the Water Management Cycle Working Group

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## **Introduction and Rationale**

In July 2022, the Council's Overview and Scrutiny Committee (the Committee) agreed to review the Water Management Cycle (the Cycle) via a Working Group (the Group). In considering the proposed review topic, the Committee expressed that whilst the Council was not the leading authority on the matter, the topic was of significant importance to the borough and there was the potential to positively impact the proposed Design & Sustainability Development Plan Document.

The review would focus on the supply and disposal of water and the disposal of sewage in water courses, as the most problematic aspects of the Cycle, and aimed:

*'To identify actions to be taken by the Council and/or its partner organisations to improve the management and resilience of the Water Management Cycle Framework'.*

## **What is the Water Management Cycle?**

The Water Management Cycle encompasses the different elements of water provision and use; such as household water supply, surface and rainwater management, sustainable drainage, and water efficiency.

## **Approach to the Review**

The review took place via a cross-party working group that met informally between November 2022 to March 2023, with verbal and written evidence collected from internal and external stakeholders. As the review topic was wide ranging, the group decided to further split the lines of enquiry, making it easier to collect evidence:

<b>Lines of Enquiry</b>	<b>Details</b>
Supply of Water	Mitigating effects of increased rainfall, including capacity; General supply of water
Disposal of Water	Importance and influence of development management; Flooding mitigation Mechanisms i. To effectively control water ii. Natural flood mitigation measures  Management of highway and surface water flooding; Working with partners
Disposal of Sewage in Water Courses	Combined systems (also relevant to point b) and link to foul and surface water mixing. Council powers and partnership Working Working with partners Water neutrality and planning

The table below outlines the meetings that took place, the respective attendees and evidence provided. Links to the information pack and minutes have been included in appendix 1.

<b>Meeting</b>	<b>Attendees</b>	<b>Evidence provided</b>
1 Nov 2022	Working Group	None.  Meeting to organise review's timetable.
5 Dec 2022	Working Group Director of Finance, Resources and Business Improvement	Technical Briefing from the Director of Finance, Resources and Business Improvement on the Council's actions so far on the topic.
15 Dec 2022	Working Group Director of Finance, Resources and Business Improvement Biodiversity and Climate Change Manager Emergency Planning and Resilience Manager	Evidence collection through Officer interviews
22 Dec 2022	Working Group Director of Regeneration and Place Interim Local Plan Review Director Principal Planning Officer x2 Environmental Health Manager	Evidence collection through Officer interviews
27 Jan 2023	Working Group Upper Medway Internal Drainage Board Southeast Rivers Trust Kent County Council	Evidence collection through interviews
7 Feb 2023	Working Group Southeast Water Southern Water	Evidence collection through interviews
1 Mar 2023	Working Group	Review of remaining written evidence: Southern Water wish-list Southeast Rivers Trust wish-list
20 Mar 2023	Working Group Director of Finance, Resources and Business Improvement	Recommendations produced
28 Mar 2023	Working Group	Report reviewed.

## **Recommended Actions and Intended Outcomes**

Throughout the review, the Group expressed support for the various actions being undertaken but felt that further work was required; the below recommendations have been produced in response.

The recommendations have been grouped thematically into the following sections; Schemes, Design & Sustainability Development Plan Document (D&S DPD) related recommendations, Development Management recommendations, Communication focused recommendations, Recommendations for Noting and Recommendations for External Organisations. The relevant Cabinet Member and Council Officers have been identified accordingly.

### **Schemes**

#### **1. That £100,000 be allocated to developing feasibility studies, to be matched by external providers, to support the progression of schemes designed to improve the water management cycle.**

Cabinet Member Environmental Services and/or Planning, Infrastructure and Economic Development dependent on scheme design.

Lead Officer: Director of Finance, Resources and Business Improvement.

#### Intended Outcome

This would ensure that schemes were readily available for implementation, taking a proactive approach to managing the effects of the water management cycle, as much of the council's work had been reactive. Historically the Council had been successful in obtaining funding where a scheme's need had been demonstrated.<sup>1</sup>

Feasibility studies would need to respond to an agreed set of objectives. These might include some or all of the following:

- Ensure that places and infrastructure are resilient and can adapt to future flooding and coastal risks in a changing climate. Traditionally this has been quantified by assessing whether a scheme gives projection to (eg) a flood event likely to occur every 50 years.
- Support the Council's carbon and sustainability ambitions.
- Enhance the environment, e.g. by creating and improving habitat and rivers.
- Meet statutory requirements, e.g. complying with Reservoir Act duties.

The Director of Finance, Resources and Business Improvement had advised that feasibility studies would assist in creating suitable schemes, and that

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<sup>1</sup> See 15 December 2022 Meeting Minutes.

there was a source of capital funding available within the Council's MTFS for such works.<sup>2</sup>

Further, conducting feasibility studies could lead to the progression of the joint working and other actions put forward by the Upper Medway Internal Drainage Board, Southeast Rivers Trust and Kent County Council. Please see relevant meeting minutes for further information.<sup>3</sup>

**2. To increase the number of open spaces in the Borough that enhance wetland biodiversity, flood storage and surface water infiltration.**

(Primary) Cabinet Member for Environmental Services for Council owned estate, and (Secondary) Cabinet Member for Planning, Infrastructure and Economic Development for planning policy work.

Lead Officer: Biodiversity and Climate Change Manager

Intended Outcome

To bring benefits to the borough, as similar schemes had elsewhere, and build upon the Biodiversity and Climate Change Manager's work in producing business cases for numerous schemes to be implemented on single pieces of land. If the work could be linked to the biodiversity net gain, significant biodiversity improvements could be achieved.

**3. To further explore the creation of managed wetlands, including through the D&S DPD.**

(Primary) Cabinet Member for Environmental Services for Council owned estate, and (Secondary) Cabinet Member for Planning, Infrastructure and Economic Development for planning policy work.

Lead Officer: Head of Spatial Planning and Economic Development

Intended Outcome

This would provide increased natural flood mitigation measures, reducing surface water run-off, and slowing water flow.

**Design & Sustainability Development Plan Document related Recommendations**

**Recommendations to the Cabinet Member for Planning, Infrastructure and Economic Development:**

**4. That a proposals map outlining the areas within the borough where the biodiversity net gain could be used to secure schemes**

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<sup>2</sup> See 5 December 2022 Meeting Minutes.

<sup>3</sup> Above minutes and 27 January 2023 (external stakeholder consultation) Meeting Minutes.

**that deliver holistic improvements to the Water Management Cycle, be attached to the D&S DPD.**

Lead Officer: As Above.

Intended Outcome

This would support the creation and delivery of improvements to the water management cycle, so that the biodiversity net gain received through new developments could be maximised quickly.

**5. To promote the separation of roof water from the sewer systems in new build properties and property conversion and extensions, including through the D&S DPD.**

Lead Officer: As above.

Intended Outcome

To reduce the burden placed on combined sewer systems and the likelihood of sewerage flooding.

Through its review, the Group were informed that in some cases, the majority of liquid within the combined sewer systems is rain and surface water.<sup>4</sup>

**6. To encourage developers to consider water usage reductions across development sites and within homes, such as water saving technologies and the use of 'grey water', including through the D&S DPD.**

Lead Officer: As above.

Intended Outcome

To promote mechanisms that reduce water consumption and increase water recycling from the point of development as opposed to retrofitting.

The importance of making developments more water efficient was specifically raised by the Water companies consulted on the 7 February 2023.<sup>5</sup>

7. That the policies informing the D&S DPD would be usefully informed if Kent Flood Risk Maps were made available to the Planning and Policy service areas in developing policy documents.

Intended Outcome

To ensure that the recorded flood risk areas (as included within the maps) are considered when developing policy documents applicable to development.

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<sup>4</sup> See 7 February 2023 Meeting Minutes.

<sup>5</sup> As Above.

**8. To explore further the use and range of policy mechanisms to promote recycling of water and reduce water usage, both in newly built houses and as retrofit in existing properties.**

(Extension of recommendation six above)

Lead Officers: As above and Biodiversity and Climate Change Manager.

Intended Outcome

To promote these mechanisms for use across small- and large-scale developments; At the 22 December 2022 group meeting, the group were informed that further information on water recycling would likely be provided in the D&S DPD, with the group expressing that promoting these mechanisms would prevent costly, time-consuming retrofitting measures (where possible).<sup>6</sup>

**9. See Recommendation 3, as this is also applicable to the D&S DPD.**

**Development Management Recommendations**

**Recommendations to the Cabinet Member for Planning, Infrastructure and Economic Development:**

**10. To increase the Council's control over the implementation of planning conditions relating to Sustainable Drainage Schemes (SuDS), through the spatial policy and development management service areas.**

Lead Officers: Head of Spatial Planning and Economic Development and Head of Development Management

Intended Outcome

Through the review, the mismanagement of SuD schemes was highlighted, and this action would support the ongoing discussions being had between the Head of Development Management and the Chairman and Vice-Chair of the Planning Committee on how this could be addressed.

**11. That the following requests be made to the Development Management Service area, via the Head of Development Management:**

**a. To review how water companies can be consulted and/or more effectively involved in the planning process.**

Intended Outcome

To involve water companies in the planning process for a range of reasons including; to promote water efficiency, water recycling and reduced water usage within new developments, as developers may not

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<sup>6</sup> See 22 December 2022 Meeting Minutes.

prioritise this themselves, to improve the water management cycle generally.

The group recognised that any comments would carry less weight than those of statutory consultees. The water companies spoke of having greater involvement in the planning process at the 7 February 2023 meeting.<sup>7</sup>

**b. To include the Upper Medway Internal Drainage Board (UMIDB) district area within the maps provided with major planning applications.**

Intended Outcome

To highlight if the UMIDB district area overlapped with a proposed development, and if it is in a sensitive area for drainage, as Members have greater knowledge of their ward and any water management cycle related concerns, e.g., flooding.

**c. To advise on whether Surface Water Management Plans can be used as material planning considerations.**

Intended Outcome

To inform Members of the document's weight, if any, when considering planning applications.

**d. To review opportunities to the building regulations for water saving, in a similar way to recent updates on the conservation of fuel and power.**

Intended Outcome

The group felt that the opportunities available should be reviewed as part of best practice, with any gaps to be actioned as and when they arise through the building control service. In part, this can be linked to the feedback given by the water companies on the 7 February 2023.<sup>8</sup>

**12. That when developments come forward in the town centre and adjoining areas, obstacles should either be removed or alleviated, to remove unnecessary restrictions on water courses, which reduce the flow rate, nutrient enrichment and wildlife corridors.**

Intended Outcome

As outlined in the recommendation, to remove unnecessary restrictions on water courses, which reduce the flow rate, nutrient enrichment and wildlife corridors that may impact the area local to the development.

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<sup>7</sup> See 7 February 2023 Meeting Minutes.

<sup>8</sup> See 7 February 2023 Meeting Minutes.

## **Communications Focused Recommendations**

### **13. That an annual 'roundtable' meeting be established between Parish, District and County Members and Officers (from both authorities), to discuss local issues and knowledge relating to the Water Management Cycle, by geographical area (North, Central & Southern Maidstone)**

Cabinet Member for Environmental Services, Cabinet Member for Planning, Infrastructure and Economic Development and Lead Member for Communities, Leisure and Arts.

Lead Officers: Director of Finance, Resources and Business Improvement; Emergency Planning and Resilience Manager; Head of Spatial Planning and Economic Development; Head of Development Management and Biodiversity and Climate Change Manager.

#### Intended Outcome

To ensure that local knowledge is maintained and 'passed down' to prevent negative impacts to the area, such as flooding and property damage, through the water management cycle.

This knowledge is often lost over time, particularly when there are no written records of historic mitigation measures.

### **14. That local 'highway and surface water flooding hotspots' be identified with the Borough and County Members, and meetings organised with Kent County Council, National Highways, and the relevant Water Companies as applicable.**

Cabinet Member for Environmental Services, Cabinet Member for Planning, Infrastructure and Economic Development and Lead Member for Communities, Leisure and Arts.

Lead Officers: As Above.

#### Intended Outcome

To proactively manage any impacts from flooding and/or water management cycle related matters, by consulting the relevant parties to seek improvements.

### **15. That the Community Protection Team contact local care home providers to remind them of the ability to register as 'priority customers' with the relevant water utilities.**

Cabinet Member for Housing and Health

Lead Officers: Community and Strategic Partnerships Manager

### Intended Outcome

To ensure that local care homes are able to access water supplies during times of disruption, and that vulnerable residents are suitably supported and prioritised.

### **16. That the Council proactively identify water management cycle related matters for inclusion at events such as the Local Government Association Conference and Rural Urban Commission**

(Primary) Cabinet Member for Environmental Services for Council owned estate, and (Secondary) Cabinet Member for Planning, Infrastructure and Economic Development for planning policy work.

### Intended Outcome

To increase the attention given to the Water Management Cycle nationally as well as locally.

## **Recommendations for Noting**

### **To the Cabinet Member for Planning, Infrastructure and Economic Development:**

#### **17. That the contents of the documents provided by Southern Water be endorsed, with the synergy between the company and the group noted.**

### Intended Outcome

The formally note and draw attention to the synergy between Southern Water and the Group during the review.

### **To the Leader of the Council:**

#### **18. That the support expressed from both Southeast and Southern Water to use the Heathlands Garden Community, if agreed, as a showcase to demonstrate innovative and efficient water usage, be supported and noted.**

### Intended Outcome

The group felt that this was important to note formally as part of the review, arising from the group's ambitions to introduce new and innovative measures in the future.

**To the Cabinet** (as the relevant Cabinet Member would be identified depending on the type of development and/or improvement scheme being implemented):

**19. That any development and/or improvement schemes to the Former Royal Mail Sorting Office demonstrate innovative and efficient water usage mechanisms, be noted.**

Intended Outcome

As above, particularly as the site is a brownfield site which could lead to alternative mechanisms being used to demonstrate innovative and efficient water usage mechanisms.

**Recommendations to External Organisations**

**20. That Kent County Council be requested to update the Surface Water Management Plans for Maidstone, including local plans where these have been produced for wards, as a matter of urgency.**

Cabinet Member for Planning, Infrastructure and Economic Development.

Intended Outcome

Surface Water Management Plans (SWMP) are studies that aim to understand flood risks arising from local flooding. As this has likely changed since 2013 when the existing Maidstone SWMP was produced, the group felt it was imperative for an updated version to be produced.

**21. That the Water Companies (Southeast and Southern Water) be consulted on:**

- a. Whether they would conduct an information campaign, and provide funding for commercial and household schemes, to minimise roof run-off into the sewer system; and**
- b. Obtaining accurate information on [commercial and household] water consumption, to be linked to educational campaigns to reduce water usage.**
- c. Investigation of the potential for creation of a new reedbed/wetland at Harrietsham Water Treatment Works to reduce ingress of Phosphates and Nitrates into the River Len.**
- d. Reconsidering the emerging proposal to increase abstraction rates, for example at Hockers Lane Detling and other sites within the borough, to mitigate likely resultant harm to downstream wetlands and to water courses. Where this does take place, monitoring the abstraction increase to take place**

**to ensure the effects are properly understood and can be mitigated if necessary.**

Cabinet Member for Planning, Infrastructure and Economic Development.

Intended Outcome

The provision of funding would encourage individual households to implement schemes to minimise roof run-off and reduce the likelihood of combined sewer flooding.

The use of accurate water usage data would enable educational campaigns to be better targeted to achieve results. This was discussed by those companies during the 7 February 2023 meeting, and with Council Officers at the 22 December 2022 meeting.<sup>9</sup>

**To the Overview and Scrutiny Committee:**

**22. That a second phase review be commenced in the 2023/24 Municipal Year.**

Intended Outcome

To allow the working group to review the outstanding matters (as contained within Appendix 3 to this report). This would involve the Committee re-appointing the working group post May 2023.

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<sup>9</sup> See 22 December 2022 and 7 February 2023 Meeting Minutes.

## **Summary of Stakeholder Evidence**

A summary of the evidence provided is included below. For further details, please see the group's meeting minutes.

### **Internal Stakeholders**

#### **Mark Green, Director of Finance, Resources and Business Improvement**

The Director of Finance, Resources and Business Improvement contributed significantly to the review, through providing a technical note and briefing to the group on the actions already taken by the Council relating to the water management cycle and has provided advice to the group generally.

The Director of Finance, Resources and Business Improvement attended the 27 January 2023 group meeting, and assisted in questioning the external stakeholders, and the 20 March 2023 meeting to assist the group in formulating its recommendations.

The Director of Finance, Resources and Business Improvement also assisted in contacting external stakeholders for the review.

#### **James Wilderspin, Biodiversity and Climate Change Manager**

The Biodiversity and Climate Change Manager attended the 15 December 2022 group meeting, and answered questions on the water management cycle, biodiversity and the Council's Biodiversity and Climate Change Action Plan. The Group was given a list of the actions from the plan that related directly to the review and was given follow-up information from the officer on topic-related case studies, and the business case being produced on areas for biodiversity net gain usage.

#### **Uche Olufemi, Emergency Planning and Resilience Manager**

The Emergency Planning and Resilience Manager attend the group meeting held on 22 December 2022 to answer questions on the Council's emergency responses to incidents of flooding and the actions that had been taken to assist residents. The officer also attended the 7 February 2023 external stakeholder consultation meeting to observe the questioning.

The Emergency Planning and Resilience Manager also assisted in contacting external stakeholders for the review.

#### **William Cornall, Director of Regeneration and Place**

The Director of Regeneration and Place attended the group meeting held on 22 December 2022 and answered questions on the water management cycle relating to Development Management.

Richard Timms, Principal Planning Officer

The Principal Planning Officer attended the group meeting held on 22 December 2022 and provided a briefing note on how flooding and sewage is considered as part of the Development Management (planning applications) process.

At that meeting, the Officer answered questions on the Councils powers, Kent County Council's power and legislation and guidance as applicable to the subject matter.

Phil Coyne, Interim Local Plan Review Director

The Interim Local Plan Review Director attended the group meeting held on 22 December 2022 and answered questions on the Council's policies and local plan review.

Helen Garnett, Principal Planning Officer

The Principal Planning Officer attended the group meeting held on 22 December 2022 and answered questions on the Council's policies, local plan review, and possible methods to improve the water management cycle, such as through water efficiency measures.

Tracey Beattie, Environmental Health Manager

The Environmental Health Manager attended the group meeting held on 22 December 2022 and answered questions on the role of Environmental Health as part of the Water Management Cycle.

**External Stakeholders**

Oliver Pantrey, Clerk to the Board (Upper Medway Internal Drainage Board)

The Clerk to the Board attended the 27 January 2023 meeting, and answered questions relating to the UMIDB's remit, role and future aspirations, which included greater opportunities for partnership working amongst other things.

The group wishes to formally applaud the works undertaken by the UMIDB, with further details available in the minutes of the above-mentioned meeting, and the distribution of information on the UMIDB was requested.

To access the UMIDB's website, use the link below:

[Upper Medway IDB](#)

Dr Chris Gardner, Head of Science and Partnerships (Southeast Rivers Trust)

The Head of Science and Partnerships attended the 27 January 2023 meeting, and answered questions relating to the SERT's remit, role, future aspirations and partnership working.

### Max Tant, Flood and Water Manager (Kent County Council)

The Flood and Water Manager attended the 27 January 2023 meeting and answered questions relating to Kent County Council's role as a Lead Local Flooding Authority, the role and remit of his team, the partnership working in place with the Council and other organisations and the actions that KCC would find beneficial for the group to consider as part of the review.

### Steve Andrews, Head of Central Operations (Southeast Water) and David Murphy, Wastewater Investment Strategy Manager (Southern Water)

The Head of Central Operations and the Wastewater Investment Strategy Manager attended the 7 February 2023 meeting, both providing the group with a presentation and overview of the organisations' role, responsibilities, recent actions taken and future aspirations.

The Head of Central Operations and the Wastewater Investment Strategy Manager answered questions on measures to improve the water management cycle, including improving water efficiency and recycling, reducing overall water usage and partnership working amongst other things.

### Environment Agency

The Working Group wishes to note that the Environment Agency was contacted on multiple occasions, as it had previously agreed to take part in the review, but it was not possible to arrange for the Environment Agency to participate. The Environment Agency therefore did not participate in this review.

### **Thanks to Witnesses**

The Water Management Cycle Working Group would like to extend its thanks to the Internal and External stakeholders that supported the review, either through providing verbal evidence, written evidence and/or by attending a group meeting. The work undertaken by all parties involved has been noted and endorsed throughout the review.

### **Future Actions – Second Phase of the Review**

Through consulting external stakeholders, the Group was requested to lobby central government on various matters such as funding and legislative powers. The group also feels that greater avenues should be explored to involve Water Companies in the planning process, amongst other matters.

To enable the recommendations produced so far to be agreed by the end of this Municipal year, the group has suggested a second phase review; that review would allow the group to finalise how it would like to address these issues, post May 2023 and would require the Committee to re-appoint the group to resolve these matters specifically. Please see appendix 3 for further details.

## **Appendix 1 - Information Relating To The Review**

### Written Information

Information pack and supplementary evidence provided to the group, including:

#### Information Pack:

- Gov.Uk Guidance on Water Supply, Wastewater and Water Quality (Planning)
- National Planning Policy Framework
- Summary Document for the Southern Water Consultation on the Draft Water Resources Management Plan
- Draft Water Resources Management Plan 2025 to 2075 (Southern Water)
- Briefing Note provided to the Executive on Water Quality Motion
- SERT Links:
- Environmental Land Management Schemes
- Natural Flood Management in the River Medway
- Briefing note provided by the Director of Finance, Resources and Business Improvement
- Tree Cover Article (Urban Centre for Green Metrics in Great Britain)
- EA Chief Executive Speech, 'Surface Water: The biggest flood risk of all'
- Maidstone Surface Water Management Plan (Kent County Council)
- Drainage and Wastewater Management Plan Draft for Consultation (Southern Water)
- DWMP Investment Plan for Sewer Flooding (Southern Water)
- DWMP Investment Plan for Wastewater Compliance and Pollution
- Medway Flood Partnership, 4-year update
- Biodiversity and Climate Change Action Plan
- MBC – Strategic Flood Risk Assessment & Appendices
- Briefing Note on how flooding/sewage is considered as part of the planning application (development management) process.

#### Other:

- KCC Land Drainage Enquiries Data
- MBC Sewage and Flooding Complaints Data
- Follow-Up Note on Project Feasibility, (Director of Finance, Resources and Business Improvement)
- Nature Based Solutions for Water Cycle Management Case Studies, (Biodiversity and Climate Change Manager)
- Southeast Rivers Trust Wish-list
- Southern Water Documents;
  - 'Our Policy Statement on Sustainable Development'
  - 'Planning and Growth: Briefing from Southern Water'

Working Group Meeting Minutes.

Working Group Membership:

Councillors:

English (Chairman), Brice, Cleator, Garten, Harwood and Jeffery

Substitutes: Councillors Conyard, Springett and D Wilkinson

Contact details for these Members can be found here:

[Your Councillors - Maidstone Borough Council](#)

<b>Recommendation</b>	<b>Relevant Cabinet Member/Council Officers (as applicable)</b>	<b>Intended outcome</b>
<p>That £100,000 be allocated to developing feasibility studies, to support the progression of schemes designed to improve the water management cycle.</p>	<p>Cabinet Members for Environmental Services and Planning, Infrastructure and Economic Development</p> <p>Director of Finance, Resources and Business Improvement</p>	<p>This would ensure that schemes were readily available for implementation, taking a proactive approach to managing the effects of the water management cycle, as much of the council's work had been reactive. Historically the Council had been successful in obtaining funding where a scheme's need had been demonstrated.</p> <p>Feasibility studies would need to respond to an agreed set of objectives. These might include some or all of the following:</p> <ul style="list-style-type: none"> <li>- Ensure that places and infrastructure are resilient and can adapt to future flooding and coastal risks in a changing climate. Traditionally this has been quantified by assessing whether a scheme gives projection to (eg) a flood event likely to occur every 50 years.</li> <li>- Support the Council's carbon and sustainability ambitions.</li> <li>- Enhance the environment, eg by creating and improving habitat and rivers.</li> <li>- Meet statutory requirements, eg complying with Reservoir Act duties.</li> </ul>

		<p>The Director of Finance, Resources and Business Improvement had advised that feasibility studies would assist in creating suitable schemes, and that there was a source of capital funding available within the Council's MTFS for such works.</p> <p>Further, conducting feasibility studies could lead to the progression of the joint working and other actions put forward by the Upper Medway Internal Drainage Board, Southeast Rivers Trust and Kent County Council. Please see relevant meeting minutes for further information.</p>
To increase the number of open spaces that enhance wetland biodiversity, flood storage and surface water infiltration.	<p>Cabinet Members for Environmental Services and Planning, Infrastructure and Economic Development</p> <p>Biodiversity and Climate Change Manager</p>	To bring benefits to the borough, as similar schemes had elsewhere, and build upon the Biodiversity and Climate Change Manager's work in producing business cases for numerous schemes to be implemented on single pieces of land. If the work could be linked to the biodiversity net gain, significant biodiversity improvements could be achieved.
To further explore the creation of managed wetlands, including through the D&S DPD.	<p>Cabinet Members for Environmental Services and Planning, Infrastructure and Economic Development</p> <p>Head of Spatial Planning and Economic Development</p>	This would provide increase natural flood mitigation measures, reducing surface water run-off, and slowing water flow.

<p>That a proposals map outlining the areas within the borough where the biodiversity net gain could be used to secure schemes that deliver holistic improvements to the water management cycle, be attached to the D&amp;S DPD.</p>	<p>Cabinet Member for Planning, Infrastructure and Economic Development</p> <p>Head of Spatial Planning and Economic Development</p>	<p>This would support the creation and delivery of improvements to the water management cycle, so that the biodiversity net gain received through new developments could be maximised quickly.</p>
<p>To promote the separation of roof water from the sewer system in new build properties and property conversions and extensions, including through the D&amp;S DPD.</p>	<p>Cabinet Member for Planning, Infrastructure and Economic Development</p> <p>Head of Spatial Planning and Economic Development</p>	<p>To reduce the burden placed on combined sewer systems and the likelihood of sewerage flooding.</p> <p>Through its review, the Group were informed that in some cases, the majority of liquid within the combined sewer systems is rain and surface water.</p>
<p>To encourage developers to consider water usage across developments and within homes, such as water saving technologies and the use of 'grey water', including through the D&amp;S DPD.</p>	<p>Cabinet Member for Planning, Infrastructure and Economic Development</p> <p>Head of Spatial Planning and Economic Development</p>	<p>To promote mechanisms that reduce water consumption and increase water recycling from the point of development as opposed to retrofitting. The importance of making developments more water efficient was specifically raised by the Water companies consulted on the 7 February 2023.</p>
<p>That the policies informing the D&amp;S DPD would be usefully informed if Kent Flood Risk Maps were made available to the Planning and Policy service areas in developing policy documents.</p>	<p>Cabinet Member for Planning, Infrastructure and Economic Development</p>	<p>To ensure that the recorded flood risk areas (as included within the maps) are considered when development policy documents applicable to development.</p>

<p>To explore further the use and range of policy mechanisms to recycle water and reduce water usage, both in newly built houses and existing properties.</p>	<p>Cabinet Member for Planning, Infrastructure and Economic Development</p> <p>Head of Spatial Planning and Economic Development</p> <p>Biodiversity and Climate Change Manager</p>	<p>To promote these mechanisms for use across small- and large-scale developments; At the 22 December 2022 group meeting, the group were informed that further information on water recycling would likely be provided in the D&amp;S DPD, with the group expressing that promoting these mechanisms would prevent costly, time-consuming retrofitting measures (where possible).</p>
<p>To increase the Council's control over the implementation of planning conditions relating to Sustainable Drainage Schemes (SuDS), through the policy and development management service areas.</p>	<p>Cabinet Member for Planning, Infrastructure and Economic Development</p> <p>Head of Spatial Planning and Economic Development and Head of Development Management</p>	<p>Through the review the mismanagement of SuD schemes was highlighted, and this action would support the ongoing discussions being had between the Head of Development Management and the Chairman and Vice-Chair of Planning Committee on how this could be addressed.</p>
<p>That Development Management review how water companies can be consulted and/or involved in the planning process.</p>	<p>Cabinet Member for Planning, Infrastructure and Economic Development.</p> <p>Head of Development Management</p>	<p>To involve water companies within the planning process for a range of reasons including; promoting water efficiency, water recycling and reduced water usage within new developments, as developers may not prioritise this, to improve the water management cycle generally.</p> <p>The group recognised that any comments would carry less weight than those of statutory consultees.</p>

<p>That Development Management include the UMIDB district area within the maps provided with major planning applications.</p>	<p>Cabinet Member for Planning, Infrastructure and Economic Development</p> <p>Head of Development Management</p>	<p>To highlight if the UMIDB district area overlapped with a proposed development, and if it is in a sensitive area for drainage, as Members have greater knowledge of their ward and any water management cycle related concerns, e.g., flooding.</p>
<p>That Development Management advise on whether Surface Water Management Plans can be used as material planning considerations.</p>	<p>Cabinet Member for Planning, Infrastructure and Economic Development</p> <p>Head of Development Management</p>	<p>To inform Members of the document's weight, if any, when considering planning applications.</p>
<p>To review opportunities for enhancements to the building regulations for water saving, in a similar way to recent updates on the conservation of fuel and power.</p>	<p>Cabinet Member for Planning, Infrastructure and Economic Development</p> <p>Head of Development Management</p>	<p>The group felt that the opportunities available should be reviewed as part of best practice, with any gaps to be actioned as and when they arise through the building control service. In part, this can be linked to the feedback given by the water companies on the 7 February 2023.</p>
<p>That when developments come forward in the town centre and adjoining areas, obstacles should either be removed or alleviated, to remove unnecessary restrictions on water courses, which reduce the flow rate, nutrient enrichment and wildlife corridors.</p>	<p>Cabinet Member for Planning, Infrastructure and Economic Development</p> <p>Head of Development Management</p>	<p>As outlined in the recommendation, to remove unnecessary restrictions on water courses, which reduce the flow rate, nutrient enrichment and wildlife corridors, that may impact the area local to the development.</p>
<p>That an annual 'roundtable' meeting be established between Parish, District and County elected Members and Officers (from both authorities), to discuss local issues</p>	<p>Cabinet Members for Communities, Leisure and Arts, Environmental Services and Planning, Infrastructure and Economic Development</p>	<p>To ensure that local knowledge is maintained and 'passed down' to prevent negative impacts to the area, such as flooding and property damage, through the water management cycle.</p>

and knowledge relating to the Water Management Cycle, by geographical area (North, Central & Southern Maidstone).	Director of Finance, Resources and Business Improvement; Emergency Planning and Resilience Manager; Head of Development Management; Head of Spatial Planning and Economic Development and Biodiversity and Climate Change Manager.	This knowledge is often lost over time, particularly when there are no written records of historic mitigation measures.
That local 'highway and surface water <i>flooding</i> hotspots' be identified with the Borough and County Members, and meetings organised with KCC, National Highways and the relevant Water Companies as applicable	Cabinet Members for Communities, Leisure and Arts, Environmental Services and Planning, Infrastructure and Economic Development.	To proactively manage any impacts from flooding and/or water management cycle related matters, by consulting the relevant parties to seek improvements.
The Community Protection Team contact local care home providers to remind them of the ability to register as 'priority customers' with the relevant water utilities.	Cabinet Member for Housing and Health  Community and Strategic Partnerships Manager	To ensure that local care homes are able to access water supplies during times of disruption, and that vulnerable residents are suitably supported and prioritised.
That the Council proactively identify water management cycle related matters for inclusion at events such as the Local Government Association Conference and Rural Urban Commission	Cabinet Members for Environmental Services and Planning, Infrastructure and Economic Development	To increase the attention given to the Water Management Cycle nationally as well as locally.

That the contents of the documents provided by Southern Water be endorsed, with the synergy between the company and the working group noted.	Cabinet Member for Planning, Infrastructure and Economic Development	The formally note and draw attention to the synergy between Southern Water and the Group during the review.
That the support expressed from both Southeast Water and Southern Water to use the Heathlands Garden Community, if agreed, as a showcase to demonstrate innovative and efficient water usage, be supported and noted.	Leader of the Council	The group felt that this was important to note formally as part of the review, arising from the group's ambitions to introduce new and innovative measures in the future.
That any development and/or improvement schemes to the Former Royal Mail Sorting Office demonstrate innovative and efficient water usage mechanisms, be noted.	Cabinet (relevant Cabinet Member would be identified depending on the type of development and/or improvement scheme being implemented)	As above, particularly as the site is a brownfield site which could lead to alternative measures being used to demonstrate innovation and efficient water usage mechanisms.
That Kent County Council be requested to update the Surface Water Management Plans for Maidstone, including locals plans where these have been produced for wards, as a matter of urgency.	Cabinet Member for Planning, Infrastructure and Economic Development  Kent County Council	Surface Water Management Plans (SWMP) are studies that aim to understand flood risks arising from local flooding. As this has likely changed since 2013 when the existing Maidstone SWMP was produced, the group felt it was imperative for an updated version to be produced.

<p>That the Water Companies (Southeast Water and Southern Water) be consulted on:</p> <ul style="list-style-type: none"> <li>• whether they would conduct an information campaign and provide funding for household schemes to minimise roof run-off into the sewer system;</li> <li>• obtaining accurate information on water consumption, to be linked to educational campaigns to reduce water usage;</li> <li>• Investigation of the potential for creation of a new reedbed/wetland at Harrietsham Water Treatment Work to reduce ingress of Phosphates and Nitrates into the River Len; and</li> <li>• Reconsider the emerging proposal to increase abstraction rates, for example at Hockers Lane</li> </ul>	<p>Cabinet Member for Planning, Infrastructure and Economic Development</p> <p>Southeast and Southern Water</p>	<p>The provision of funding would encourage individual households to implement schemes to minimise roof run-off and reduce the likelihood of combined sewer flooding.</p> <p>The use of accurate water usage data would enable educational campaigns to be better targeted to achieve results. This was discussed during the 7 February 2023 meeting.</p>
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<p>Detling and other sites within the borough, to mitigate likely resultant harm to downstream wetlands and to water courses. Where this does take place, monitoring the abstraction increase to take place to ensure the effects are properly understood and can be mitigated if necessary.</p>		
<p>That a second phase review be commenced in the 2023/23 Municipal Year.</p>	<p>Overview and Scrutiny Committee</p>	<p>To allow the working group to review the outstanding matters (as contained within Appendix 3 to this report). This would involve the Committee re-appointing the working group post May 2023.</p>

The following table outlines the actions and/or requests to be explored in a second-phase review. Where put forward by external stakeholders, permission has been given to include these:

<b>Origin</b>	<b>Request</b>
Working Group Meetings	To further consider farmland run-off and riparian rights, receipt of information from National Highways and to attempt re-contacting the Environment Agency for its input.
Request from Upper Medway Internal Drainage Board	To lobby central government for secondary and tertiary legislation required to allow IDBs to actively work within catchment areas and levy those within it to support the work's completion.
Request from Southeast Rivers Trust	To fit passive collectors in the river to collect and dispose of plastic waste and prevent it impacting downstream and oceans
	Increased funding and resource provision.
	To lobby central government on the funding available to replace the funding previously provided by the European Union to support project delivery.
Following consultation with Kent County Council	To consider lobbying central government on applying the principle of nutrient neutrality across all water courses.
Following consultation with Southeast Water	To consider lobbying central government to provide legislative powers to Southeast Water and similar organisations, to enable them to take action against illegal water usage.
	To explore greater avenues to allow water companies to be involved in the planning process, such as via a working group.

Following consultation with Southern Water

To explore greater avenues to allow water companies to be involved in the planning process, such as via a working group.

**Overview and Scrutiny Committee Recommended Action and Implementation Plan (SCRAIP)**

The following recommended actions have arisen from the review into Safety in the Town Centre. This SCRAIP provides comments on the recommendations from the relevant Lead Officer/s such as its feasibility and possible method and timeline for implementation.

The recommendations arising from the Safety in the Town Centre Review were thematically grouped in being presented to the Cabinet (then Executive) at the April 2023 meeting. The intended outcomes for each theme can be found at the end of the document.

<b>Review Title: Safety in the Town Centre</b>				
Recommendation & Intended Outcomes	Relevant Cabinet Member	Financial impacts ( <i>'None' or explanation provided as applicable</i> )	Officer Response/s	Lead Officer/s
<p><b>To continue regular meetings with the Kent Police Press Office</b></p> <p>See Greater Communications theme below.</p>	Cabinet Member for Housing and Health	None	The Town Centre Task Force meet monthly, and the partnership Communications Plan is discussed as a standard agenda item. This provides partners, including Kent Police, the opportunity to identify opportunities to publicise work in the Town Centre proactively. The MBC Communications team have a good relationship with both Kent Police and One Maidstone enabling a timely joint response to Town Centre matters as necessary.	Community and Strategic Partnerships Manager

<p><b>To organise an Annual Community Safety Partnership Event, with all partners in attendance.</b></p> <p>See Greater Communications theme below.</p>	<p>Cabinet Member for Housing and Health</p>	<p><i>Explanation provided as applicable</i></p>	<p>The Safer Maidstone Partnership facilitates an annual event where partners are asked to consider the data collated in the Strategic Assessment and to contribute towards the development of action plans and areas of focus for the partnership.</p> <p>A public facing conference has been considered, however it was felt that it would be more impactful to deliver events focussed on more specific areas of Community Safety, such as Violence Against Women and Girls and Youth Safety. Events of this nature have been hosted; publicising of these events can be improved and will be a focus for future events. These will be complemented by regular “pop-up” public engagement events, such as Walk and Talks, which are undertaken by the Town Centre Task Force and focus on contemporary high priority themes, including Safety of Women and Girls, Pride and Knife Crime.</p>	<p>Community and Strategic Partnerships Manager</p>
<p><b>To circulate the Communications Team’s updated</b></p>	<p>Cabinet Member for Housing and Health</p>		<p>The Community Protection and Safer Streets Communications Plans are regularly updated and are</p>	<p>Communications Manager</p>



Appendix 2 - Overview and Scrutiny Recommendation Action and Implementation Plan (SCRAIP)

<p><b>'Communications Plan' to Members, to outline all elements of the communications works.</b></p> <p>See Greater Communications theme below.</p>			<p>shared with the Lead Cabinet Member for Housing and Health.</p>	
<p><b>To include information on the Overview and Scrutiny Committee's review within the next iteration of the Borough Insight Magazine.</b></p> <p>See Greater Communications theme below.</p>	<p>Cabinet Member for Housing and Health</p>		<p>A reference to the review of the Overview and Scrutiny Committee's review will be included in the next edition of the MBC Borough Insight Magazine which is due to be published in October 2023.</p>	<p>Communications Manager</p>
<p><b>That Kent Police be requested to:</b></p> <p><b>a. Promote the multi-agency work of the Town Centre Task Force; and</b></p>	<p>Cabinet Member for Housing and Health</p>		<p>a) This recommendation was discussed with the District Commander and the Community Safety Unit Inspector at the Safer Maidstone Partnership Executive Group. To improve awareness of policing and specifically the work in the town task force area, the Town Centre officers promoting the take up of their two-way engagement tool, <a href="#">My Community Voice</a> (MCV) by residents and businesses. MCV enables Kent Police to update users with news, alerts, appeals, engagement events and</p>	<p>Community and Strategic Partnerships Manager</p>

<p><b>b. Publicise their community engagement plans, to allow the Council to align its communications actions to this.</b></p> <p>See Greater Communications theme below.</p> <p>40</p>			<p>general policing activities. In Maidstone this has also included updates for collaborative work.</p> <p>Members of the public can choose what information they receive and how they receive it – whether that’s by email, text or voice mail. They can also share or reply to the messages they receive, enabling improved two-way communication, information sharing and problem-solving opportunities for the force. Throughout June there will be an increase in promoting the use of MCV to businesses, with officers distributing information directly into businesses, as well as promotion through both MBC and One Maidstone social media.</p> <p>All elected members are encouraged to promote the use of <a href="#">My Community Voice</a> in their areas and through their surgeries and newsletters as appropriate.</p> <p>The Communications team will promote ‘My Community Voice’ through the MBC Stay Connected ‘Safe Clean and Green’ newsletter.</p>	
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<p>41</p>			<p>b) As detailed in the response to the first recommendation, the Town Centre Task Force meet monthly, and the partnership Communications Plan is discussed as a standard agenda item. This will extend to the new Neighbourhood Task Force to ensure communications considered for each operation and when developing engagement activities.</p> 	
<p><b>That the British Transport Police and Southeastern Railways be reminded that the displacement of anti-social behaviour from the town centre to wider areas would be better managed if train tickets were checked on a regular basis.</b></p>	<p>Cabinet Member for Housing and Health</p>		<p>Links with South-eastern Railway are being developed with new Service Level Agreements are in place for information sharing. Maidstone's stations are not seen as high priorities, it is therefore unlikely that barriers will be implemented as they would need to be staffed.</p> <p>The work of the District Contextual Safeguarding Meeting has identified groups using the rail network and work has been undertaken with police, partners and BTP to challenge them. With levels of ASB now falling in the Town Centre, work will continue with an intelligence led approach.</p> <p>The Violence Reduction Unit have funded the Switch Youth Café to undertake joint operations with BTP and their Outreach Workers, providing a presence on the trains across the network, to specifically engage with young people.</p>	

Appendix 2 - Overview and Scrutiny Recommendation Action and Implementation Plan (SCRAIP)

<p>See Greater Communications theme below.</p>			<p>BTP have a relatively new Community Safety App and a link will be included in Cluster Contact Sheets when they are updated in June/July. The app is available <a href="#">here</a>.</p> 	
<p><b>To encourage all Members to sign up to the 'My Community Voice' facility provided by Kent Police.</b></p> <p>See Member Engagement theme below.</p>	<p>Cabinet Member for Housing and Health</p>		<p>Details of <a href="#">My Community Voice</a> are included and promoted through Ward Cluster meetings and included on the Cluster Contact sheet and can be shared with the wider community.</p>	
<p><b>To encourage all Members to sign up the 'Stay Connected' online newsletters produced by the Council.</b></p> <p>See Member Engagement theme below.</p>	<p>Cabinet Member for Communities, Leisure and Arts</p>		<p>The Communications Team regularly email all MBC councillors including sending them all of the MBC press releases which include information regarding the 'Stay Connected' newsletters and provides an electronic link for people to use in order to sign-up.</p> <p>In addition, we promote the Stay Connected service via social media and Cabinet Members are actively encouraging their colleagues to sign-up to the service.</p>	<p>Communications Manager</p>

<p><b>To provide Members with the contact details for the various reporting mechanisms outlined in cluster contact sheets.</b></p> <p>See Member Engagement theme below.</p> <p>43</p>	<p>Cabinet Member for Housing and Health</p>		<p>Contact sheets are being updated to reflect the new Sergeants and Beat Officers for Members’ use only. The following information is also included for residents. These will be updated to include BTP’s App too.</p> <p><b>Information for residents</b></p> <p>MBC and Kent police build processes that support residents. It’s important that they use the following to ensure issues are recorded and safeguarding issues can be monitored.</p> <p><b>Police matters:</b></p>  <p><a href="#">My Community Voice</a> (MCV) is a two-way engagement tool set up by Kent Police for residents, businesses and community groups in Kent and Medway. MCV will enable Kent Police to update users with news, alerts, appeals, engagement events and general policing activities. Members of the public can choose what information they receive from us and how they receive it – whether that’s by email, text or voice mail. They can also share or reply to the messages they receive, enabling improved two-way communication, information sharing and problem-solving opportunities for the force.</p> <p>Residents should be encouraged to report all crimes and ASB to the police. The easiest way to do this is by calling</p>	<p>Head of Housing and Regulatory Services</p>
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Appendix 2 - Overview and Scrutiny Recommendation Action and Implementation Plan (SCRAIP)

			<p>101 or online <a href="http://www.kent.police.uk/ro/report/">www.kent.police.uk/ro/report/</a>. <b>If an emergency 999.</b> Residents can also report anonymously via <a href="http://www.crimestoppers-uk.org">www.crimestoppers-uk.org</a> or 0800 555 111.</p> <p>Also for young people <a href="http://www.fearless.org">www.fearless.org</a> is a site where young people can access non-judgemental information and advice about crime and criminality. It also allows them to report anonymously issues or concerns.</p> <p><b>Nuisance and community issues:</b> Report via <a href="http://www.maidstone.gov.uk">www.maidstone.gov.uk</a> or <a href="#">here</a></p>	
<p><b>To facilitate a Member representative engaging with the Youth Forum.</b></p> <p>See Member Engagement theme below.</p>	<p>Cabinet Member for Housing and Health/Communities, Leisure and Arts</p>		<p>The Maidstone Youth Forum has been established and operating for nearly a year and is growing in momentum. They have been approached, via the KCC Youth Hub Delivery Manager, regarding whether they would welcome the opportunity to speak to an elected member from Maidstone. This will be raised at their next forum, and we await their response.</p>	<p>Community and Strategic Partnerships Manager</p>
<p><b>To provide Members and Officers with Bystander Training.</b></p> <p>See Member Engagement theme below.</p>	<p>Cabinet Member for Housing and Health</p>		<p>Opportunities to provide training to relevant officers and Members will be sought throughout the Municipal year. This could include invitations to sessions hosted for business and community groups as appropriate. The following leaflet will be distributed shortly to businesses to generate interest as part of the Safer Streets initiative.</p>	<p>Community and Strategic Partnerships Manager</p>



**#Maid safer**  
working together makes Maidstone safe

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**Tackling and Managing Male Based Violence Training**

- Have you got what it takes to make a difference for your customers, staff or a stranger?
- Could you be an ambassador against gender based crime?
- Do you want to equip your teams with a new tool kit that will make your business safer at no extra cost? Can you afford not to?

**Places are limited so register your interest and tell us why you are a good candidate by emailing [maidsafer@onemaidstone.com](mailto:maidsafer@onemaidstone.com)**





**Working together to make Maidstone Safer - The Community Bystander Approach**

- Do you want to make Maidstone a safer place?
- Do you wish you knew more about what to do when you see something wrong, but feel powerless to change it?
- Could you play a role in challenging misogyny, prejudice, anti-social behaviour but worry about how to do so safely?

**Places are limited so register your interest and tell us why you are a good candidate by emailing [maidsafer@onemaidstone.com](mailto:maidsafer@onemaidstone.com)**

Brought to you by the **Safer Streets Initiative**

In partnership with:








Appendix 2 - Overview and Scrutiny Recommendation Action and Implementation Plan (SCRAIP)

<p><b>To encourage continued engagement from Members with Council activities, such as Member Briefings.</b></p> <p>See Member Engagement theme below.</p>	<p>Cabinet Member for Housing and Health/ Communities, Leisure and Arts</p>		<p>Officers welcome this suggestion, to ensure members benefit from the inputs to improve their awareness and understanding of a range of community safety matters.</p>	<p>Community and Strategic Partnerships Manager</p>
<p>46 <b>To circulate the information provided to Town Centre Ward Members at the Town Centre Street Scene Meetings relating to safety in the town centre, to Members of the Overview and Scrutiny Committee acting as the Crime and Disorder Committee.</b></p>	<p>Cabinet Member for Housing and Health</p>		<p>The Street Scene Group is overseen by Our Environment and Public Realm team.</p> <p>**** We are discussing with the team how this information is best shared and will update the response when we have the recommendation from the team ***</p>	<p>Head of Environment and Public Realm</p>

Appendix 2 - Overview and Scrutiny Recommendation Action and Implementation Plan (SCRAIP)

<p>See Member Engagement theme below.</p>				
<p><b>That the questions contained within the annual survey on town centre safety be reviewed, to ensure that the questions contained be used to conduct a benchmarking exercise for future measurement.</b></p> <p>See Future Actions theme below.</p>	<p>Cabinet Member for Housing and Health</p>		<p>We do not undertake an annual survey in the Town Centre. When relevant surveys are undertaken, such as the consultation on the Town Centre Public Space Protection Order and the Residents' Surveys, questions relating to Town Centre Safety and perceptions of crime are kept consistent for this very purpose.</p>	<p>Community and Strategic Partnerships Manager and Head of Housing and Regulatory Services.</p>
<p><b>That a Member be appointed as a rapporteur to conduct a post-review evaluation.</b></p> <p>See Future Actions theme below.</p>	<p>Cabinet Member for Housing and Health</p>		<p>Democratic Services will oversee the relevant appointment at the appropriate time.</p>	

### **Greater Communications Theme**

Overall Outcome: To enable the production of a greater number of positive communications on town centre safety.

The Committee felt that there should be greater communications to publicise the actions taken to improve safety in the town centre, in part as negative press could be inaccurate and often attracted greater public attention than positive communications.

Specific references were made to the below aspects throughout the review in outlining the topics that Council communications should be covering:

- The achievements of the Town Centre Task Force
- Partnership working
- Successful interventions
- Provision of Youth Services
- Contact details for partner organisations and council services, such as Domestic Abuse Support

### **Member Engagement Theme**

Overall Outcome: To provide improved support to Members.

During the review, the Committee and external attendees highlighted the role of Elected Members in reporting incidents of criminal activity, supporting the services provided and engaging with young people, and raising the work undertaken with their respective political groups.

### **Future Actions Theme**

Overall Outcome: Ensure effective monitoring of any actions agreed and ensure that public feedback is considered.

In formulating its recommendations, the Committee highlighted the feedback they had received from residents on reporting safety concerns and the importance of ensuring that further information and feedback was provided on the matter following the review.

**CABINET**

**28 JUNE 2023**

**Reference from Planning, Infrastructure and Economic Development Policy Advisory Committee – Notice of Motion – Town Centre Strategy**

<b>Timetable</b>	
<b>Meeting</b>	<b>Date</b>
PIED PAC	7 June 2023
Cabinet	28 June 2023

<b>Wards affected</b>	All, with particular impact for Bridge, High Street, East, Fant and North Wards.
-----------------------	----------------------------------------------------------------------------------

**Executive Summary**

At its meeting on the 7 June 2023, the Planning, Infrastructure and Economic Development Policy Advisory Committee (PIED PAC) considered the motion moved and seconded at the Council meeting held on 19 April 2023. The Motion concerned the Town Centre Strategy, and the Mayor referred the matter to the Economic Regeneration and Leisure Policy Advisory Committee (matter now covered by the Planning, Infrastructure and Economic Development Policy Advisory Committee).

The PIED PAC’s consideration of the motion is outlined within this reference.

**This report makes the following recommendation:**

That the Cabinet consider the motion relating to the Town Centre Strategy.

# Reference from Planning, Infrastructure and Economic Development Policy Advisory Committee – Motion on Notice – Town Centre Strategy

## 1. REASONS FOR RECOMMENDATION

1.1 At its meeting on the 7 June 2023, the PIED PAC considered the Motion on Notice – Town Centre Strategy, as moved and seconded at the Council Meeting held on 19 April 2023.

1.2 The original motion is outlined below:

*The Council is currently preparing a new Town Centre Strategy to guide the development of Maidstone for the next 10/30 years. As the report of 4 April 2023 to the Economic Regeneration and Leisure Policy Advisory Committee stated, all party consensus is essential to this project as it will clearly span multiple administrations over that time. Whilst a number of subject stakeholder Groups have been established there is one key group missing. There is no formal stakeholder consultation group set up for the representatives of the residents most closely affected, those in the current wards of Bridge, East, Fant, High Street and North. This can be addressed by establishing a formal stakeholder consultation group of the Councillors for these areas. The needs of residents close to the Town Centre are of a different nature to those who only visit it periodically, it is where local residents go for local shopping needs as well as their local pubs and restaurants and for local leisure and sports needs. It is a Town Centre for where they live on a daily basis rather than visit as a destination.*

*It is therefore resolved that:*

- 1. The Council continues with the Town Centre Strategy on the basis of obtaining all party support; and*
- 2. A Consultation Stakeholder Group of Town Centre Councillors for the current wards of Bridge, East, Fant, High Street and North be established so they can represent the needs of the local communities in and adjacent to the Town Centre area.*

1.3 The (draft) minute of the item's consideration is outlined below:

*The Cabinet Member for Planning, Infrastructure and Economic Development introduced the reference, outlining the previously agreed governance arrangements for the Town Centre Strategy which included the formation of a Town Centre User Group (the Group). The Group would include Elected Members from Wards in the local vicinity of the Town Centre and was expected to meet for the first time in June 2023. An additional stakeholder group was not required, given the engagement that would take place with the Group alongside the previous input with Members through Town Centre Walk-about, and the ongoing engagement with Political Group Leaders.*

*The Chief Executive emphasised that Members would have many opportunities to be involved in the Town Centre Strategy and associated delivery plan's development; there would be an extensive period of engagement before the Strategy was formally adopted; this is currently planned to occur by the end of the calendar year. Reassurance was given that the Group had been created in recognition of the role of the town centre for people who live there or in the surrounding areas to the Town Centre, as well as those that visit the area.*

*The seconder of the original motion at Council supported the engagement being undertaken through the Group and with political group leaders.*

*The Committee felt that no further recommendations on the reference were required, as since the motion was originally considered by Full Council the Group had been formed and was meeting in the near future.*

**RESOLVED:** That

1. *It be noted that the seconder of the motion supports the Town Centre User Group and welcomes that it has been convened; and*
2. *The Committee does not have any further recommendations to the Cabinet.*

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## **2. ALTERNATIVES CONSIDERED AND WHY NOT RECOMMENDED**

2.1 Not Applicable.

## **3. REPORT APPENDICES**

None.

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## **4. BACKGROUND PAPERS**

Minutes of the Council Meeting held on 19 April 2023: [Your Councillors - Maidstone Borough Council](#)

Agenda for the Planning, Infrastructure and Economic Development Policy Advisory Committee held on 7 June 2023: [Your Councillors - Maidstone Borough Council](#)

# Agenda Item 18

**CABINET**

**28 June 2023**

## **4<sup>th</sup> Quarter Finance, Performance & Risk Monitoring Report 2022/23**

<b>Timetable</b>	
<b>Meeting</b>	<b>Date</b>
Corporate Services Policy Advisory Committee	14 June 2023
Cabinet Meeting	28 June 2023

<b>Will this be a Key Decision?</b>	No
<b>Urgency</b>	Not Applicable
<b>Final Decision-Maker</b>	Cabinet
<b>Lead Head of Service</b>	Mark Green, Director of Finance, Resources & Business Improvement
<b>Lead Officer and Report Author</b>	Paul Holland, Senior Finance Manager Carly Benville, Senior Information Analyst Alison Blake, Interim Head of Mid Kent Audit Orla Sweeney, Senior Policies & Communities Officer Charlotte Yarnold, Programme Manager (Strategic Planning)
<b>Classification</b>	Public
<b>Wards affected</b>	All

### **Executive Summary**

This report sets out the 2022/23 financial and performance position for the services reporting into the Corporate Services Policy Advisory Committee (CS PAC) as at 31<sup>st</sup> March 2023 (Quarter 4). The primary focus is on:

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

The combined reporting of the financial and performance position enables the Committee to consider and comment on the issues raised and actions being taken to address both budget pressures and performance issues in their proper context,

reflecting the fact that the financial and performance-related fortunes of the Council are inextricably linked.

Following the realignment of the Policy Advisory Committees there have been some minor changes to the responsibilities of this Committee which are reflected in this report.

### Budget Monitoring

At the Quarter 4 stage the Council has incurred net expenditure of £23.019m against the approved profiled budget of £23.231m, representing an underspend of £0.212m.

Overall net expenditure at the end of Quarter 4 for the services reporting to CS PAC is £10.270m, compared to the approved profiled budget of £10.894m, representing an underspend of £0.624m.

At the Quarter 4 stage, the Council has incurred overall expenditure of £16.335m against a budget allocation within the Capital Programme of £32.631m.

Capital expenditure at the end of Quarter 4 for CS PAC was £2.440m against a total budget of £9.535m.

With the exception of this Committee the Policy Advisory Committees that were in place for 2022/23 have now been decommissioned and reconstituted with some different responsibilities for 2023/24. These changes have been reflected in the reports that the other Committee have seen.

### Performance Monitoring

A number of targets were missed due to current issues with the economy and the continuing after-effects of Covid-19, although there were improvements in a number of other areas.

### Corporate Risk Update

Appendix 3 outlines all the Council's corporate risks. Of note are changes to the elections and contractor failure risks to re-frame these, and a change to the cost-of-living risk which has been re-framed and has increased. The other corporate risks have been reviewed and updated with some changes to risk descriptions and/or controls or actions. The report also includes the operational risk profile of the Council and the most significant (black) operational risk.

### Recovery & Renewal Update

A number of actions across the three areas of focus in the Recovery and Renewal Action have now been completed. This is shown in the update at Appendix 4.

### UK Shared Prosperity Fund Update

An update on progress made against schemes using this funding is shown at Appendix 5.

### **Purpose of Report**

The report enables the Cabinet to consider and comment on the issues raised and actions being taken to address both budget pressures and performance issues as at 31<sup>st</sup> March 2023.

### **This report makes the following recommendations to the Cabinet:**

1. That the Revenue position as at the end of Quarter 4 for 2022/23, including the actions being taken or proposed to improve the position, where significant variances have been identified, be noted;
2. That the Capital position at the end of Quarter 4 for 2022/23 be noted;
3. That the Performance position as at Quarter 4 for 2022/23, including the actions being taken or proposed to improve the position, where significant issues have been identified, be noted;
4. That the proposed new KPIs for 2023/24 be approved;
5. That the Risk Update, attached at Appendix 3 be noted;
6. That the Recovery & Renewal Update, attached at Appendix 4 be noted;
7. That the UK Shared Prosperity Fund update, attached at Appendix 5 be noted; and
8. That the uncollectable Business Rates (NNDR) listed at Appendix 6 be approved for write-off.

# 4<sup>th</sup> Quarter Finance, Performance & Risk Monitoring Report 2022/23

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<b>Impact on Corporate Priorities</b>	<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)
<b>Cross Cutting Objectives</b>	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)
<b>Risk Management</b>	This is addressed in Section 5 of this report.	Director of Finance, Resources and Business Improvement (Section 151 Officer)
<b>Financial</b>	<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.	
<b>Staffing</b>	<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)
<b>Legal</b>	<p>The Council has a statutory obligation to maintain a balanced budget and the monitoring process enables the Committee to remain aware of issues and the process to be taken to maintain a balanced budget.</p> <p>There is no statutory duty to report regularly on the Council's performance. However, under Section 3 of the Local Government Act 1999 (as amended) a best value authority has a statutory duty to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. One of the purposes of the Key Performance Indicators is to facilitate the improvement of the economy, efficiency and effectiveness of Council services. Regular reports on Council performance help to demonstrate best value and compliance with the statutory duty.</p>	Interim Team Leader (Contentious and Corporate Governance) MKLS
<b>Information Governance</b>	The recommendations do not impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council processes.	Policy and Information Team
<b>Equalities</b>	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.	
<b>Public Health</b>	The performance recommendations will not negatively impact on population health or that of individuals.	Public Health Officer
<b>Crime and Disorder</b>	There are no specific issues arising.	Director of Finance, Resources and Business Improvement (Section 151 Officer)
<b>Procurement</b>	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)
<b>Biodiversity and Climate Change</b>	The implications of this report on biodiversity and climate change have been considered and there are no direct implications on biodiversity and climate change.	Biodiversity and Climate Change Manager

## 2. INTRODUCTION AND BACKGROUND

- 2.1 The Medium-Term Financial Strategy for 2022/23 to 2026/27 - including the budget for 2022/23 - was approved by full Council on 23<sup>rd</sup> February 2022. This report updates the Cabinet on how its services have performed over the last quarter with regard to revenue and capital expenditure against approved budgets.
- 2.2 This report also includes an update to the Cabinet on progress against its Key Performance Indicators (KPIs), and an updated covering corporate risks.
- 2.3 Attached at Appendix 1 is a report setting out the revenue and capital spending position at the Quarter 2 stage. Attached at Appendix 2 is a report setting out the position for the KPIs for the corresponding period. Attached at Appendix 3 is a report providing an update on corporate risks, in response to the Policy & Resources Committee's previous request for regular updates on this subject. Attached at Appendix 4 is an update on progress against the Recovery & Renewal Plan and attached at Appendix 5

is an update on the UK Shared Prosperity Fund, which includes a RAG rating that was requested by Members at a previous meeting. Attached at Appendix 6 are the details of the uncollectable Business Rates (NNDR) being requested for approval to write off.

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### **3. AVAILABLE OPTIONS**

- 3.1 There are two matters for decision in this report. The Cabinet is asked to approve the :
- new Key Performance Indicators.
  - write off the uncollectable Business Rates.
- 3.2 The Cabinet is asked to note the remaining parts of the report 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 March 2023, the Cabinet can choose to note this information or could choose to comment.
- 4.2 In the case of the two decisions the Cabinet is asked to approve these.
- 4.3 The Cabinet is requested to note the remaining content of the report.
- 

### **5. RISK**

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

- 6.2 Each Policy Advisory Committee supported the recommendations as they related to their areas. The Communities Leisure and Arts Policy Advisory Committee requested that there was an additional KPI added for the performance of the market at Lockmeadow.

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## 7. **NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

- 7.1 The Quarter 4 Budget & Performance Monitoring reports are being considered by the relevant Policy Advisory Committees during June 2023.

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## 8. **REPORT APPENDICES**

- Appendix 1: Fourth Quarter Budget Monitoring 2022/23
- Appendix 2: Fourth Quarter Performance Monitoring 2022/23
- Appendix 3: Risk Update 2022/23
- Appendix 4: Recovery & Renewal Update 2022/23
- Appendix 5: UK Shared Prosperity Fund Update 2022/23
- Appendix 6: Uncollectable Business Rates (NNDR)

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## 9. **BACKGROUND PAPERS**

None.

**Fourth Quarter Financial Update  
2022/23**

Corporate Services – Policy Advisory Committee

14<sup>th</sup> June 2023

Lead Officer: Mark Green

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# Part A

## Executive Summary & Overview



This report provides members with the financial position as at 31 March 2023, covering activity for both the Council as a whole and this committee's revenue and capital accounts for the fourth quarter of 2022/23.

In 2021/22, income recovered more strongly than expected from the pandemic and the Council generated a modest surplus compared with budget. For 2022/23, there is no more direct government funding to cover the costs of Covid, but the Council was able to set a balanced budget. Additional provision of £1.3 million was made within the 2022/23 budget for the expected impact of higher inflation on the Council's input costs. The projected peak level of inflation has increased and looks to continue to remain high for some time and is having an impact on contract and energy costs, so the unused contingency has been carried forward. We are also seeing increased demands in temporary accommodation which is linked to the financial economy. These pressures have been offset by increased levels of income and some underspends giving an outturn position which is a small underspend. The significant under and overspends have been reflected in the budget for 2023/24.

The fourth quarter monitoring report provides the forecast year end position for revenue and capital and updates the Committee on a range of other inter-related financial matters including Local Tax Collection, Reserves and Balances, Treasury Management and Maidstone Property Holdings.

With the exception of this Committee the Policy Advisory Committees that were in place for 2022/23 have now been decommissioned and reconstituted with some different responsibilities for 2023/24. These changes have been reflected in the reports that the other Committees have seen.

The headlines for Quarter 4 are as follows:

#### Part B: Revenue Budget – Q4 2022/23

- At the Quarter 4 stage, the Council has incurred net expenditure of £23.019m against a profiled budget of £23.231m, representing an underspend of £0.212m.
- For the services reporting directly to CS PAC, net expenditure of £10.270m has been incurred against a profiled budget of £10.894m, representing an underspend of £0.624m.

#### Part C: Capital Budget – Q4 2022/23

- At the Quarter 4 stage, the Council has incurred overall expenditure of £16.335m against a budget allocation within the Capital Programme of £32.631m.
- Expenditure for services reporting directly to CS PAC of £2.440m has been incurred against the budget of £9.535m.

#### Part D: Local Tax Collection 2022/23

- Collection rates were marginally higher than the target for the fourth quarter.
- The Council is working with other Kent councils to establish the year-end outturn position for the Kent Business Rates Pool in 2022/23.

#### Part E: Reserves & Balances 2022/23

- The unallocated balance on the General Fund at 1 April 2022 was £12.2m. It is anticipated that balances will remain above the minimum level set by Council.

#### Part F: Treasury Management 2022/23

- The Council held short-term investments of £10m, £5.0m in long term PWLB borrowing, and a further £5.0m in short-term borrowing as at 31<sup>st</sup> March 2023.

#### Part G: Maidstone Property Holdings Ltd. (MPH)

- MPH net rental income for Quarter 3 2022/23 was £591,964. Rent arrears as at 31<sup>st</sup> March 2023 were minimal.

# Part B

# Fourth Quarter Revenue Budget 2022/23



## B1) Revenue Budget: Council

B1.1 At the Quarter 4 stage, the Council has incurred net expenditure of £23.019m against a profiled budget of £23.231m, representing an underspend of £0.212m.

B1.2 Tables 1, 2 and 3 below provide further insight into the Council's income and expenditure position for Quarter 4 2022/23 by providing alternative analyses: by Policy Advisory Committee (PAC), Lead Member, Priority and Subjective Heading.

**Table 1: Net Expenditure 2022/23 (@ 4<sup>th</sup> Quarter): Analysis by PAC**

Policy Advisory Committee	Full Year Budget (Revised 2022/23)	Actual	Variance
	£000	£000	£000
Corporate Services	10,894	10,270	624
Planning, Infrastructure & Economic Development	1,322	1,299	23
Housing, Health & Environment	9,600	10,075	-475
Communities, Leisure & Arts	1,414	1,375	39
<b>Net Revenue Expenditure</b>	<b>23,231</b>	<b>23,019</b>	<b>212</b>

**Table 2: Net Expenditure 2022/23 (@4<sup>th</sup> Quarter): Analysis by PRIORITY**

Priority	Full Year Budget (Revised 2022/23)	Actual	Variance
	£000	£000	£000
Safe, Clean and Green	7,557	6,969	588
Homes and Communities	1,662	2,608	-946
Thriving Place	1,532	1,746	-213
Embracing Growth and Enabling Infrastructure	725	525	200
Central & Democratic	11,755	11,172	583
<b>Net Revenue Expenditure</b>	<b>23,231</b>	<b>23,019</b>	<b>212</b>

**Table 3: Net Expenditure 2022/23 (@ 4<sup>th</sup> Quarter): Analysis by SUBJECTIVE SPEND**

Subjective	Full Year Budget (Revised 2022/23)	Actual	Variance
	£000	£000	£000
Employees	23,951	23,068	883
Premises	6,747	6,930	-183
Transport	636	495	141
Supplies & Services	13,790	14,220	-429
Agency	7,057	6,820	237
Transfer Payments	40,293	37,066	3,227
Asset Rents	3,085	3,084	1
Income	-72,329	-68,664	-3,665
<b>Net Revenue Expenditure</b>	<b>23,231</b>	<b>23,019</b>	<b>212</b>

'Transfer payments' include payments of housing benefit, which are falling with the introduction of Universal Credit. The underspend on transfer payments is offset by a reduction in reimbursement income from central government.

**Table 4: Net Expenditure 2022/23 (@ 4<sup>th</sup> Quarter): Analysis by CABINET MEMBER**

Lead Member for	Full Year Budget (Revised 2022/23)	Actual	Variance
	£000	£000	£000
Leader of the Council	1,262	1,236	26
Planning, Infrastructure & Economic Development	173	159	13
Communities, Leisure & Arts	1,414	1,375	39
Corporate Services	10,782	10,174	608
Housing & Health	2,726	3,711	-985
Environmental Services	6,874	6,364	510
<b>Net Revenue Expenditure</b>	<b>23,231</b>	<b>23,019</b>	<b>212</b>

## B2) Revenue Budget: Corporate Services PAC

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

**Table 4: CS Revenue Budget: NET EXPENDITURE (@ 4<sup>th</sup> Quarter 2022/23)**

(a)	(b)	(c)	(d)
Cost Centre	Approved Budget for Year	Actual	Variance
	£000	£000	£000
Maintenance of Closed Churchyards	6	0	6
Drainage	32	21	12
Street Naming & Numbering	-73	-43	-30
Sandling Road Site	28	134	-106
Maidstone House - Landlord	-191	-41	-150
Civic Occasions	55	65	-11
Members Allowances	408	453	-45
Committee Allocations	0	0	-0
Members Facilities	18	15	3
Contingency	-285	-286	1
Corporate Projects	50	0	50
Corporate Management	414	87	327
Unapportionable Central Overheads	319	230	89
Council Tax Collection	57	56	1
Council Tax Collection - Non Pooled	-356	-155	-201
Council Tax Benefits Administration	-164	-164	0
NNDR Collection	2	5	-4
NNDR Collection - Non Pooled	-239	-194	-45
MBC- BID	1	-16	17
Registration Of Electors	61	75	-14
Elections	197	245	-47
KCC Elections	0	19	-19
General Elections	0	0	-0
Emergency Centre	23	23	0
Brexit	0	-47	47
Medway Conservancy	128	128	-0
External Interest Payable	147	147	-0
Interest & Investment Income	-100	-601	501
Palace Gatehouse	-3	2	-5
Archbishops Palace	-105	-85	-19
Parkwood Industrial Estate	-287	-331	44
Industrial Starter Units	-17	-40	23
Parkwood Equilibrium Units	-89	-101	13
Sundry Corporate Properties	-210	-69	-141
Phoenix Park Units	-219	-256	37
Granada House - Commercial	-93	-119	26
MPH Residential Properties	-730	-653	-77
Heronden Road Units	-151	-195	44
Boxmend Industrial Estate	-100	-129	29
Wren Industrial Estate	-95	-113	18
General Fund Residential Properties	-57	-43	-14
Pensions Fund Management	2,169	1,248	921
Non Service Related Government Grants	-4,216	-4,249	32
Rent Allowances	-115	44	-159
Non HRA Rent Rebates	-9	-6	-3
Discretionary Housing Payments	0	-7	7
Housing Benefits Administration	-327	-312	-15

(a)	(b)	(c)	(d)
Cost Centre	Approved Budget for Year	Actual	Variance
	£000	£000	£000
Democratic Services Section	293	256	38
Mayoral & Civic Services Section	131	129	3
Chief Executive	212	210	1
Head of Policy and Communications	50	47	3
Director of Strategy Governance and Insight	86	92	-6
Revenues Section	672	670	3
Registration Services Section	102	95	7
Benefits Section	588	586	1
Fraud Section	76	65	11
Mid Kent Audit Partnership	250	208	41
Director of Finance, Resources & Business Improv	165	162	3
Accountancy Section	913	798	115
Legal Services Section	628	502	126
Director of Regeneration & Place	164	162	2
Procurement Section	113	90	24
Property & Projects Section	370	339	31
Corporate Support Section	320	300	20
Improvement Section	420	360	59
Executive Support Section	104	104	1
Head of Commissioning and Business Improveme	20	16	5
Mid Kent ICT Services	751	734	17
GIS Section	148	145	3
Director of Mid Kent Services	59	56	3
Mid Kent HR Services Section	467	438	29
MBC HR Services Section	127	125	1
Head of Revenues & Benefits	76	53	23
Revenues & Benefits Business Support	132	134	-2
Dartford HR Services Section	-8	-8	-0
IT Support for Revenues and Benefits	31	30	0
Emergency Planning & Resilience	140	136	4
Head of Property and Leisure	55	70	-15
Facilities Section	266	214	52
Salary Slippage	-286	0	-286
Town Hall	153	141	12
South Maidstone Depot	228	282	-54
The Link	53	61	-8
Maidstone House - MBC Tenant	509	455	54
Museum Buildings	315	279	36
I.T. Operational Services	633	589	45
Central Telephones	16	20	-5
Apprentices Programme	53	15	38
Internal Printing	-4	-8	4
Debt Recovery Service	10	16	-7
Debt Recovery MBC Profit Share	-122	-115	-8
General Balances	-979	-979	0
Earmarked Balances	6,774	6,824	-50
Appropriation Account	3,085	3,084	1
Pensions Fund Appropriation	-3,456	-2,550	-906
Climate change	10	4	7
Biodiversity & Climate Change	102	93	9
<b>Totals</b>	<b>10,894</b>	<b>10,270</b>	<b>624</b>

## CS Revenue Budget &amp; Outturn – Quarter 4 (By Cabinet Member)

## Cabinet Member for Corporate Services

(a)	(b)	(c)	(d)
Cost Centre	Approved Budget for Year	Actual	Variance
	£000	£000	£000
Maintenance of Closed Churchyards	6	0	6
Drainage	32	21	12
Street Naming & Numbering	-73	-43	-30
Sandling Road Site	28	134	-106
Maidstone House - Landlord	-191	-41	-150
Civic Occasions	55	65	-11
Members Allowances	408	453	-45
Committee Allocations	0	0	-0
Members Facilities	18	15	3
Contingency	-285	-286	1
Corporate Projects	50	0	50
Corporate Management	414	87	327
Unapportionable Central Overheads	319	230	89
Council Tax Collection	57	56	1
Council Tax Collection - Non Pooled	-356	-155	-201
Council Tax Benefits Administration	-164	-164	0
NNDR Collection	2	5	-4
NNDR Collection - Non Pooled	-239	-194	-45
MBC- BID	1	-16	17
Registration Of Electors	61	75	-14
Elections	197	245	-47
KCC Elections	0	19	-19
General Elections	0	0	-0
Emergency Centre	23	23	0
Brexit	0	-47	47
Medway Conservancy	128	128	-0
External Interest Payable	147	147	-0
Interest & Investment Income	-100	-601	501
Palace Gatehouse	-3	2	-5
Archbishops Palace	-105	-85	-19
Parkwood Industrial Estate	-287	-331	44
Industrial Starter Units	-17	-40	23
Parkwood Equilibrium Units	-89	-101	13
Sundry Corporate Properties	-210	-69	-141
Phoenix Park Units	-219	-256	37
Granada House - Commercial	-93	-119	26
MPH Residential Properties	-730	-653	-77
Heronden Road Units	-151	-195	44
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Pensions Fund Management	2,169	1,248	921
Non Service Related Government Grants	-4,216	-4,249	32
Rent Allowances	-115	44	-159
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Discretionary Housing Payments	0	-7	7
Housing Benefits Administration	-327	-312	-15

(a)	(b)	(c)	(d)
Cost Centre	Approved Budget for Year	Actual	Variance
	£000	£000	£000
Democratic Services Section	293	256	38
Mayoral & Civic Services Section	131	129	3
Chief Executive	212	210	1
Head of Policy and Communications	50	47	3
Director of Strategy Governance and Insight	86	92	-6
Revenues Section	672	670	3
Registration Services Section	102	95	7
Benefits Section	588	586	1
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Legal Services Section	628	502	126
Director of Regeneration & Place	164	162	2
Procurement Section	113	90	24
Property & Projects Section	370	339	31
Corporate Support Section	320	300	20
Improvement Section	420	360	59
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GIS Section	148	145	3
Director of Mid Kent Services	59	56	3
Mid Kent HR Services Section	467	438	29
MBC HR Services Section	127	125	1
Head of Revenues & Benefits	76	53	23
Revenues & Benefits Business Support	132	134	-2
Dartford HR Services Section	-8	-8	-0
IT Support for Revenues and Benefits	31	30	0
Emergency Planning & Resilience	140	136	4
Head of Property and Leisure	55	70	-15
Facilities Section	266	214	52
Salary Slippage	-286	0	-286
Town Hall	153	141	12
South Maidstone Depot	228	282	-54
The Link	53	61	-8
Maidstone House - MBC Tenant	509	455	54
Museum Buildings	315	279	36
I.T. Operational Services	633	589	45
Central Telephones	16	20	-5
Apprentices Programme	53	15	38
Internal Printing	-4	-8	4
Debt Recovery Service	10	16	-7
Debt Recovery MBC Profit Share	-122	-115	-8
General Balances	-979	-979	0
Earmarked Balances	6,774	6,824	-50
Appropriation Account	3,085	3,084	1
Pensions Fund Appropriation	-3,456	-2,550	-906
<b>Sub-Total: Cabinet Member for Corporate Services</b>	<b>10,782</b>	<b>10,174</b>	<b>608</b>

#### Leader of the Council

(a)	(b)	(c)	(d)
Cost Centre	Approved Budget for Year	Actual	Variance
	£000	£000	£000
Climate change	10	4	7
Biodiversity & Climate Change	102	93	9
<b>Sub-Total: Leader of the Council</b>	<b>112</b>	<b>96</b>	<b>16</b>

<b>Totals:</b>	<b>10,894</b>	<b>10,270</b>	<b>624</b>
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B2.2 The table shows that, at the Quarter 4 stage, for the services reporting directly to CS PAC, net expenditure of £10.270m has been incurred against the budget of £10.894m, representing an underspend of £0.624m.

### B3) CS Revenue Budget: Significant Variances

B3.1 Within the headline figures, there are a number of both adverse and favourable net expenditure variances for individual cost centres. It is important that the implications of variances are considered at an early stage, so that contingency plans can be put in place and, if necessary, be used to inform future financial planning. Variances will be reported to each of the Policy Advisory Committees on a quarterly basis throughout 2022/23.

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

**Table 5: CS PAC Variances (@ 4<sup>th</sup> Quarter 2022/23)**

	Positive Variance Q4	Adverse Variance Q4
<b>Corporate Services</b>	<b>£000</b>	
<b>Sandling Road Site</b> – Additional security costs for the site were the main reason for this variance.		-106
<b>Maidstone House (Landlord)</b> – This variance was mainly due to a shortfall in budgeted rental income for the second floor.		-150
<b>Corporate Management</b> – The reason for this variance was a significant decrease in the general provision for bad debts. This had been increased during the Covid-19 pandemic in anticipation of a greater level of bad debts, but it is now considered appropriate to reduce it.	327	
<b>Unapportionable Central Overheads</b> – This variance is due to a reduced level of pension contribution payments to Kent County Council, which reflects the level of vacant posts through the year.	89	
<b>Council Tax Collection (Non-Pooled)</b> - The variance on this budget has been caused by a changes to costs allocated from the Collection Fund.		-201
<b>Interest &amp; Investment Income</b> – Interest rates have remained higher than forecast through the year, and there have been more funds available for investment due to slippage in the capital programme.	501	
<b>Sundry Corporate Properties</b> – The variance is due to an unrealised budget strategy saving for additional rental income which has not been realised as no new properties have been acquired.		-141

	Positive Variance Q4	Adverse Variance Q4
<b>Corporate Services</b>	<b>£000</b>	
<b>MPH Residential Properties</b> – This variance relates to an issue with the budgets being set up incorrectly, which will be corrected for 2023/24. There are no issues with the underlying position for this budget.		-77
<b>Pensions Fund Management</b> - The way pension costs are accounted for this variance is offset in the Pensions Fund Appropriation account below. The small variance between the two relates to a small variance in actual costs and early retirements.	921	
<b>Rent Allowances</b> - The budgets are set up in the expectation that income received is higher than expenditure, (due to recovery of overpayments). This year the expenditure was slightly more than income, as overpayments are becoming more difficult to recover.		-159
<b>Pensions Fund Appropriation</b> - See Pensions Fund Management above as these are offsetting amounts.		-906

#### B4) Other Revenue Budgets: Significant Variances

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

**Table 6: Planning, Infrastructure & Economic Development PAC Variances (@ 4<sup>th</sup> Quarter 2022/23)**

	Positive Variance Q4	Adverse Variance Q4
<b>Planning, Infrastructure &amp; Economic Development PAC</b>	<b>£000</b>	
<b>ECONOMIC DEVELOPMENT</b>		
<b>Innovation Centre</b> – The variance was caused by a number of factors, the most significant ones being business rate payments that had not been budgeted for and increased building maintenance costs as there were a number of issues that arose that had not been foreseen.		-74
<b>Business Terrace Expansion (Phase 3)</b> – This is a shortfall against budgeted income as a number of units were vacant during the year.		-72

	Positive Variance Q4	Adverse Variance Q4
<b>Planning, Infrastructure &amp; Economic Development PAC</b>	<b>£000</b>	
<b>PLANNING SERVICES</b>		
<b>Development Control Advice</b> – The majority of this variance relates to a shortfall in Pre-Planning Advice income. This has come about in part due to staff vacancies within the Development Control Majors team.		-121
<b>Development Control Appeals</b> – There were a number of active appeals during 2022/23 and as a result there have been increased costs above what was budgeted for.		-58
<b>Development Control Majors</b> – Income was down against budget due to a reduction in the number of applications received. The Majors Team Leader has been seconded to the Local Plans Team and the budget for the post was also transferred for the period of the secondment.		-91
<b>Development Control Other</b> - Income was down against budget due to a reduction in the number of applications received.		-74

## Local Plan Review

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

B4.2 The LPR process is therefore funded through an annual £200,000 revenue contribution, in addition to the existing service budget, with any remaining unspent balances at year end automatically rolled forward into the following financial year. The table below shows the available revenue resources currently allocated to fund LPR activities, and the spend as at 31<sup>st</sup> March 2023.

<b>Opening Balance 01/04/2022</b>	<b>Spending April - March 2023</b>	<b>Spending Balance 31/03/2023</b>
<b>£'s</b>	<b>£'s</b>	<b>£'s</b>
1,477,664	687,718	789,946

Table 6a, Local Plan Review budget (Q4, 2022/23)

B4.3 In addition to the annual funding a further £1m was allocated from the New Homes Bonus for 2022/23 for the LPR.

**Table 7: Housing, Health & Environment PAC Variances (@ 4<sup>th</sup> Quarter 2022/23)**

	Positive Variance Q4	Adverse Variance Q4
<b>Housing, Health &amp; Environment Committee</b>	<b>£000</b>	
<b>Crematorium</b> – There has been a greater demand for service with the death rate being higher than normal. There has also been an increase in memorial sales.	128	
<b>Public Conveniences</b> – The underspend relates to unused budgetary provision that was made for the new toilets in Mote Park which didn't open until the end of December 2022.	101	
<b>Household Waste Collection</b> – The overspend is due to additional bin purchases and the consultancy costs relating to the new waste collection contract.		-67
<b>Mote Park</b> - This overspend was caused by a number of factors – increased water costs, increased trade waste charges and costs relating to the new Estate Services Building.		-52
<b>Homeless Temporary Accommodation</b> - Demand has been high all year for temporary accommodation, and this is due mainly to the rise in the cost of living. There are also issues with getting people out of temporary accommodation as soon as possible, this has proved very difficult throughout the year.		-906
<b>Ulcombe Caravan Site (Water Lane)</b> - This overspend was caused by increased service charges from Kent County Council. This was due to issues around rent collection, and increased charges for water and electricity.		-60

**Table 8: Communities, Leisure & Arts PAC Variances (@ 4<sup>th</sup> Quarter 2022/23)**

	Positive Variance Q4	Adverse Variance Q4
<b>Communities, Leisure &amp; Arts PAC</b>	<b>£000</b>	
<b>Lockmeadow landlord costs and Lockmeadow Complex</b> – There was a shortfall in rental income from tenants, but this was offset by significant underspends against the professional services and repairs and maintenance budgets.	48	
<b>Market</b> – This variance is due to a shortfall in income received through the year.		-65

## B5) Virements

B5.1 In accordance with the Council's commitment to transparency and recognised good practice, virements (the transfer of individual budgets between objectives after the overall budget has been agreed by full Council) are reported to the CS PAC on a quarterly basis.

B5.2 Virements may be temporary, meaning that there has been a one-off transfer of budget to fund a discrete project or purchase, or permanent, meaning that the base budget has been altered and the change will continue to be reflected in the budget for subsequent years.

B5.3 The virements made in Quarter 4 are presented in Table 9 below.

**Table 9: Virements (@ 4<sup>th</sup> Quarter 2022/23)**

Reason	From	To	Value £	Perm/Temp*
Transfer Contingency to Earmarked Reserve	Contingency	Contingency for Future Funding Pressures	2,133,750	Temporary
Transfer Unused MRP to Earmarked Reserve	Minimum Revenue Provision	Future Capital Expenditure	906,970	Temporary
Fund Various LPR Costs	Spatial Planning Earmarked Reserve	Planning Policy	411,140	Temporary
Transfer Reserve to Innovation Centre	Enterprise Zone Earmarked Reserve	Enterprise Rates Income	123,200	Temporary
Fund Charges From Reserve	Homelessness Prevention & TA Reserve	Homelessness Prevention	75,000	Temporary
Fund Additional Enforcement Costs	Planning Appeals	Planning Appeals	56,160	Temporary
Fund Recovery & Renewal Spend	Recovery & Renewal Reserve	MBC HR Services Section	20,900	Temporary
Budget Allocation for Grant to Various Communities	Recovery & Renewal Reserve	Social Inclusion	20,340	Temporary
Funding for Borough Insight	Recycling/Commercial Waste	Borough Insight	12,000	Temporary
Fund Safety in Action from CCTV	CCTV	Safety In Action	2,790	Temporary
Additional Funding for the Website Project	Business Rates Growth Earmarked Balances	Website	1,200	Temporary

# Part C

# Fourth Quarter Capital Budget 2022/23



## **C1) Capital Budget: Council**

- C1.1 The overall five-year Capital Programme for 2022/23 to 2026/27 was approved by the Council on 23<sup>rd</sup> February 2022. Some capital funding will now come from prudential borrowing as other sources of funding are not sufficient to cover the costs of the programme, although funding continued to be available from the New Homes Bonus (NHB) in 2022/23.
- C1.2 The 2022/23 element of the Capital Programme (including unused resources brought forward from 2021/22) has a revised budget of £32.631m. At the Quarter 4 stage, capital expenditure of £16.335m had been incurred, with budget remaining of £16.297m.

## **C2) Capital Budget: Corporate Services PAC**

- C2.1 Progress towards the delivery of the 2022/23 CS PAC element of the Capital Programme at the Quarter 4 stage is presented in Table 10 overleaf.
- C2.2 At the Quarter 4 stage, expenditure of £2.440m has been incurred against a revised budget of £9.535m million for CS PAC. This leaves a remaining budget of £7.095m.

Capital Programme Heading	Revised Estimate 2022/23 £000	Actual to March 2023 £000	Budget Remaining £000
<b>Housing, Health &amp; Environment</b>			
Housing - Disabled Facilities Grants Funding	1,640	1,228	412
Temporary Accommodation	4,330	451	3,879
Springfield Mill - Phase 2	731	738	-8
Affordable Housing Programme - Trinity Place	500	375	125
Commercial Development - Maidstone East	200		200
Private Rented Sector Housing Programme	2,310	1,653	657
1,000 Homes Affordable Housing Programme	7,600	4,406	3,194
Acquisitions Officer - Social Housing Delivery P/ship	160	180	-20
Granada House Refurbishment Works	100	41	59
Street Scene Investment	70	72	-2
Flood Action Plan	430	12	418
Electric Operational Vehicles	84	95	-11
Vehicle Telematics & Camera Systems	35	39	-4
Rent & Housing Management IT System	11	14	-3
Installation of Public Water Fountains	15		15
Crematorium & Cemetery Development Plan	250	241	9
Continued Improvements to Play Areas	126	32	94
Parks Improvements	152	133	19
Gypsy & Traveller Sites Refurbishment	1,421	1,289	131
Waste Crime Team - Additional Resources	25		25
Section 106 funded works - Open Spaces	400	283	117
<b>Total</b>	<b>20,589</b>	<b>11,280</b>	<b>9,309</b>
<b>Communities, Leisure &amp; Arts</b>			
Mote Park Visitor Centre	1,307	1,690	-383
Mote Park Lake - Dam Works	486	318	168
Leisure Provision	100		100
Tennis Courts Upgrade	20	0	20
Lockmeadow Ongoing Investment	203	338	-135
Mote Park Kiosk Refurbishment & Extension	50		50
<b>Total</b>	<b>2,166</b>	<b>2,347</b>	<b>-181</b>
<b>Corporate Services</b>			
Corporate Property Acquisitions	3,181		3,181
Garden Community	1,100	200	900
Infrastructure Delivery	1,000		1,000
Asset Management / Corporate Property	1,261	790	471
Other Property Works	100	4	96
Biodiversity & Climate Change	250	77	173
Feasibility Studies	122	91	31
Digital Projects	25	26	-1
Software / PC Replacement	336	123	213
Maidstone House Works	1,000	356	644
Automation Projects	200	15	185
New Ways of Working - Make the Office Fit for Purpose	40	9	31
Fleet Vehicle Replacement Programme	900	723	177
Election Polling Booths	20	27	-7
<b>Total</b>	<b>9,535</b>	<b>2,440</b>	<b>7,095</b>
<b>Planning, Infrastructure &amp; Economic Development</b>			
Kent Medical Campus - Innovation Centre	341	268	73
<b>Total</b>	<b>341</b>	<b>268</b>	<b>73</b>
<b>TOTAL</b>	<b>32,631</b>	<b>16,335</b>	<b>16,297</b>

Table 10: Capital Expenditure (@ 4<sup>th</sup> Quarter 2022/23)

### **C3) Capital Budget Variances (@ 4<sup>th</sup> Quarter 2022/23)**

#### **Corporate Services PAC**

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

Corporate Property Acquisitions – This budget was not utilised as no suitable properties for purchase were identified. The budget will be carried forward into 2023/24.

Garden Community – Work is continuing on developing this project, with any unused balance being carried forward into 2023/24.

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

Maidstone House – The initial phase of works, including upgrading the reception area and external signage, was completed in 2022/23. Work on the lifts is currently under way, and the unused budget will be carried forward into 2023/24 for the next phase of work.

#### **Housing, Health & and Environment PAC**

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

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

Temporary Accommodation - This is the funding for the latest phase of property acquisitions to provide accommodation for temporarily homeless families and persons. There were only two acquisitions to this year, due to the high level of house prices during the year. More acquisitions are taking place in 2023/24 as more properties have been identified at affordable prices.

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

A number of schemes are at various stages of development, and further land/property acquisitions have taken place during the year. The variance relates mainly to larger scale schemes that have not progressed as far as was anticipated by the end of March. Some schemes will also contain elements of both private rented and affordable housing so the costs may change depending on the mix at the sites where this happens.

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

**Communities, Leisure & Arts PAC**

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

Mote Park Visitor Centre – The centre is now open but there have been some unanticipated costs that mean the project will cost more than initially budgeted for. Funding has been identified for this overspend.

Lockmeadow Ongoing Investment – Construction costs rose after the budget was set, hence the overspend. The budgets for future expenditure can be adjusted to compensate for this overspend.

## Part D

# Fourth Quarter Local Tax Collection 2022/23



## D1) Collection Fund

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

## D2) Collection Rates & Reliefs

- D2.1 The collection rates achieved for local taxation are reported in the table below.

**Table 11: Local Tax Collection Rates (Q4 2022/23)**

Description	Target Q4 2022/23	Actual Q4 2022/23
Council Tax	95.75%	96.76%
Business Rates	95.20%	97.65%

- D2.2 The amount of Council Tax and Business Rates collected is marginally higher than the quarter 4 target.

## D3) Kent Business Rates Pool

- D3.1 The council has continued to participate with other Kent authorities during 2022/23 to maximise the proportion of business rates growth it is able to retain. Forecasts from those in the pool have been requested and we will have an update once we receive all Business Rate quarter 4 figures. As in previous years, any funding will be allocated to spending which supports the delivery of the council's Economic Development Strategy.
- D3.2 As part of the pooling arrangements, pool members share the risks, as well as the rewards of pool membership. Business rates retention scheme is extremely difficult to forecast, due to the number of unknowns e.g. the impact of the removal of expanded reliefs to businesses affected by Covid-19, and the longer term impacts on local, national and global economies.

# Part E

# Reserves & Balances 2022/23



## E1) Reserves & Balances

E1.1 The combined total of the General Fund balance and Earmarked Reserves as at 1 April 2022 was £33.8 million, including £10.2 million set aside to fund future collection fund deficits. The makeup of the balance, and the forecast movements during 2022/23 are presented in Table 12 below.

E1.2 The closing balance enables a minimum general fund balance of £4.0 million to be maintained, as agreed by full Council in February 2022.

**Table 12: Reserves & Balances Quarter 4 2022/23**

	Balance 1st April 2022	Estimated movement in 2022/23	Estimated Balance as at 31st March 2023
	£000	£000	£000
<b>General Fund</b>			
Unallocated Balance	11,362	24	11,386
<b>Subtotal</b>	<b>11,362</b>	<b>24</b>	<b>11,386</b>
<b>Earmarked Reserves</b>			
Spatial Planning	0	559	559
Housing Investment Fund	0	3,216	3,216
Neighbourhood Planning	97	(20)	77
Planning Appeals	286	(56)	229
Trading Accounts	0	0	0
Civil Parking Enforcement	400	(31)	370
Future Capital Expenditure	2,426	29	2,455
Future Funding Pressures	969	1,300	2,269
Homelessness Prevention & Temporary Accommodation	1,279	(155)	1,124
Business Rates Earmarked Balances	3,681	(153)	3,529
Funding for Future Collection Fund Deficits	10,284	(10,284)	0
Commercial Risk	500	0	500
Invest to Save	500	0	500
Recovery and Renewal Reserve	778	(202)	575
Renewable Energy	119	70	188
Enterprise Zone	4	(4)	0
Majors Works (MH) Sinking Fund	0	213	213
Resources carried forward from 2021/22 to 2022/23	1,184	(1,184)	0
Resources carried forward from 2022/23 to 2023/24		200	200
<b>Subtotal</b>	<b>22,508</b>	<b>(6,503)</b>	<b>16,005</b>
<b>Total General Fund and Earmarked Reserves</b>	<b>33,870</b>	<b>(6,480)</b>	<b>27,390</b>

Table 12: General Fund and Earmarked Balances at Q4 2022/23

# Part F

## Treasury Management 2022/23



## F1) Introduction

The Council has adopted and incorporated into its Financial Regulations, the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code).

The CIPFA Code covers the principles and guidelines relating to borrowing and investment operations. On 23<sup>rd</sup> February 2022, the Council approved a Treasury Management Strategy for 2022/23 that was based on this code. The strategy requires that Corporate Services Policy Advisory Committee should formally be informed of Treasury Management activities quarterly as part of budget monitoring.

## F2) Economic Headlines

During the Quarter ended 31<sup>st</sup> March 2023, the Council's Advisors, Link Asset Services, reported:

- A 0.5% month on month rise in GDP in October, mostly driven by the reversal of bank holiday effects;
- CPI inflation fell to 8.9% in March 2023 from 10.1% in February 2023;
- Average wage increases are currently running over 6% with unemployment rates at 3.7%;
- Interest rates rise by 75 basis points over Quarter 4, taking Bank Rate to 4.25%;
- The pound (£) has remained resilient of late, recovering from a record low of \$1.035, to \$1.23.

## F3) Interest Rates

The Council has appointed Link Group as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. Their advice is set out in this section.

The PWLB interest rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1st November 2012.

**Table 13: Interest Rate Forecast**

Link Group Interest Rate View	25.05.23												
	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26
<b>BANK RATE</b>	4.75	5.00	5.00	4.75	4.50	4.00	3.50	3.25	2.75	2.50	2.50	2.50	2.50
3 month ave earnings	4.80	5.00	5.00	4.80	4.50	4.00	3.50	3.30	2.80	2.50	2.50	2.50	2.50
6 month ave earnings	5.10	5.20	5.10	4.90	4.50	3.90	3.40	3.20	2.90	2.60	2.60	2.60	2.60
12 month ave earnings	5.40	5.40	5.30	5.00	4.50	3.90	3.40	3.20	2.90	2.70	2.70	2.70	2.70
5 yr PWLB	5.00	5.00	5.00	4.80	4.50	4.10	3.70	3.50	3.30	3.20	3.20	3.10	3.10
10 yr PWLB	5.00	5.00	5.00	4.80	4.40	4.10	3.80	3.60	3.50	3.40	3.30	3.30	3.30
25 yr PWLB	5.30	5.30	5.20	5.10	4.80	4.50	4.20	4.00	3.80	3.70	3.60	3.60	3.60
50 yr PWLB	5.10	5.10	5.00	4.90	4.60	4.30	4.00	3.80	3.60	3.50	3.40	3.40	3.40

## **BANK RATE**

The above forecast for interest rates has been updated on 26<sup>th</sup> May 2023 and reflected a view that the MPC would be keen to further demonstrate its anti-inflation credentials by delivering a succession of rate increases. This has happened to a degree but with inflation remaining elevated we anticipate that Bank Rate will need to increase to at least 5%, if not higher, to sufficiently slow the UK economy and loosen the labour market.

It is anticipated that the Bank of England will be keen to loosen monetary policy when the worst of the inflationary pressures are behind us – but that timing remains one of fine judgment: cut too soon, and inflationary pressures may well build up further; cut too late and any downturn or recession may be prolonged. Our current judgment is that rates will have to increase and stay at their peak until the spring of 2024 as a minimum.

On the positive side, consumers are still estimated to be sitting on significant excess savings left over from the pandemic, which could cushion some of the impact of the above challenges and may be the reason why the economy is performing somewhat better at this stage of the economic cycle than may have been expected. However, most of those excess savings are held by more affluent people whereas lower income families already spend nearly all their income on essentials such as food, energy and rent/mortgage payments.

## **PWLB RATES**

Gilt yield curve movements have shifted upwards in recent weeks and remain relatively volatile. PWLB 5 to 50 years Certainty Rates are, generally, in the range of 4.75% to 5.50%.

We view the markets as having recalibrated the level of reward required by investors to hold UK sovereign debt (c0.75% higher than in March).

## **F4) Council Investments**

The council held investments totaling £38.75m at the start of the year which has reduced to £8.54m on 31<sup>st</sup> March 2023. Investment levels are at their lowest at the end of each financial year due to a high proportion of income streams like Council tax and Business rates only being paid over a 10 month period to January each year, but expenditure levels continue throughout the year.

A full list of investments held at this time is shown at Table 15 below. All investments are held in either short term notice accounts or money market funds, to be readily available to fund the Council's liabilities, including the capital programme.

**Table 14: Short-Term Investments (4<sup>th</sup> Quarter 2022/23)**

Counterparty	Type of Investment	Principal £	Start Date	Maturity Date	Rate of Return	MBC Credit Limits	
						Maximum Term	Maximum Deposit
Aberdeen Standard Liquidity Fund	Money Market Fund	1,945,000			4.05%		£10,000,000
CCLA Public Sector Deposit Fund	Money Market Fund	6,595,000			4.12%		£10,000,000
Total Investments		8,540,000					

Investment income for 2022/23 totals £0.591m against a budget of £0.100m with an average rate of 2.21% over the year. The increase income is due to interest rates increasing throughout the year as detailed in F3 Interest Rates above.

## F5) Council Borrowing

The Council held external borrowing amounting to £9m at the start of 2022/23. Total borrowing as at 31<sup>st</sup> March 2023 was £10m with a breakdown shown in Table 15 below. Additional short-term borrowing of £5m was required on 28<sup>th</sup> February 2023 from Northern Ireland Housing Executive which was required to repay £11.9m to Department of Levelling up and Housing Communities (DLUHC) for Section 31 grant funding.

**Table 15: Council Borrowing (4<sup>th</sup> Quarter 2022/23)**

Counterparty	Type of Institution	Principal £	Start Date	Maturity Date	Interest Rate
Public Works Loans Board	Central Government	2,000,000	11/11/2021	11/11/2071	1.73%
Public Works Loans Board	Central Government	3,000,000	30/12/2021	30/12/2071	1.56%
Northern Ireland Housing Executive	Housing Authority	5,000,000	28/02/2023	30/05/2023	4.05%
Total Loans		10,000,000			

The Council has also committed to £80m future borrowing to fund the capital programme, currently forecasted at around £200m over the next 5 years. The loans were procured through a tendering process undertaken by Link Asset Service. Details of these can be found in Table 16 below.

**Table 16: Committed Borrowing (4<sup>th</sup> Quarter 2022/23)**

<b>Counterparty</b>	<b>Type of Institution</b>	<b>Principal £</b>	<b>Start Date</b>	<b>Maturity Date</b>	<b>Interest Rate</b>
Aviva Life & Pensions UK Limited	Corporate Lender	20,000,000	13/02/2024	13/02/2064	2.87%
Aviva Life & Pensions UK Limited	Corporate Lender	20,000,000	13/02/2024	13/02/2074	2.87%
Aviva Life & Pensions UK Limited	Corporate Lender	20,000,000	13/02/2025	13/02/2075	2.87%
Aviva Life & Pensions UK Limited	Corporate Lender	20,000,000	13/02/2026	13/02/2076	2.87%
<b>Total</b>		<b>80,000,000</b>			

# Part G

## Maidstone Property Holdings 2022/23



## **G1) Maidstone Property Holdings Ltd. (MPH)**

- G1.1 MPH is a wholly-owned subsidiary of the Council and was incorporated on 30th September 2016. It is primarily a vehicle for letting residential properties on assured short-hold tenancies.
- G1.2 An Internal Audit review identified that there should be a mechanism in place to enable the company to formally report to the Council. Given the current level of activity within the company is relatively low, it was decided that this would be done via the quarterly budget monitoring process (previously to the Policy and Resources Committee, now to this Committee). This section of the report provides an overview of the activity and performance of the company for the year to date.
- G1.3 The MPH financial year-end is 31<sup>st</sup> March, in order to align with the Council's financial reporting period.

## **G2) MPH Headlines**

- G2.1 During 2021/22 management of residential accommodation transferred from an external agent to the Council's in-house accommodation team. MPH also took on the lease of new flats at Tower Hill (Brunswick Street), Tylers Place (Union Street) Springfield Place and Springfield Mill. Granada House and a number of other individual residential properties are also included in the portfolio.
- G2.2 Net rental income up to the end of the fourth quarter of 2022/23 totals £591,964 (2021/22 £517,666) This represents rent collected, less running costs, maintenance costs and recharges for staff time. As at 31<sup>st</sup> December 2022, there were minimal rent arrears.
- G2.3 The Council receives income from the company through charges made for services provided, and the property lease. After these charges and other expenses, it is expected that the company will achieve a breakeven position for 2022/23.
- G2.4 As company activity increases over time, governance and reporting arrangements will be kept under review to ensure that they remain appropriate and commensurate with the scope of activity and associated risks.



# Fourth Quarter Risk Update

## 2022/23

June 2023  
Corporate Services PAC  
Report Author: Alison Blake  
*(Interim Deputy Head of Audit)*

## Introduction

A key principle of good governance is managing the **effect of uncertainties on the achievement of our objectives** (our risks). Having arrangements in place to identify and manage our risks increases the probability of achieving corporate and operational objectives by controlling risks in balance with resources. Good risk management also increases our ability to cope with developing and uncertain events and helps to instil a culture of continuous improvement and optimisation.

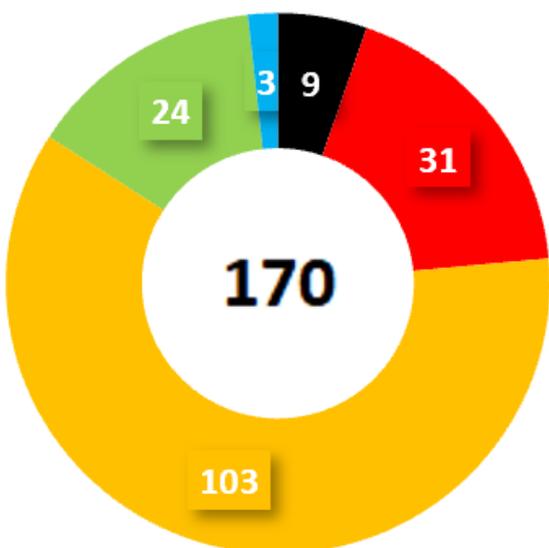
The Risk Management Framework sets out how the Council identifies, manages and monitors risks. This includes the risk appetite statement, which articulates how much risk the Council is comfortable with and able to bear. The Council is currently updating its Risk Management Framework (which was last reviewed in 2019). The new Framework will be taken to Audit, Governance and Standards Committee for approval in July.

A key part of the risk management process is to report risk information to understand how the risks to the Council are changing and what risks are emerging. This report sets out the Council’s corporate risks, describes the risks ‘on the horizon’ and includes the Council’s operational risk profile, detailing the most significant operational risks.

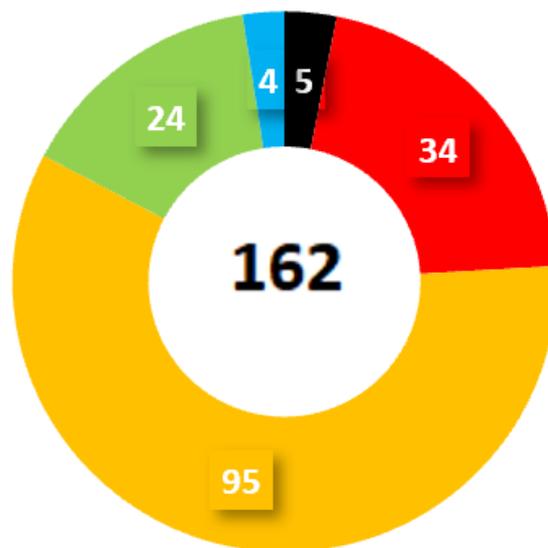
The Council will undertake a complete review and refresh of its Corporate Risk Register at a workshop involving Members and Officers in June. The new corporate risks will be reported to CS PAC as part of the next update report in September.

The Council’s overall risk profile is pictured in the diagrams below. These show a slight decrease in the overall number of risks and a decrease in the number of black risks following the incorporation of two housing operational risks into the corporate risk, and a reduction in the infrastructure risk.

**Current Risk Profile (Jan' 23)**



**Current Risk Profile (May' 23)**

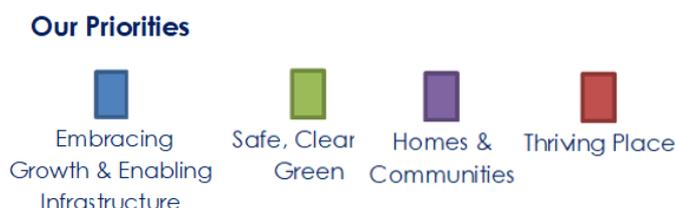


## Corporate Risks

The Council's corporate risks are reported quarterly to the Corporate Services Policy Advisory Committee to ensure effective oversight and monitoring. The risks are reviewed and updated by risk owners including progress against any related risk actions.

The table below summarises the **15** risks on the corporate risk register. Further detail on the corporate risks, including a description of the risk and details of existing and planned key controls are included in Appendix A. Appendix B outlines the impact and likelihood scoring criteria.

No	Corporate risk	Jan' 23 Current Risk	May 2023		Corporate Priority			
			Current Risk	Mitigated Risk				
1	Financial uncertainty	25	25	16	✓	✓	✓	✓
2	Election failure / challenge	25	20	16	✓	✓	✓	✓
3	Construction costs / contractor insolvency	20	20	16	✓		✓	✓
4	Housing pressures increasing	20	20	16	✓		✓	
5	Environmental damage	16	16	16		✓	✓	✓
6	Cost of Living Crisis	9	16	12		✓	✓	
7	Diminished local retail and leisure sector	16	16	12	✓			✓
8	Major unforeseen emergency	15	15	12	✓	✓	✓	✓
9	Major contractor, supplier or tenant failure	12	12	12	✓	✓	✓	✓
10	IT network failure	12	12	9	✓	✓	✓	✓
11	Not fulfilling residential property responsibilities	12	12	9	✓		✓	
12	Ability to access / leverage new funding	12	12	9	✓	✓	✓	✓
13	Loss of workforce cohesion and talent	12	9	9	✓	✓	✓	✓
14	Reduced effectiveness of relationships with strategic partners	9	9	9	✓	✓	✓	✓
15	Governance changes	9	9	6	✓	✓	✓	✓

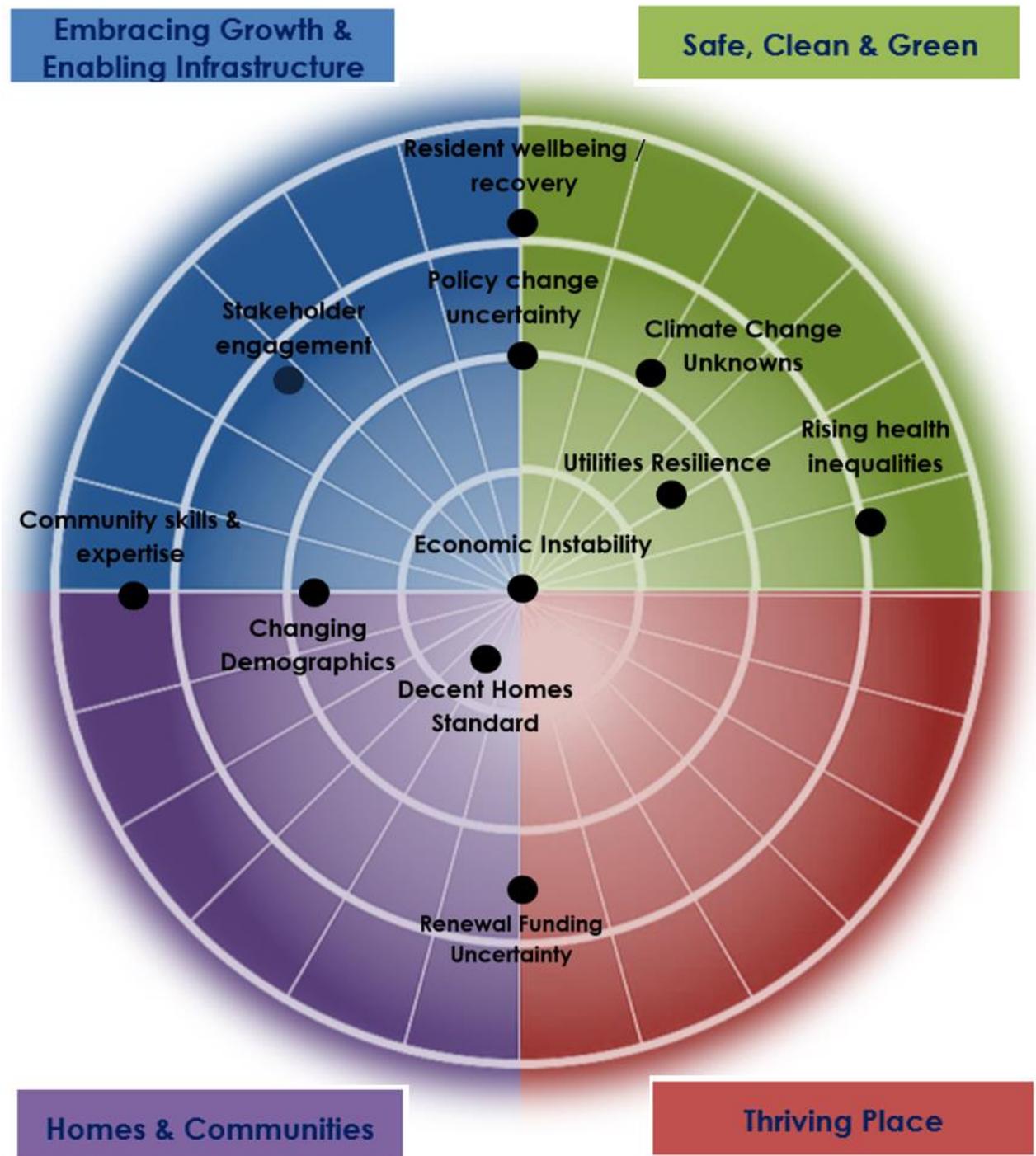


The **loss of workforce cohesion and talent** risk has reduced since the last report as a result of an improving recruitment market. The **contractor failure** risk description has been expanded to include suppliers and tenants. The **Elections** risk has been updated and re-framed to reflect the implications of voter ID on future elections. The resilience of the voluntary and community sector has been re-framed and re-scored to reflect the increased demands from the **cost of living crisis**.

### External Threats (horizon scanning)

Our horizon scanning process identifies external threats over which we have no direct control or ability to manage the impact on delivery of our priorities. Our response to these threats will be an important factor in how we develop our strategies, policies and how we translate that into service delivery. As such, we can draw down any of these threats into our corporate risk register if (or when) the time is right.

For the time being, we will keep our eye on these threats and continue to provide updates as part of the quarterly monitoring report. The diagram summarises the external threats aligned to each of our priorities with those closest to the centre being those likely to happen soonest.

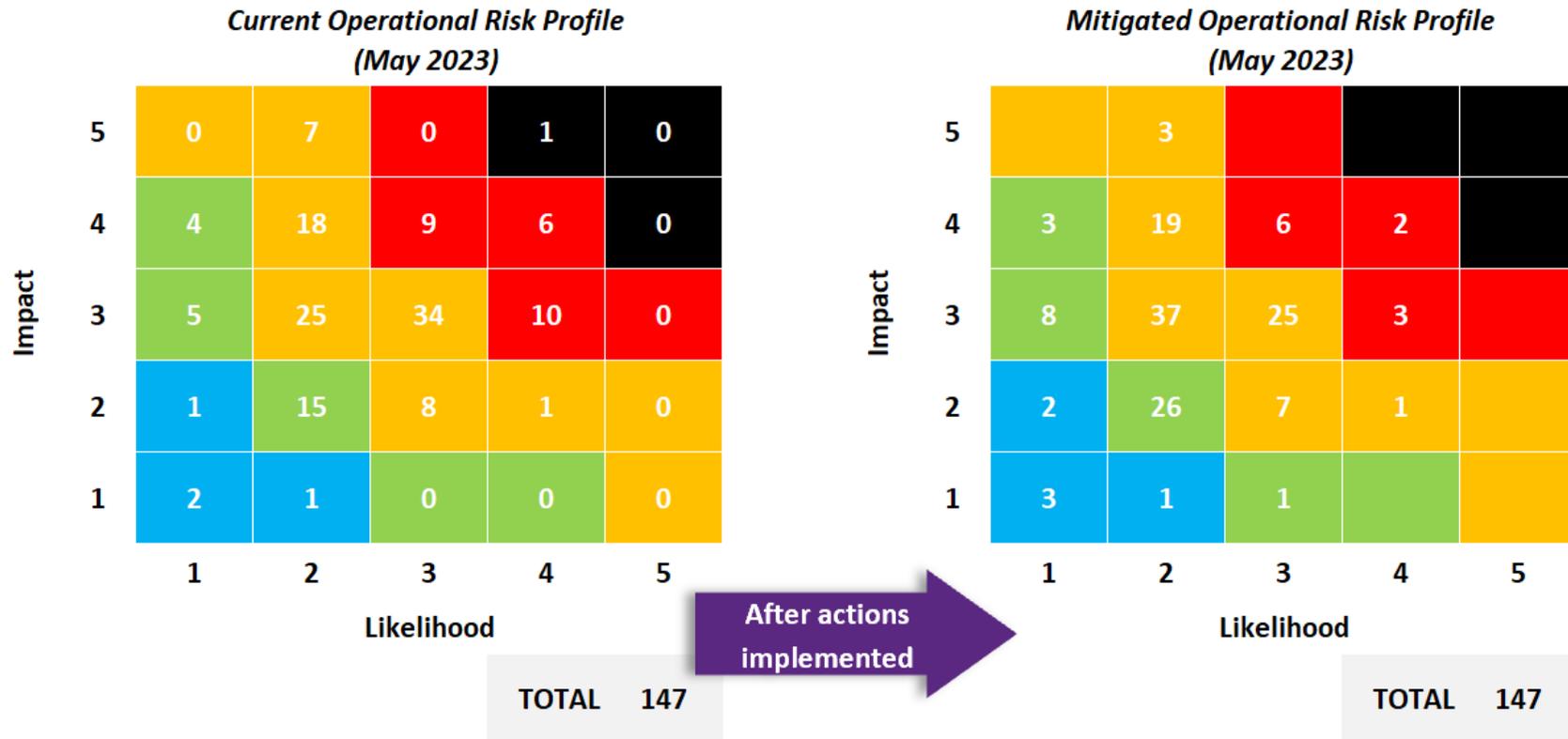


The following points provide some more detail on the threats outlined in the diagram above:

- **Changing Demographics** – changes in local demographics as local residential development expands and census results become clearer, changes predicted service provision.
- **Climate change unknowns** – some of the implications of climate change are already captured within the corporate risk register. But this reflects the possibility of other as yet unknown implications from climate change.
- **Community skills and expertise** – decline in diversity of skills and expertise within communities.
- **Decent homes standard** – ability of Maidstone BC to ensure its homes meet new guidelines.
- **Economic Instability** – uncertainty around employment rates, interest rates and inflation increases, and the effect this will have on the local economy, residents' financial position and our operational and contractual costs and wage bill.
- **Funding uncertainty** – ability of Maidstone BC to get funding which matches its aspirations and delivery goals.
- **Policy change uncertainty** – potential for changes in legislation and other central government policy changes.
- **Resident Wellbeing and recovery** – potential for residents in the borough to not have long term improvements to their wellbeing
- **Rising health inequalities** – increasing inequality in access to health care provisions.
- **Stakeholder engagement** – heightened sensitivity to Council plans leading to increased intolerance and complaints.
- **Utilities Resilience** – loss of water, electricity or telecoms over a wide area in the Borough.

### Operational Risks

The following matrix sets out the operational risk profile of the Council including shared service risks. It shows the ‘business as usual’ position (**current risk**) and the position once all planned actions are implemented (**mitigated risk**). Compared to January 2023 the overall number of risks has decreased from 155 to 147, including the downgrading of the black *infrastructure improvements* risk.



The 1 remaining black operational risk is detailed below:

<p><b>Waste Collection Contract costs increase. Annual contract financial review could result in increase in costs associated with the contract, or contract not being viable for the contractor.</b></p>			
<p>Service Area: <b>Environmental Services &amp; Public Realm</b></p>	<p>Ownership: <b>Jen Stevens</b></p>	<p>Current Score: <b>I5 x L4</b></p>	<p><b>20</b></p>
<p><b>Causes</b></p> <p>National HGV driver shortage is having impact on collection costs due to substantial pay increases to attract and retain staff New contract from 2023 could be financially unviable given the requirements set out in the specification and if the full extent of the carbon reduction requirements are to be realised e.g. full electric RCV fleet</p> <p><b>Consequences</b></p> <p>Financial burden on the council. Potential reconsideration of how the service is provided.</p>	<p><b>Existing Controls</b></p> <ul style="list-style-type: none"> <li>• Agreed waste contract and T&amp;Cs around termination of contract and changes to the contract</li> <li>• Opportunities to review fees and charges to residents in line with costs</li> <li>• Quarterly monitoring of property growth and estimation of growth included in budget</li> <li>• Budget set aside from fees and changes to cover garden waste increases</li> <li>• Monitoring with finance on financial position</li> <li>• Income from Council tax growth to cover increase in service</li> <li>• Updated MTFS with likely increases in contract costs</li> </ul>	<p><b>Risk Response</b></p> <ul style="list-style-type: none"> <li>• New waste collection contract awarded</li> </ul>	
<p><b>Next Risk review:</b> <b>June 2023</b></p>	<p><b>Risk direction over time:</b> <i>no change</i></p>	<p>Mitigated Score: <b>I4 x L3</b></p>	<p><b>12</b></p>

## Appendix A Corporate Risk Register

The following table shows the detail of the Council’s Corporate Risks including the current rating (business as usual position) and the rating after the introduction of planned controls (the mitigated rating).

Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Planned Actions	Mitigated rating (I x L)
<p>General <b>financial uncertainty</b>. Unexpected changes to government funding, failure to achieve income or savings targets, and increases in inflation and contractor costs and deteriorating economic environment places further financial restrictions on the Council resulting in difficulty maintaining standards or meeting aims.</p> <p>100</p>	Mark Green	<ul style="list-style-type: none"> <li>• Agreed work programmes in transformation and commissioning</li> <li>• Budget monitoring in place</li> <li>• MTFS in place and monitored</li> <li>• Scenario planning in budget setting</li> <li>• Strategies for maintaining income (e.g. pricing policies and proactive management of property portfolio)</li> <li>• Holding reserves to mitigate impact of financial restrictions</li> <li>• Robust risk assessment of new business opportunities</li> <li>• Cost recovery through bidding for additional government support for one-off costs and strategic investments</li> <li>• Maximise Council Tax to referendum limit</li> </ul>	(5 x 5) 25	<ul style="list-style-type: none"> <li>• Lobbying to avoid unfavourable financial changes to government funding</li> <li>• Identifying measures to address future budget gaps</li> <li>• Early start to budgetary process for 24-25 to agree key areas</li> </ul>	(4 x 4) 16
<p>Elections Act 2022 implications in terms of Voter ID, Postal Votes and Overseas Voters could lead to <b>greater challenge or failure for a general election in the next three years</b> (A GE has to be called by January 2025)</p>	Angela Woodhouse	<ul style="list-style-type: none"> <li>• All usual election risk mitigations are in place including project planning, contingency planning and risk assessments.</li> <li>• DES Manager on DLUHC BCN group working on Elections Act 2022 implementation and liaising with AEA.</li> <li>• A number of actions completed around increasing the number of elections staff (including having staff on standby) and more targeted training.</li> <li>• Targeted communication plans and training for staff plus increasing the number of staff with electoral administration knowledge</li> </ul>	(5 x 4) 20	Contingency planning for post-election challenge impacts.	(4 x 4) 16

Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Planned Actions	Mitigated rating (I x L)
<p>Changes to national shopping patterns and the after-effects of the pandemic leads to <b>Maidstone town centre continuing to diminish as a retail and leisure destination</b>, limiting the appeal of Maidstone town centre threatening social cohesion and business rates income.</p> <p>101</p>	<p>William Cornall</p>	<ul style="list-style-type: none"> <li>Working with Key stakeholders including One Maidstone to safely reopen the High Street.</li> <li>Regular network meetings with town centre retailers</li> <li>Public realm improvement work</li> <li>Supporting One Maidstone Business Improvement District</li> <li>Acquisition of key property (Royal Mail former sorting office refurbishment works expected to commence Q4)</li> <li>Work commissioned to promote Maidstone as business destination</li> <li>Planning Guidelines documents have now been approved by SPI for the Five town Centre Opportunity sites. Planning permissions have now been granted on two of these and pre-application advice given in respect of land parcels on Maidstone Riverside.</li> <li>Active management of Lockmeadow to enhance the local economy</li> <li>Support delivered to the sector through Business Rates grants and assistance grants</li> <li>Town Centre Opportunity guidance published and actively being used</li> </ul>	<p>(4 x 4) 16</p>	<ul style="list-style-type: none"> <li>Development of a Town Centre strategy to guide the reallocation of land uses within the Town Centre (including retail). This is now out to tender, with the successful firm expected to commence work in Jan 23, with a c 12-month commission.</li> <li>The Leader has agreed the LIP and it has been submitted; we are awaiting the outcome; we need to add reference to our successful bid to the safer Streets Fund which has secured £565k investment for community safety in the town centre</li> <li>The Council has now received a circa £1.2m Shared Prosperity Fund allocation for the next three years. Officers are in the process of preparing a draft investment plan for the monies for consideration by Members</li> <li>Town Centre Strategy now underway with "We Made That" appointed, with work scheduled to complete by Dec 2023.</li> </ul>	<p>(3 x 4) 12</p>
<p>Inflation continues to rise and a significant economic event (e.g. further pandemic impacts, BREXIT, supply chain issues) causes <b>significant changes in construction costs which may also result in a contractor insolvency, as they are generally locked into delivering schemes at a fixed price, and so need to manage their exposure to rising costs in their supply chain</b>. For the Council, this leads to a narrowing gap between build price and end of property values, increased costs to the Council and a possible time lag in delivery of 1000 affordable new homes, owing to a lack of capacity in the construction sector.</p>	<p>William Cornall</p>	<ul style="list-style-type: none"> <li>Use of "off-site" and other Modern Methods of Construction where possible to ensure schemes are delivered efficiently</li> <li>Designing buildable efficient schemes</li> <li>Financial stability and overall exposure checks for contractor</li> <li>Performance bonds and quality monitoring</li> <li>Realistically set financial scheme approval hurdle rates</li> <li>Appointment of a single architect, employers agent and development management specialist as a consistent professional team to support the Council in it delivery of the 1,000 homes programme</li> </ul>	<p>(4 x 5) 20</p>	<ul style="list-style-type: none"> <li>Exploration of suitable contractor frameworks to access.</li> <li>Managing exposure levels to different contractors as the programme gathers momentum.</li> <li>Delaying the letting of key contracts if tendering does not yield VFM proposals that are financially robust. <ul style="list-style-type: none"> <li>Careful scheme design evolution to enhance the "buildability" of new projects.</li> </ul> </li> <li>Internal team is being strengthened by the creation of three new roles, which are currently being recruited to</li> </ul>	<p>(4 x 4) 16</p>

Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Planned Actions	Mitigated rating (I x L)
<p>102</p> <p>Increased impacts from climate change (including flooding, severe storms, heatwaves and drought) causes <b>environmental damage</b> reducing residents' quality of life and increasing adaptation support required from the Council.</p>	<p>Angela Woodhouse</p>	<ul style="list-style-type: none"> <li>Comprehensive Biodiversity and Climate Change Strategy and action plan has been developed and is being implemented across council</li> <li>Air Quality Action Plan in place</li> <li>Emergency planning arrangements</li> <li>Parks and open spaces strategy to reduce risk of damage from trees and nature based mitigation of climate impacts</li> <li>Budget available to deliver actions and additional funding allocated</li> <li>Communication / engagement activities to increase resilience and awareness of residents and businesses for adverse weather events</li> <li>Use of Severe Weather Impacts Monitoring System (SWIMS) to understand impacts of severe weather in borough</li> <li>Member of the Kent Climate Change Network</li> <li>Permanent Biodiversity and Climate Change Manager in post</li> <li>Permanent Biodiversity and Climate Change engagement officer in post to support public and business adaptation to climate change</li> <li>Part of Medway Flood Partnership and Kent Resilience Forum</li> <li>Strong governance arrangements in place with operational board chaired by Director of Strategy Insight and Governance, Fortnightly oversight meetings with the Leader and quarterly reports to Corporate Leadership Team, Policy Advisory Committee and the Executive</li> <li>KPIs in place and a dashboard of performance has also been developed</li> </ul>	<p>(4 x 4) 16</p>	<ul style="list-style-type: none"> <li>Continue Implementation of the B&amp;CC strategy and action plan to engage with public and businesses to adapt to and mitigate impacts of climate change</li> <li>Review of our own estate in line with ambition to be carbon neutral by 2030, and work with partners to reduce carbon, reduce surface run off and increase natural solutions to mitigate impacts of climate change and pollution</li> <li>Partner with KCC, other Kent districts and private landowners on widescale tree planting and nature recovery to mitigate impacts of climate change</li> <li>Emergency Planning Officer will be trained on SWIMS and take on the task of uploading impacts on SWIMS more regularly and with closer ties to KCC.</li> <li>Work with Medway Flood Partnership to identify and develop actions, including natural flood management (nature-based solutions and sustainable urban drainage), which can help to reduce flooding.</li> <li>Ensure Local Plan review considers level of current and future projected flood/drought risk and that new developments are planned accordingly.</li> <li>Work with the Kent Resilience Forum, spatial planners and other partners to enhance adaptation and emergency planning contingencies for severe weather and other climate impacts. 'Strengthening' of power and water supply and other critical infrastructure should be a priority alongside ensuring more resilient settlements</li> </ul>	<p>(4 x 4) 16</p>

Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Planned Actions	Mitigated rating (I x L)
<p>The broader housing and cost-of-living crisis leads to <b>housing pressures increasing</b> on the Council, affecting both costs associated with homelessness and ability to meet wider housing needs in the borough.</p>	<p>William Cornall</p>	<ul style="list-style-type: none"> <li>• Homelessness prevention team in place with increased resource</li> <li>• Access to our own housing stock to use for temporary accommodation &amp; market rented housing (within Maidstone Property Holdings)</li> <li>• Closer working with private sector &amp; housing associations</li> <li>• Key policies are in place: Temporary Accommodation Strategy</li> <li>• Implementation of Housing Management Team</li> <li>• Council approval in place for MBC to develop up to 1000 affordable homes of its own</li> <li>• We work closely with the voluntary sector and community partners</li> <li>• Home Finders scheme in place and supported through Government funding</li> <li>• New Housing Strategy adopted</li> <li>• Undertaking roadshows with colleagues from Revs &amp; Bens and other stakeholders to support those in financial/housing difficulty</li> <li>• Use of government grants specifically to support households in financial difficulty as a result of cost-of-living crisis                             <ul style="list-style-type: none"> <li>• Maximise use of government grants to assist those in financial difficulty</li> <li>• Increase the use of OneView to identify households who may become homeless</li> </ul> </li> <li>• Trinity now open offering Mon-Fri services for immediate intervention and support/guidance</li> <li>• capital programme for 23/24 allows for c30 TA units to be acquired this year</li> <li>• Officers have appointed BEAM to help secure move-on accommodation in the PRS</li> </ul>	<p>(4 x 5) 20</p>	<ul style="list-style-type: none"> <li>• Leader of Council ambition to build 1000 new Council homes as soon as possible and plans to meet this aspiration have been approved and the programme is underway with the second major new land acquisition. Around 40% of the required plots are now either acquired or approved by the Executive.</li> <li>• Improve access to private rented sector through the MBC incentive scheme</li> <li>• The Council continues to work with Homes England to promote the 5,000 home Heathlands garden community through the Local Plan Review, with a view to the project delivering new homes from the late 2020's.</li> <li>• Review of the Home Finder Scheme offer to landlords to increase the supply of stock at our disposal.</li> </ul>	<p>(4 x 4) 16</p>

Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Planned Actions	Mitigated rating (I x L)
<p><b>Major unforeseen emergency</b> with national / international impact (e.g. new pandemic, environmental disaster)</p>	<p>Alison Broom</p>	<ul style="list-style-type: none"> <li>• Strong existing emergency planning framework</li> <li>• Active engagement with Local Resilience Forum</li> <li>• Flexible, committed and appropriately trained workforce</li> <li>• Quarterly oversight &amp; monitoring through the Emergency Planning Group (EPG)</li> <li>• Some financial reserves</li> <li>• Good partnership working as demonstrated during Covid-19 pandemic</li> <li>• Continued update to Business Continuity Plans and arrangements</li> <li>• Ongoing considerations of financial reserves which have been increased</li> </ul>	<p>(5 x 3) 15</p>	<ul style="list-style-type: none"> <li>• Plan for dealing with different types of major emergencies, including water supply interruptions</li> <li>• Review and update of the Council’s IT Disaster Recovery arrangements and Business Continuity Plans</li> <li>• Embedding arrangements over the quarterly review of emergency threats and risks through the EPG including horizon scanning and early warnings</li> <li>• Recovery and renewal funding allocated to strengthen work on community resilience</li> <li>• Report to CLT in November recommended improvements to the business continuity arrangements</li> </ul>	<p>(4 x 3) 12</p>
<p>104 Security breach or system weakness leading to <b>IT network failure</b> results in wide-spread system unavailability, increased legal and financial liability and reputational damage.</p>	<p>Georgia Hawkes</p>	<ul style="list-style-type: none"> <li>• Regular backup programmes</li> <li>• External testing of IT security by specialists –resulting findings and actions are implemented and tested</li> <li>• ICT policies &amp; staff training, including disaster recovery plan</li> <li>• Mandatory cyber security training was rolled out and completed</li> <li>• CLT monitoring of performance indicators, including ICT incidents</li> <li>• Nessus scanning software reporting daily on system vulnerabilities</li> <li>• New firewall tested and installed</li> <li>• Ongoing programme of awareness raising through Cyber events, training, and tests</li> <li>• Ongoing programme of IT campaigns including phishing</li> <li>• IT Business Continuity Plan which prioritises the systems that need to be bought back online.</li> <li>• Bulk messaging system to ensure adequate communication lines available. Gov.notify used and an awareness campaign run to encourage staff to sign up.</li> </ul>	<p>(4 x 3) 12</p>	<ul style="list-style-type: none"> <li>• Cyber Security Incident BC Exercise to be undertaken in November 2022</li> <li>• Business Impact Assessments are being reviewed and updated and will be used to update all BC Plans</li> <li>• Consider how to implement the recommendations from Zurich Cyber security report - New role of Security manager is now in post to support this. Recommendations now in place</li> </ul>	<p>(3 x 3) 9</p>

Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Planned Actions	Mitigated rating (I x L)
<p>Insufficient awareness / expertise leads to <b>not fulfilling residential property responsibilities</b> resulting in possible health &amp; safety breaches.</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">105</p>	William Cornall	<ul style="list-style-type: none"> <li>• New Contractors appointed DMS (repairs and voids) and Clareglow (gas) to deliver a more tailored service for the Council</li> <li>• Faithfull Farrell &amp; Timms have been retained as a critical friend to allow the new housing management function to up skill.</li> <li>• The whole MBC residential portfolio is now being managed by a single team within Housing &amp; Communities, where previously it was split between Housing &amp; Property.</li> <li>• H&amp;S KPIs are now recorded and reported through a permanent software solution.</li> <li>• The H&amp;S KPIs are reported monthly to Corporate Leadership Team.</li> <li>• Good level of awareness from officers around H&amp;S obligations and compliance</li> <li>• Excellent levels of compliance being reported to the CLT monthly.</li> <li>• New Residential Portfolio Manager, and associated team appointed and in place since Sept 22, working exclusively on housing management and compliance.</li> </ul>	(4 x 3) 12	<ul style="list-style-type: none"> <li>• Eventual goal of real time reporting in terms of gas safety</li> <li>• Review of existing resources and skills underway to support the housing portfolio and management of properties.</li> <li>• Implementation of new specialist housing management software to support the growing portfolio.</li> <li>• The Council has almost completed a significant re-investment package of works of its two publicly owned G&amp;T sites and works nearing completion</li> </ul>	(3 x 3) 9
<p><b>Failure of a major contractors, suppliers or tenants:</b> As a result of market pressures one of the Councils contractors goes into liquidation / administration or seeks to negotiate an increase in the cost of the contract. Leading to disruption and increased costs.</p>	Mark Green	<ul style="list-style-type: none"> <li>• Regular contract monitoring and communication with contractors</li> <li>• Procurement expertise made available through the Partnership with Tunbridge Wells</li> <li>• Financial performance and sustainability embedded into the procurement process</li> <li>• Contractor business continuity plans in place and alternative contractors may be available</li> <li>• 'Exit plan' included as a requirement in the ITT document for all relevant contracts</li> </ul>	(4 x 3) 12	<ul style="list-style-type: none"> <li>• Ongoing financial performance and resilience checks of our suppliers and contractors</li> <li>• Risk register work being completed for each of the Council's strategic contracts</li> <li>• Increased consideration of in-house provision or alternative commissioning routes</li> </ul>	(4 x 3) 12

Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Planned Actions	Mitigated rating (I x L)
<p>Difficulties in recruiting and retaining the right skills and adapting to hybrid working leads to a <b>loss of workforce cohesion and talent</b>. This results in a loss of productivity.</p>	<p>Georgia Hawkes</p>	<ul style="list-style-type: none"> <li>• Workforce strategy monitoring &amp; reporting</li> <li>• Training &amp; development programme (including hybrid working skills)</li> <li>• Occupational health, employee support and HSE Stress Survey</li> <li>• Recruitment process that includes ability to adjust pay and market supplement for hard to recruit jobs</li> <li>• Rewards package reviewed regularly</li> <li>• Commissioning specialist external support as required</li> <li>• Online onboarding of new staff</li> <li>• Use of ClearReview to encourage continuous conversations and clear objectives</li> <li>• Hybrid Policy and service review of hybrid working arrangements</li> <li>• Market Supplement Policy reviewed and updated</li> <li>• graduate microsite has been created to allow the council to recruit graduates in less skilled roles in order to provide the training to increase skill levels to progress in the role</li> </ul>	<p>(3 x 3) 9</p>	<ul style="list-style-type: none"> <li>• Use of SmartPath to offer additional support to managers</li> <li>• Review potential for different approaches to recruitment</li> </ul>	<p>(3 x3) 9</p>
<p>Uncertainties relating to the Council's ability to access new funding and availability of PWLB loans. <b>Increases difficulty securing and leveraging funding</b> to help stabilise and support the delivery of our capital programme.</p>	<p>Mark Green</p>	<ul style="list-style-type: none"> <li>• Access to professional networks to identify opportunities for funding</li> <li>• Experienced officer capacity</li> <li>• Good relationships with funding partners, e.g. Homes England</li> <li>• Obtaining forward borrowing</li> </ul>	<p>(3 x 4) 12</p>	<ul style="list-style-type: none"> <li>• Investment of one-off resources for putting together funding bids</li> </ul>	<p>(3 x 3) 9</p>
<p>As a result of significant changes to the Councils' governance (including moving to executive model and the boundary review) <b>sound governance processes may not be maintained during the change or poor processes may be introduced</b>. Leading to delays in decision making, reputational damage or legal implications.</p>	<p>Angela Woodhouse</p>	<ul style="list-style-type: none"> <li>• Monitoring Officer in place to oversee Council activities and provide advice</li> <li>• Code of Conduct</li> <li>• Timeline agreed for the Local Government Boundary Commission review and work overseen by the Director of Finance and Business Improvement</li> <li>• Software to facilitate consultation on ward boundaries</li> <li>• Templates and system for agendas and decision publication updated</li> <li>• New constitution agreed and in place</li> <li>• Training carried out with Officers and Members on the new governance arrangements</li> </ul>	<p>(3 x 3) 9</p>	<ul style="list-style-type: none"> <li>• Recruit two additional officers into Democratic Services to support the new model</li> <li>• Log of issues kept by Democratic Services – contributed to by the Monitoring Officer, Democratic Services and Director of Strategy, Insight and Governance</li> </ul>	<p>(3 x 2) 6</p>

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Risk (title & full description)	Risk Owner	Key Existing Controls	Current rating (I x L)	Planned Actions	Mitigated rating (I x L)
<p><b>Reduced effectiveness of relationships with strategic partners</b> Financial constraints and requirements from Government or regulators change the priorities or commitments of our strategic partners or their capacity to work with us. This causes a dislocation with our work and increases Member pressure to highlight concerns.</p>	<p>Alison Broom</p>	<ul style="list-style-type: none"> <li>• Collaboration with Kent County Council via a variety of project teams including Town Centre Strategy</li> <li>• The Community Safety Partnership with the Police and other key parties</li> <li>• The West Kent Health and Care Partnership Board which includes Executive Board (officers) and Elected Members Forum with</li> <li>• Participation in Kent One Public Estate Board</li> <li>• Maidstone Health and Well-being Partnership Group</li> <li>• Maidstone Inclusion Board</li> <li>• Survey of all voluntary and community sector to understand changes in community need and demand for services</li> <li>• Good integration with County-wide networks</li> <li>• Anchor Institutions engaged in various projects including UK Shared Prosperity Fund Local Investment Plan</li> <li>• Whole System event to review partnership working effectiveness – July 2022</li> </ul>	<p>(3 x 3) 9</p>	<ul style="list-style-type: none"> <li>• Strengthen processes for continued horizon scanning with partners to understand changes in priorities and formulate an overview of all key partners</li> <li>• Regular programme of Anchor Institutions stakeholder meetings planned from October 2022</li> <li>• Review of outputs from Whole System Event and significant actions to strengthen partnership working on key priorities</li> </ul>	<p>(3 x 3) 9</p>
<p>More residents moving from comfortable and making ends meet into financial crisis. If the current <b>cost of living crisis</b> continues and potentially intensifies there will be an increase in the need for support and demand for services. Leading to Increased financial pressures for residents of the Borough; Homelessness increased; Resident debt increased; Increased stress and mental health problems; Increased demand for support from us and the voluntary and community sector</p>	<p>Angela Woodhouse</p>	<ul style="list-style-type: none"> <li>• Anchor Institutions Partnership established and meeting regularly</li> <li>• Project to increase engagement in volunteering underway</li> <li>• Investment has been made in Trinity Foyer and it has opened as a Community Hub</li> <li>• Love Where You Live &amp; Get Involved project has been launched and continues to be delivered</li> <li>• Financial Inclusive Strategy has been agreed</li> <li>• The Community resilience fund first round of funding has been distributed across a range of VCS groups across the borough</li> <li>• Agreed part funding with the Citizens Advice Bureau for a Debt Management post</li> <li>• Community Sector newsletter established</li> <li>• VCS repository is live and under review to ensure it is kept up to date</li> </ul>	<p>(4 x 4) 16</p>	<ul style="list-style-type: none"> <li>• Currently we have a financial inclusion strategy and a number of other initiatives focussed on prevention, sign posting and advice as well as reactive measures through the use of Household Support Fund and our Community Resilience Grant. Plan is to bring this work together under a new strategy and action plan, with identified and coordinated resourcing</li> <li>• An action plan is in place, a welfare post has been appointed to and a hardship fund created. A number of other actions are planned</li> <li>• Review Financial Inclusion Strategy in light of cost-of-living crisis - Portfolio Holder cited, work underway including roadshows and webpages and the creation of a hardship fund. Full strategy review planned</li> </ul>	<p>(4 x 3) 12</p>

## Appendix B Impact and Likelihood Definitions

Risks are assessed for impact and likelihood. So that we achieve a consistent level of understanding when assessing risks, the following definitions were agreed and have been used to inform the assessment of risks on the risk register.

### RISK IMPACT

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

### RISK LIKELIHOOD

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

Corporate Services PAC

**THE WAY WE WORK**

<b>THE WAY WE WORK</b>					
<b>Embedding new ways of working and ensuring the office is fit for purpose</b>	£50,000 Recovery Fund £40,000 Capital Programme	Oct-23	TBC	<b>Flexible office space that supports the new ways of working with the right technology and facilities.</b>	Governance structure approved and a programme of work to deliver this is under way across the partnership through four workstreams – document collaboration, automation and workflow, wider use of M365, and Enterprise Social Media
<b>Ensure staff have the right equipment (office and home) to enable new ways of working</b>	Capital Programme	Oct-21	TBC	<b>Staff able to effectively work anywhere</b>	Complete. Staff are able to use corporate devices to connect to the Council’s IT systems from any location. This includes mobile phones and tablets.
<b>Increased capacity within Data Analytics to provide support for recovery and renewal projects</b>	£50,000 Recovery Fund	Jul-22	Jul-23	<b>18 dashboards in place by 2023</b>	Complete.

**UKSPF 2022/23 Quarter 4 Update:**

On 5<sup>th</sup> December 2022 the Department for Levelling up, Housing & Communities (DLUHC) approved the Investment Plan submitted in August 2022. Since then the authority has returned the Memorandum of Understanding and received year 1 grant at the end of January 2023. Due to the delay in approving year 1 grants the government agreed that authorities can carry over any underspend from year 1 into year 2. There was £7,397 underspend across year 1 as shown in the table below. It was agreed by the Leader that this underspend would be used on equipment and added to the Creative Communities Fund that was extremely oversubscribed in year 2.

Preparatory and delivery work for year 2 projects has continued with project leads, the year 2 projects include:

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

In April 2023 the authority received confirmation that the Rural England Prosperity Fund (REPF) investment plan had been approved by Government. The first year of spending of this is 2023/24. The first round of applications was opened in mid-April and closes in June 2023.

Intervention	Project	Detail	2022/23 budget	Amount spent:	£ Committed	Q4 Update:
E1: Improvements to town centres & high streets	Project B A Safe and Attractive Town Centre achieved through Greening and Lighting	Feasibility study in year 1. The feasibility study will be combined with other work required for the Town Centre Strategy so the amount allocated reflects the study being partly funded from the TCS allocation	£20,000	£20,000		Consultant started work in January 2023, a feasibility study is nearly complete and will form part of the wider Town Centre Strategy that will be adopted in 2023.
E6: Local arts, cultural, heritage &	Project A - Building Pride in Place through	Creative communities funds for local organisations and groups to support events	£30,000	£30,000		Completed. In 2022/23 a single round was published, funding was then distributed across 18 projects.

creative activities	promotion of the Town Centre and Events.	Festive Trail event – working with One Maidstone to create a festive trail to run through the Town Centre	£20,000	£19,999		Completed in December 2022.
		Events Expertise to develop bespoke events	£4,500	£4,200		Support for the Festive Trail and Magic of Xmas Parade.
		Equipment purchase to support events	£15,000	£12,249		Videography equipment, speaker on wheels, Go Pro and accessories, uplighters for events, equipment storage, poster cases, event furniture.
E8: Campaigns to encourage visits and exploring of local area	Project A - Building Pride in Place through promotion of the Town Centre and Events.	Advertising budget to promote events across all channels	£20,000	£16,122		Support the Festive Trail, Magic of Xmas Parade, Lunar Festival, Light Festival and many others.
		Borough Insight Events and Town centre focussed	£25,000	£25,000		Completed.
		Promotional video for business and events in TC	£5,218	£4,750		Promotional video for the Magic of Xmas Parade.
Management Overheads			£5,822	£5,820		
<b>Total:</b>			<b>£145,540</b>	<b>£138,143</b>	<b>£0</b>	£7,397 underspend carried over to year 2.
				<b>£138,143</b>		

## Business Rates Write Off - Quarter 4 2022/23

Business Name	Fin. Year	O/S debt	Costs	Total to be written off	Reason for write off	Action taken
LHR HOLDING LIMITED	2021/22	£0.00				
	2019/20	£31,806.83		<b>£31,806.83</b>	CVA	Was in CVA until 10.3.22 last payment made so have put rest for write off as no chance of further dividend
LHR HOLDING LIMITED	2021/22	£0.00				
	2020/21	£12,604.38				
	2019/20	£4,950.92		<b>£17,555.30</b>	CVA	Was in CVA until 10.3.22 last payment made so have put for write off as no chance for dividend.
JB GLOBAL LTD T/A OAK FURNITURE LAND	2020/21	£13,887.12	£0.00	<b>£13,887.12</b>	Administration	In administration 15.06.2020 - insufficient funds for a distribution to unsecured creditors
GENUS UK LIMITED T/A SELECT	2019/20	£37,318.79	£200.00			
	2021/22	£11,957.15			Administration	In administration 01.06.2022, previously under a CVA
	2022/23	£3,914.69		<b>£53,390.63</b>		
WIMPY KENT LTD	2017/18	£11,425.51				
	2018/19	£7,926.58		<b>£19,352.09</b>	Liquidation	In liquidation 22.11.2018, no dividend paid to unsecured creditors and company now dissolved.
REDACTED	2017/18	£3,005.38	£200.00	<b>£12,790.38</b>		
	2016/17	£5,324.00	£200.00		Irrecoverable /	Has been to bailiff. No assets, on benefits unable to pay
	2015/16	£2,780.00	£200.00		managers decision	outstanding balances refuses to engage.
	2014/15	£881.00	£200.00			
VSW LTD	2019/20	£16,325.75		<b>£17,881.26</b>		
	2018/19	£1,355.51	£200.00		Dissolved	Has been to bailiff and returned as unable to trace. Now dissolved from 12.04.22 no chance or recovery or dividend.
MILL STREET GROUP LTD	2021/22	£4,038.73				
	2020/21	£10,430.45	£200.00	<b>£14,669.18</b>	Dissolved	No response, Companies House shows company dissolved 07.09.2021. Dividend to unsecured creditors not
DAVE OF SEVENOAKS LIMITED	2022/23	£5,393.30	£200.00			
	2021/22	£3,820.83			Dissolved	Numerous emails and billing sent Companies House now shows dissolved 20.12.22. Dividend to unsecured
	2019/20	£8,666.29	£200.00	<b>£18,280.42</b>		creditors not expected.

Total

**£199,613.21**

## 2023/24 Key Performance Indicators



Indicator	New or Existing	Frequency	Target	Head of Service	PAC
<b>Lead Member for Communities, Leisure &amp; Arts</b>					
Footfall at the Museum and Visitors Information Centre	New	Quarterly	12,500	Mark Green	CLA
Number of users at the Leisure Centre	New	Quarterly	126,033	Katie Exon	CLA
Number of outreach projects/work undertaken by the Hazlitt	New	Quarterly	Information Only	Katie Exon	CLA
Percentage of tickets sold at the Hazlitt	New	Quarterly	50%	Katie Exon	CLA
Percentage change in Utility costs for public use leisure assets	New	Half-Yearly	TBC	Katie Exon	CLA
Extra visits to the Borough for Events (HUQ)	New	Annual	Information Only	Julie Maddocks	CLA
Number of households at risk of (or in) financial crisis (LIFT data)	New	Quarterly	Information Only	Zoe Oldfield	CLA
<b>Lead Member for Corporate Services</b>					
Percentage of households receiving Council Tax Support (CTS)	New	Quarterly	Information Only	Zoe Kent	CS
Percentage of Non-domestic rates collected	Existing	Quarterly	Incremental target throughout the year	Zoe Kent	CS
Percentage of Council Tax collected	Existing	Quarterly	Incremental target throughout the year	Zoe Kent	CS
Percentage of vacant commercial space (excluding property for development)	New	TBC	30%	Katie Exon	CS

Indicator	New or Existing	Frequency	Target	Head of Service	PAC
Percentage Change of Carbon Emissions from MBC Buildings/Fleet (Scope 1 and 2)	New	Annual	TBC	Katie Exon	CS
<b>Lead Member for Housing &amp; Health</b>					
<b>Housing</b>					
Number of households living in temporary accommodation last night of the month (NI 156 & SDL 009-00)	Existing	Quarterly	Information Only	John Littlemore	HHE
Number of households living in nightly paid temporary accommodation last night of the month	Existing	Quarterly	Information Only	John Littlemore	HHE
Number of Rough Sleepers accommodated by the Council on the last night of the month	Existing	Quarterly	Information Only	John Littlemore	HHE
Percentage of successful Prevention Duty outcomes	Existing	Quarterly	65%	John Littlemore	HHE
Number of households prevented or relieved from becoming homeless	Existing	Quarterly	125	John Littlemore	HHE
Percentage of successful Relief Duty outcomes	Existing	Quarterly	40%	John Littlemore	HHE
Number of homeless cases where the cause of homelessness is domestic abuse	Existing	Quarterly	Information Only	John Littlemore	HHE
<b>Private Sector Housing</b>					
Number of completed Disabled Facilities Grants	New	Quarterly	Information Only	John Littlemore	HHE
Number of private sector homes improved through PSH interventions	New	Quarterly	Information Only	John Littlemore	HHE
Number of completed Home Assistances	New	Annual	Information Only	John Littlemore	HHE
<b>Housing Allocation &amp; Strategy</b>					
Number of affordable homes delivered (Gross)	Existing	Quarterly	50	John Littlemore	HHE
Affordable homes as a percentage of all new homes	Existing	Annual	20%	John Littlemore	HHE
<b>Community Safety</b>					

Indicator	New or Existing	Frequency	Target	Head of Service	PAC
Percentage of CPWs to CPNs in period (CPT/SMP)	Existing	Quarterly	Information Only	John Littlemore	HHE
Number of Community Protection Warnings (CPWs) in period	Existing	Quarterly	Information Only	John Littlemore	HHE
Number of Community Protection Notices (CPNs) in period	Existing	Quarterly	Information Only	John Littlemore	HHE
<b>Health, Biodiversity &amp; Climate Change</b>					
Improvement in Air Quality	New	Annual	TBC	John Littlemore	HHE
Borough wide carbon emissions reduction (Gov Data)	New	Annual	TBC	Anna Collier	HHE
<b>Lead Member for Environmental Services</b>					
The percentage of relevant land and highways that is assessed as having acceptable levels of litter	New	Quarterly	98%	Jennifer Stevens	HHE
The percentage of relevant land and highways that is assessed as having acceptable levels of detritus	New	Quarterly	95%	Jennifer Stevens	HHE
Missed bins per 100,000 collections	New	Quarterly	35	Jennifer Stevens	HHE
Tonnage of household waste produced per household	New	Quarterly	Information Only	Jennifer Stevens	HHE
Percentage of household waste sent for reuse, recycling and composting	New	Quarterly	53%	Jennifer Stevens	HHE
Contaminated tonnage (rejected) as a percentage of tonnage of household waste sent for reuse, recycling or composting	New	Quarterly	6%	Jennifer Stevens	HHE
Number of trees planted/size of area rewilded	New	Annual	TBC	Anna Collier	HHE
<b>Lead Member for Planning, Infrastructure &amp; Economic Development</b>					
Percentage of priority 1 enforcement cases dealt with in time	Existing	Quarterly	98%	Rob Jarman	PIED

Indicator	New or Existing	Frequency	Target	Head of Service	PAC
Percentage of Priority 2 enforcement cases dealt with in time	Existing	Quarterly	92%	Rob Jarman	PIED
Number of enforcement complaints received	Existing	Quarterly	Data	Rob Jarman	PIED
Open planning enforcement cases (as at start of month)	Existing	Quarterly	Data	Rob Jarman	PIED
Number of enforcement cases closed	New	Quarterly	Data	Rob Jarman	PIED
Processing of planning applications: Major applications (NI 157a)	Existing	Quarterly	90%	Rob Jarman	PIED
Processing of planning applications: Minor applications (NI 157b)	Existing	Quarterly	95%	Rob Jarman	PIED
Processing of planning applications: Other applications (NI 157c)	Existing	Quarterly	98%	Rob Jarman	PIED
Percentage of planning applications meeting Biodiversity Net Gain 20% adopted standard <i>*Not in place until November 2023</i>	New	TBC	TBC	Rob Jarman	PIED
MBC Success rate at planning appeals within a rolling 12-month period	New	Quarterly	76%	Rob Jarman	PIED
New additional homes provided (NI 154)	Existing	Annual	1,157	Karen Britton	PIED
Percentage of onsite renewable energy generation in new developments 10% adopted standard	New	TBC	TBC	Karen Britton	PIED
Footfall in the Town Centre	Existing	Quarterly	468,658	Karen Britton	PIED
Percentage of vacant retail units in the town centre	Existing	Annual	11%	Karen Britton	PIED
Percentage of unemployed people in Maidstone	Existing	Quarterly	Data	Karen Britton	PIED
Number of youths unemployed (18 - 24)	Existing	Quarterly	Data	Karen Britton	PIED
Number of Electric Vehicle Charging Points Installed	New	Annual	TBC	Anna Collier	

<b>CABINET</b>	<b>28 JUNE 2023</b>
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## Strategic CIL Assessment & Spend Report

<b>Timetable</b>	
<b>Meeting</b>	<b>Date</b>
Planning, Infrastructure and Economic Development PAC	7 June 2023
Cabinet	28 June 2023

<b>Will this be a Key Decision?</b>	Yes
<b>Urgency</b>	Not Applicable
<b>Final Decision-Maker</b>	Cabinet Member for Planning, Infrastructure and Economic Development
<b>Lead Head of Service</b>	Rob Jarman
<b>Lead Officer and Report Author</b>	Rob Jarman
<b>Classification</b>	Public
<b>Wards affected</b>	All

<p><b>Executive Summary</b></p> <p>As per the approved CIL governance arrangements, and in relation to the Strategic CIL Bidding Cycle 2021/22, this report is to be considered before the Cabinet is delegated to approve projects for the allocation of the Strategic CIL Funding, as recommended within this report.</p> <p>Four infrastructure projects are recommended for Strategic CIL funding: Linton Crossroads; Junction 7 of the M20; Heather House community facilities; and St Faith’s Community Centre. These have all been subject to an external moderation report by Turley consultancy (Appendix 1) and internal officer preliminary evaluation (Appendix 2). Appendix 3 sets out all the meetings held by the CIL Steering Board.</p>
<p><b>Purpose of Report</b></p> <p>Decision on CIL spend</p>

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**This report makes the following recommendations to the Cabinet:**

1. Cabinet is recommended to agree that Community Infrastructure Levy funding that has been collected is allocated (as minima) to the following strategic projects for the period to 31 March 2025 (figures are approximate and based on early February 2023 data):
  - M20 Junction 7 Upgrade - £1,900,000 in Strategic CIL monies, subject to appropriate due diligence by the Director of Finance, Resources & Business Improvement in consultation with the Cabinet Member for Corporate Services
  - A229 Linton Crossroads Junction Improvement - £1,232,000
  - Heather House Community Centre Redevelopment - £956,420
  - St Faith's Community Centre Redevelopment - £200,000

# Strategic CIL Assessment & Spend Report

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<b>Impact on Corporate Priorities</b>	<p>The four Strategic Plan objectives are:</p> <ul style="list-style-type: none"> <li>• Embracing Growth and Enabling Infrastructure</li> <li>• Safe, Clean and Green</li> <li>• Homes and Communities</li> <li>• A Thriving Place</li> <li>• Accepting the recommendations will materially improve the Council's ability to achieve 'Embracing Growth and Enabling Infrastructure'.</li> </ul>	Rob Jarman
<b>Cross Cutting Objectives</b>	<p>The four cross-cutting objectives are:</p> <ul style="list-style-type: none"> <li>• Heritage is Respected</li> <li>• Health Inequalities are Addressed and Reduced</li> <li>• Deprivation and Social Mobility is Improved</li> <li>• Biodiversity and Environmental Sustainability is respected</li> </ul> <p>The report recommendations support the achievements of all the cross-cutting objectives by reducing traffic congestion and providing new community facilities.</p>	Rob Jarman
<b>Risk Management</b>	Already covered in the risk section.	Rob Jarman
<b>Financial</b>	As set out in the officer report and the Appendix, the proposed allocations of CIL can be funded based on the amounts received and expected, so there are no direct budgetary implications. The appendix describes how capital programme funds are also used to support projects that will ultimately be eligible for CIL funding, and this is in accordance with the agreed capital programme.	Mark Green Director of Finance, Resources & Business Improvement &
<b>Staffing</b>	We will deliver the recommendations with our current staffing.	Rob Jarman

<b>Legal</b>	<p>The Planning Act 2008 introduced a discretionary planning charge known as the Community Infrastructure Levy (CIL). The legislative framework for CIL is contained within the Community Infrastructure Levy Regulations 2010 (as amended). The Council decided to implement CIL for new development with effect from October 2018, agreed "strategic" CiL governance procedures in January 2019 and approved the Bidding Prospectus in January 2022. 70-80% of the money raised by CIL is for 'Strategic CIL' which will be allocated to strategic infrastructure projects by the Council. This is the portion of CIL that is the subject of this Report. Local authorities must spend the levy on infrastructure needed to support the development of their area, and they will decide what infrastructure is needed. The levy can be used to fund a wide range of infrastructure (including transport) and can be used to fund a very broad range of facilities (such as cultural and sports facilities and community safety facilities). The levy can be used to increase the capacity of existing infrastructure or to repair failing existing infrastructure, if that is necessary to support development. This flexibility gives local areas the opportunity to choose what infrastructure they need to deliver their relevant Development Plan. Charging authorities may not, however, use the levy to fund affordable housing.</p>	Russell Fitzpatrick (MKLS (Planning))
<b>Information Governance</b>	The recommendations do not impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council Processes.	Information Governance Team
<b>Equalities</b>	<p>We recognise the recommendations may have varying impacts on different communities within Maidstone.</p> <p>Therefore, we have completed a separate equalities impact assessment.</p>	Senior Policy and Communities Officer.
<b>Public Health</b>	We recognise that the recommendations will have a positive impact on population health or that of individuals.	Public Health Officer

<b>Crime and Disorder</b>	N/A	Rob Jarman
<b>Procurement</b>	N/A at this specific stage	Rob Jarman
<b>Biodiversity and Climate Change</b>	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

## 1. INTRODUCTION AND BACKGROUND

- 1.1 The Community Infrastructure Levy (CIL) commenced in October 2018 and is governed by the CIL Regulations 2010 (as amended). It allows local authorities to raise funds from developers who are undertaking new building projects. The principle behind CIL is that most development has some impact on infrastructure and so should contribute to the cost of infrastructure. All developments within Maidstone Borough of a certain type and size are liable to 'pay' CIL which is due upon commencement of development. The Council developed a Charging Schedule alongside the Maidstone Borough Local Plan. The charge can be differentiated by geographical area, and by development type, and based on viability evidence within the Maidstone Community Infrastructure Levy - Charging Schedule 2017.
- 1.2 Infrastructure is needed to support the new development, and the Infrastructure Delivery Plan is reviewed on an annual basis with the latest being 2022. This highlights the infrastructure needed in the Borough to support new development (such as schools, health facilities, leisure, community facilities etc.) which supports the delivery of the adopted Local Plan. The Council is required under the Community Infrastructure Levy Regulations (2019 Amendment) to produce an Infrastructure Funding Statement to include a statement of the infrastructure projects or types which will be or may be, wholly or partly funded by CIL.

### **Available Strategic CIL Funds**

- 1.3 As of 1<sup>st</sup> February 2023, the Council had collected Strategic CIL funds totalling £ 4,280,886. We forecast that a further £7,495,282 of Strategic CIL may be available by 31 March 2025.
- 1.4 In addition to the money collected as part of the strategic CIL spend, the Council is making a further £5,000,000 available from the Capital Budget that it can use to top up the amount of CIL monies available for the delivery of infrastructure.

### **Bidding Process**

- 1.5 On 8 January 2019, the Strategic Planning and Infrastructure Committee approved the CIL governance arrangements for the Strategic Community

Infrastructure Levy (CIL) spend. The CIL Steering Group was set up in June 2020 and met on 13 occasions between 2020-2022 (Appendix 3).

- 1.6 On 11 January 2022, the CIL Bidding Prospectus (22-25) was approved to allow for a bidding cycle for the allocation of strategic CIL receipts.
- 1.7 In line with the prospectus, bids were invited for strategic CIL funding from infrastructure providers in the period 3 May to 15 July 2022. Twenty-two bids were received and initially appraised by MBC officers. This was reported to the CIL Steering Group (established pursuant to the governance arrangements) on 13 December 2022 where it was decided that the bids and officer appraisal would be referred to a technical expert (Turley Associates Limited <https://www.turley.co.uk/>) for independent moderation (See Appendix 1 Turley Maidstone MBC Community Infrastructure Levy Allocations and Appendix 2 being the officer appraisal).

### **Junction 7 of the M20**

- 1.8 There is a clear policy justification for this highways infrastructure in policy RMX1(1) part 15(ii) of the Local Plan (Newnham Park – KMC allocation). Therefore, it is also included in the IDP in the “critical” list.
- 1.9 The amount of s106 monies collected as of 01/03/2023 is £1,473,415. The s106 agreements from 3 housing developments along the A274/Sutton Rd when originally signed were to provide the full cost of the part signalisation works (£4.667m). Further s106 money of £3,250,469 (before indexation) is yet to be paid so a minimum of £4,723,884 is anticipated to be received.
- 1.10 The cost of the works identified by KCC is £6,621,610 and the shortfall from the s106 monies is £1,897,726. The amount of CIL for this project is rounded up to £1,900,000.
- 1.11 There have been failed attempts to secure government funding for the improvement works in order to get them undertaken as soon as reasonably possible as payments would come later being tied to housing occupation on those sites. Therefore, and outside the CIL process, the Council intends to top up the residual amount (£3.25M) to KCC from MBC’s capital funding to accelerate delivery if this does not jeopardise recovery of anticipated s.106 receipts.

For all the reasons stated above this represents a reasonable and deliverable choice of infrastructure project.

### **Linton Crossroads**

- 1.12 Transport is a critical issue for the delivery of the strategic objectives as well as the individual site allocations in the Local Plan. This is to improve the capacity in order to reduce congestion. KCC highways have designed a detailed junction improvement scheme. This project has clear policy justification in that the adopted Local Plan requires this infrastructure under policies SP13 (Coxheath Larger Village) and specific housing allocation policies H1(57, 58, 59, 60)

1.13 The cost of the works identified by KCC is £2,071,392 and the shortfall from s106 monies is £1,232,000 with £846,557 (index linked) collected as of 01/02/23. This represents the total amount of what can be collected from the specific housing developments that have been built out and the IDP recognises this financial gap and specifically refers to CIL funding to 'close the gap' with the scheme being on the "critical" list.

### **Heather House**

1.14 Policy Justification: Policy DM20 refers to mitigating the need for new community facilities through conditions, legal agreements, or CIL. The IDP also has a category relating to this type of infrastructure. Socio-economic data strongly supports public sector investment in this infrastructure in this location and this is what MBC has chosen to with a recent planning permission (subject to a s106 legal agreement). The scheme is highly deliverable.

1.15 The total cost of the replacement community centre is £1,771,100 but it is estimated that this Council will generate income of £814,681 from approved housing development leaving the amount of monies from CIL to be £956,420.

### **St Faith's Community Centre**

1.16 Local Plan Policy DM20 refers to mitigating the need for new community facilities through conditions, legal agreements, or CIL. The council also commissioned (following a resolution from planning committee) a 'Feasibility Study on the Need for Community Facilities in the North Ward – Maidstone' (2017) which is listed as 'additional studies and guidance' on our website and states it is a material consideration. As stated above, this type of infrastructure is a category in the IDP. The socio-economic data backs the need for this social infrastructure and there is a complete vacuum in this area. Lastly, this is a highly deliverable scheme given that the external building works were completed last year and now the internal fit out is required.

1.17 The total cost of the replacement community centre is £1,863,000. The £200,000 required from CIL is a modest amount in comparison with the amount of s106 collected (£ 471,760) and Church of England monies.

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## **2. AVAILABLE OPTIONS**

2.1 These are self-explanatory in that all or none or a combination of the recommended bids could be chosen by councillors.

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## **3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

3.1 All of the recommended bids are preferred as justified in both this report and the moderation report.

## 4. RISK

4.1 There are three sets of risk:

- a) Costs will continue to rise given the rate of inflation and supply shortages leading to more CIL monies being required to fund schemes.
- b) The two highway schemes are well developed in design terms and delay may well require revised designs and, moreover, slippage in KCC's delivery programme: There is some ambiguity in the interpretation of the s.106 agreements relating to the J7(M20) improvement works. Officers are in discussion with the developers with a view to resolving this potential ambiguity. A failure to resolve this could jeopardise the delivery of the proposed works.
- c) The burden of the extra growth without the supporting infrastructure in terms of greater congestion and declining air quality with regard to the junction improvement schemes and the continued lack of needed social infrastructure in terms of the two community centres.

## 5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

5.1 The recommended bids were the subject of a public prospectus (see above).

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## 6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

6.1 The Planning, Infrastructure and Economic Development Policy Advisory Committee considered the report at its meeting on the 7 June 2023. The recommendations made by the Committee are outlined below:

***RESOLVED:*** *That the Cabinet be recommended to:*

1. *Agree the Community Infrastructure Levy funding that has been collected be allocated (as minima) to the following strategic projects for the period to 31 March 2025 (figures are approximate and based on early February 2023 data):*
  - a. *M20 Junction 7 Upgrade - £1,900,000 in Strategic CIL monies subject to appropriate due diligence by the Director of Finance & Business Improvement in consultation with the Cabinet Member for Finance & Corporate Services*
  - b. *A229 Linton Crossroads Junction Improvement - £1,232,000*
  - c. *Heather House Community Centre Redevelopment - £956,420*
  - d. *St Faith's Community Centre Redevelopment - £200,000*
2. *Agree that Maidstone Borough Council and the Infrastructure Provider for the A229 Linton Crossroads Junction Improvement includes a time limited delivery date; and*

3. *Agree to reopen the Community Infrastructure Levy funding process with effect from 1 October 2023 to 15 December 2023 (10 week period) for a further round of bids to be received according to the terms and conditions of the process.*
- 6.2 To ensure that CIL expenditure remains in accordance with the Regulations all successful applicants will need to accept the terms and conditions and sign a grant funding agreement. Where relevant, the CIL funding will also be conditional upon the applicant obtaining any necessary authorisations. Funding agreements may specify a specific delivery timescale.
- 6.2 Payments will be made to successful submissions as per the milestones outlined in the business plans to the satisfaction of the Council and after submission of verifiable invoices, as proof of expenditure. Following the completion of the project, any unspent allocated monies (e.g., unspent contingency funds) will be returned to the Strategic CIL fund.
- 6.3 The costs are current estimates, and these will inevitably rise with time and there will be the need for further scheme detail before any CIL monies are released.
- 

## **7. REPORT APPENDICES**

- 7.1 The following documents are to be published with this report and form part of the report:
- Appendix 1: Turley Maidstone MBC Community Infrastructure Levy Allocations
  - Appendix 2: Officers Appraisal
  - Appendix 3: CIL Steering Group Meeting Dates
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## **8. BACKGROUND PAPERS**

- Strategic Planning, Sustainability and Transportation Committee Report and Minute of 11 September 2018 – Maidstone Community Infrastructure Levy Administration and Governance
- Strategic Planning, Sustainability and Transportation Committee Report and Minute of 8 January 2019 – (Strategic) CIL Governance Report
- Full Council Report and Minute of 27 February 2019 – CIL Governance and Administration
- Strategic Planning, Sustainability and Transportation Committee Report and Minute of 11 January 2022 - Strategic CIL Bidding Prospectus (2022-2025)
- Maidstone Community Infrastructure Levy - Charging Schedule 2017 (<http://services.maidstone.gov.uk/docs/October%202017%20Approved%20Community%20Infrastructure%20Levy%20Charging%20Schedule.pdf>)
- Strategic CIL Bidding Prospectus (2022-2025) – (<https://maidstone.gov.uk/home/primary-services/planning-and-building/additional-areas/community-infrastructure-levy/tier-3-primary->

- [areas/community-infrastructure-levy-bidding-prospectus-2022-2025](#))
- The Infrastructure Delivery Plan 2022  
(<https://localplan.maidstone.gov.uk/home/adopted-local-plan/community-infrastructure-levy-supporting-documents>)
- The Infrastructure Funding Statement (2021-2022)  
<https://maidstone.gov.uk/home/primary-services/planning-and-building/additional-areas/community-infrastructure-levy/tier-3-primary-areas/infrastructure-funding-statement-202122>

**Maidstone MBC  
Community  
Infrastructure Levy  
Allocations**

Final Independent Moderation Report Version 1.2

8<sup>th</sup> February 2023

## Quality information

<b>Prepared by</b>	<b>Checked by</b>	<b>Verified by</b>	<b>Approved by</b>
Andy Rumfitt, Senior Director	Bindu Pokkyarath, Director	Bindu Pokkyarath, Director	Andy Rumfitt, Senior Director

## Revision History

Document Name	Ref	Prepared for	Prepared by	Date	Reviewed by
1.0	MAIP3000	MBC	AR/BP	27/01/23	BP
1.1	MAIP3000	MBC	AR/BP	06/02/23	BP
1.2	MAIP3000	MBC	AR/BP	08/02/23	BP

Prepared for: Maidstone Borough Council

Prepared by: Andy Rumfitt & Bindu Pokkyarath

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## 1. Introduction

### 1.1 The Purpose of this Report

Turley has been commissioned to provide an independent moderation report as a supporting document to Maidstone Borough Council (MBC) Officers' report on projects proposed to be funded by MBC Community Infrastructure Levy (CIL) allocations.

### 1.2 Approach

The Turley Business Case team has a well-developed approach for undertaking independent evidence-based business case reviews and due diligence from our work over the last ten years. We have independently reviewed more than 160 business cases and completed a number of prioritisation and ranking exercises.

For this moderation exercise we completed the following tasks:

- Review of the CIL application process including advice and forms.
- Review of scoring of each Strategic CIL application by MBC
- Workshop with MBC to review the scoring and rankings completed to date and to consider issues arising.
- Review and development of key criteria to consider against each bid as an independent assessment using relevant forms.
- Review of each application and providing independent observations to support moderation recommendations where relevant.
- Grouping of applications into four categories with different levels of potential for funding.
- Providing recommendations for the future.

### 1.3 Moderation Review

This moderation review of the CIL applications sets out detailed comments based on the application form provided and MBC's internal scoring. Each project has been assigned to one of four categories to show the project's relative attractiveness for Strategic CIL funding.

**Table 1. Moderation Categories**

Category	Description
<b>Green</b>	Well-developed projects that should be considered for Strategic CIL Funding as grant and/or loan packages.
<b>Amber</b>	Strong potential for future funding in the short term with further work on the proposal, more certainty and/or receipts of match funding and when the delivery timeframe is more certain to reduce delivery risks.
<b>Yellow</b>	Moderate potential for future funding in the longer term with further work on the proposal, more certainty and/or receipts of match funding and when the delivery timeframe is more imminent to reduce delivery risks.
<b>Red</b>	Less well-developed projects that should not progress without significant additional development work or should be considered for funding from other sources such as Neighbourhood CIL.

### 1.4 Document Structure

The remainder of this document is structured as follows:

- Section 2 – MBC CIL Bid Process
- Section 3 – Current ranking of projects
- Section 4 – Moderation Criteria: Policy Alignment and Delivery Risks
- Section 5 – Moderation – Independent Assessment of Projects for Funding
- Section 6 – Recommendations and Next Steps

### 1.6 Declaration

This review has been undertaken as part of the Turley contract with client. The moderation report has been undertaken independently by Andy Rumfitt and Bindu Pokkyarath from the Turley Business Case and Economics team based in London. We completed a Conflict of Interest (CoI) check and wish to disclose the following.

Turley has provided professional support to Countryside around the assessment of the required community facilities for the proposed Marden development, but the site was not allocated in the Local Plan. We are still retained as advisers.

Our consultants working on this commission have not been involved in advising Countryside and remained independent at all times while conducting this work.

## 2. MBC CIL Bid Process

The section summarises the Community Infrastructure Levy bidding process (2022-2025) of Maidstone Borough Council (MBC).

The Community Infrastructure Levy (CIL) is a charge on certain types of development in Maidstone. The money collected is then used to support new development of the borough. The Council implemented CIL in October 2018.

In accordance with the CIL Regulations 2010 (as amended), the expenditure of CIL funds is divided as follows:

- 5% is retained by MBC to fund the administration associated with the operation of the CIL.
- 15% is for 'Neighbourhood CIL' which is made available to parish councils (capped at £100 per Council Tax dwelling) where development has taken place, or 25% (uncapped) in areas with a 'made' Neighbourhood Plan.
- 70-80% is for 'Strategic CIL' which will be allocated to strategic infrastructure projects by MBC, in accordance with the approved CIL Governance arrangements. This is the portion of CIL subject to allocation through the CIL bidding cycle.

The CIL Regulations 2010 (as amended), state that MBC must spend Strategic CIL funds on:

*'the provision, improvement, replacement, operation or maintenance of infrastructure necessary to support growth.'*

Strategic CIL is intended to focus on the provision of new infrastructure and should not be used to remedy pre-existing deficiencies in infrastructure provision unless those deficiencies will be made more severe by new development.

The Planning Act 2008 prescribes that infrastructure includes:

- roads and other transport facilities
- flood defences
- schools and educational facilities
- medical facilities
- sporting and recreational facilities
- open spaces

The following projects are not eligible for Strategic CIL:

- Projects that do not meet the requirements of the CIL Regulation 59 2010 (as amended) i.e., for the provision, improvement, replacement, operation, or maintenance of infrastructure to support development of the borough

- Projects that are not defined as 'infrastructure'
- Ongoing revenue costs for existing infrastructure
- Repayment of money or interest borrowed for the purposes of funding infrastructure
- Annual maintenance or repair for existing infrastructure
- VAT that you can recover

Following the implementation of the CIL charging schedule on 1 October 2018, CIL began being collected in 2019. To accumulate a sufficient amount of money towards infrastructure, MBC approved the CIL governance arrangements to allow for an annual bidding cycle for the allocation of Strategic CIL receipts from 2019 to 2021 to enable the delivery of specific infrastructure projects that will support development in the borough.

The 2021/22 MBC Strategic Community Infrastructure Levy bidding cycle was open for bids from 3 May 2022 until 15 July 2022. The original aim was for funding decisions in October 2022.

MBC forecasts that £11,776,168.45 of CIL will have been collected by 31 March 2025, and this will be combined with a £5 million contribution from their own capital resources, to give a total of £16.776 million of infrastructure funding potentially being available to bidders.

**Table 2. Project Total CIL Funds**

Sources of Funds	Value (£)
Strategic CIL collected (as of 1 February 2023)	£4,280,886.45
Future CIL receipts (forecast)	£7,495,282.00
<b>Total CIL</b>	<b>£11,776,168.45</b>
Other MBC Capital Funding to Support Revolving Fund Investments	£5,000,000.00
<b>All Funds</b>	<b>£16,776,168.45</b>

Source: MBC February 2023.

While MBC intend to allocate the predicted CIL income for the period 2022-25 in the current bidding round, the ultimate final allocations will be subject to actual annual CIL income received.

Some successful bids will have funds made available to them immediately, whilst others will receive provisional allocations, while MBC await the accrual of further CIL monies over the course of 2022/23, 2023/24 and 2024/25. Therefore, this period of accumulation of funds may reduce the annual frequency of the bidding rounds.

Whilst an estimate of future CIL income can be made for the forthcoming years, actual income is entirely dependent upon the rate at which any CIL liable development is delivered, and the monies paid.

### 3. Current Ranking of Projects

This section summarises the scoring and ranking of projects that have been completed to date. MBC's initial scoring and draft reporting had recommended the following five projects for funding with a total CIL cost of £12.032 million.

**Table 3. MBC Selected of Projects for Funding**

Applicant	Project	IDP Status	Project Cost	Recommended CIL Allocation
Kent County Council	Linton Crossroads	Critical Policy DM21 / LPR TRA2 Integrated Transport Strategy 2011-31	£2,071,392 with £839,378 from S106 developer contributions.	They asked for £1,232,000
Kent County Council (Transport)	M20 J7 Upgrade	Critical Policy DM21 / LPR TRA2 Planning	£6,621,610 with £1,062,429 from S106 developer contributions	They asked for £ 5,559,181
NHS Kent & Medway	Extension of Shepway Medical Centre	Essential Former West Kent CCG GP Estates Strategy 2018 & Update March 2020.	£2,165,234 S106 funding 1%: £24,895 Balance to be funded by GP: 76%: £1,642,339	They asked for £498,000
Kent County Council (Transport)	Hermitage Lane Cycle/walking facility	Essential Policy DM21 / LPR TRA2 Walking and Cycling Strategy 2011 -2031 Integrated Transport Strategy 2011 -31	£404,550 With £181,018 from S106 developer contributions	They asked for £223,550
Kent County Council (Education)	1 FE Expansion of Maidstone Grammar School for Girls	Local Plan Policy ID 1 Infrastructure Delivery supports education infrastructure	£8,986,481 £6,378,593 from the Basic Need Capital Programme Budget, £1,432,129 of Education Modernisation funding and the school will contribute £1,175,759	They asked for £4,519,310 as would have been calculated as previous S106 education contributions
<b>Total</b>				<b>£12,031,991</b>

#### 4. Moderation Criteria: Policy Alignment and Delivery Risks

As an independent check, this section examines key investment criteria and considers potential delivery risks in the current environment that could be given increased weighting in selecting projects to be funded. We have considered the following:

- Alignment with Infrastructure Development Plan (IDP) project listing
- Alignment with Local Plan growth areas
- Delivery time and duration
- Accuracy of costs and programme
- Match funding certainty as MBC's proxy for Value for Money

In terms of policy alignment two key documents are the Local Plan (LP) and the Infrastructure Development Plan (Nov 2021) which is produced annually.

MBC's approach was to welcome bids for Strategic CIL funds from those schemes with 'CIL' listed as a potential source of funding to deliver the Local Plan. Prioritisation is then given to those schemes whose delivery is identified in the IDP as both 'critical' and 'short term.'

The IDP identifies 141 schemes costing £171.443 million, with an average cost £1.22 million. However, the funding gap identified is £144.124 million suggesting that based on average cost there is funding for just 22 projects or about 15% of the total.

Projects have been ranked as critical, essential, and desirable. There are 45 projects ranked as critical which on the basis of average costs would require just under £55 million of funding, more than three times the current total projected CIL budget. The IDP has been approved under delegated powers.

Of the submitted Strategic CIL applications the relevant IDP rankings were as follows:

- Critical (2) – Linton Crossroads, M20 J7 Upgrade
- Essential (3) - SECAMB- Vehicle prep scheme (MRC), KCC Hermitage Lane, NHSKM - Extension of Shepway Medical Centre
- Desirable (3) - MBC Parks Activation – Cycling and Wheeled sports Mote Park & South Park, MBC Maidstone Riverside Light Walk, EA Headcorn Flood Alleviation Scheme.

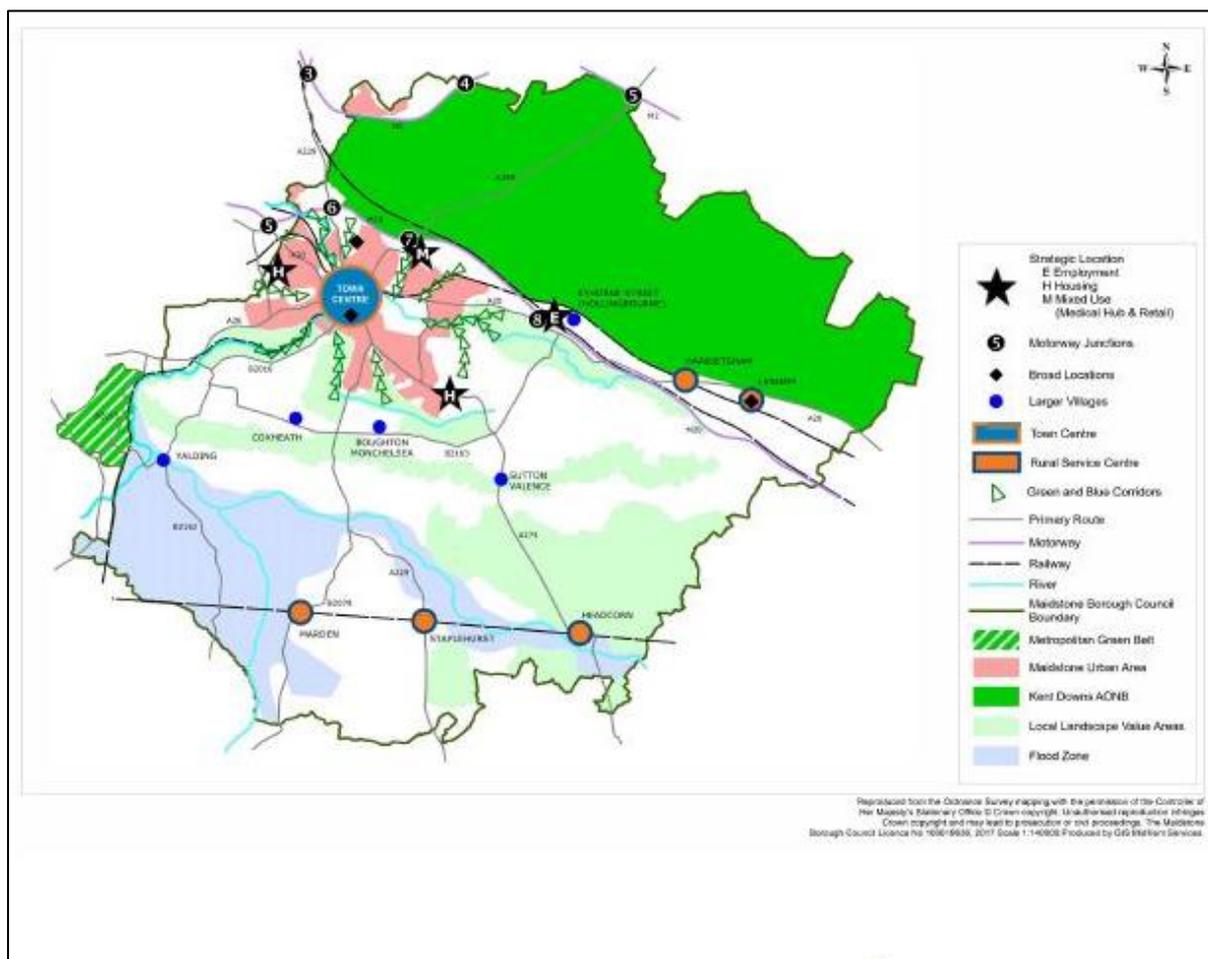
However, the challenge of using alignment with the IDP as the main mechanism for scoring is that: (a) there are many proposed projects so the approach would not necessarily screen them out on a priority or impact basis; and (b) all the most critical were not necessarily brought forward to the Strategic CIL application round.

The 2017 adopted Maidstone Borough Local Plan sets the framework for development in the Borough until 2031 with the aim to provide about 18,000 homes. With a detailed evidence base, extensive consultation, and political sign off, the Local Plan gives a somewhat stronger basis on

where to consider Strategic CIL investments. This can be to support growth and provide additional social infrastructure where there are identified housing allocations.

The 66 housing sites in the Local Plan can accommodate 8,409 homes with a spatial focus on development to the north west and south east of Maidstone including four strategic locations (see key diagram below). Other key locations for development are Maidstone Town Centre, Invicta Park Barracks and Lenham.

Diagram 1. Local Plan Key Diagram



In an era of high and fast-moving cost inflation pressures, there is an increased need to be mindful of the risks for projects without a clear and certain programme or limited project detail. Conversely, projects with an imminent start date or are underway with a confirmed delivery programme generally have a reduced delivery and cost risks.

In addition, projects with the most up to date cost information - ideally from recently tendered prices in line with the HMT Green Book requirements of a Full Business Case - pose less of a cost risk in the future.

Finally, projects with all or very high levels of match funding in place – used as proxy of Value for Money (VfM) by MBC – have lower funding delivery risks. Where this match is significant (say 50% or more) these projects show the benefits of financial leverage enabling MBC funds to go further.

## 5. Moderation – Independent Assessment of Projects for Funding

This section provides independent recommendations on the projects that could be selected for funding. These are presented in four categories:

- **GREEN** – Well-developed projects that should be considered for Strategic CIL Funding as grant and/or loan packages.
- **AMBER** – Strong potential for funding in the short term with further work on the proposal, more certainty and/or receipts of match funding and when the delivery timeframe is certain to reduce delivery risks.
- **YELLOW** – Moderate potential for funding in the longer term with further work on the proposal, more certainty and/or receipts of match funding and when the delivery timeframe is more imminent to reduce delivery risks. These projects need more development compared to the AMBER category.
- **RED** – Less well-developed projects that should not progress without significantly more additional work or should be considered for funding from other sources such as Neighbourhood CIL.

Our independent assessment and moderation, which takes a greater account of the Local Plan housing delivery focus and considering where the match funding is very well developed, suggests the following breakdown of the Strategic CIL applications:

### **GREEN (Four Projects) – Projects to be Considered for Funding (MBC Internal Scoring 54-108)**

Project 18<sup>1</sup>. Kent County Council (KCC) Transport M20 J7 Upgrade - £4,822,469 (as recoverable loan in revolving fund) and £1,799,141 (as a CIL grant).

Project 12. KCC Transport A229 Linton Crossroads Improvements - £1,232,000 (CIL grant)

Project 21. MBC Redevelopment of Heather House Community Centre (Parkwood) - £956,420 (CIL grant)

Project 1. St Faiths Centre - £200,000 (CIL grant)

These comprise the two highest scoring transport projects when ranked by MBC's internal assessment (both ranked critical in the IDP) and two projects which involve the provision of additional community facilities in areas of high housing growth with strong policy support. Further details are provided in the table below.

**Total costs = £9,010,030 with £4,822,469 as recoverable CIL "loan" in revolving fund and £4,187,561 as CIL grant.**

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<sup>1</sup> Project ID numbers as per the table in the Appendix.

### **Current available CIL and Revolving Fund budget £9.281 million**

For the M20 J7 project, the total scheme costs are £6,621,610 and the eventual S106 receipts to MBC will be £4,822,469 leaving a funding gap of £1,799,141.

MBC propose to "loan" the S106 value of £4,822,469 to KCC on a zero interest non-repayable basis but MBC will then recover the full amount from the S106 payments that MBC will receive from the developments linked to the scheme in the future. MBC has set aside up to £5 million of their capital funds to support this approach.

As these funds are recovered, they can then be used again on other key local infrastructure projects to support future growth as a form of revolving fund. In addition MBC will make a CIL grant of £1,799,141 to support the project.

### **AMBER (Five Projects) – Projects with strong potential for funding in the short term (MBC Internal Scoring 64 – 84)**

Project 9. SECAMB Vehicle Preparation Scheme

Project 11. KCC Education Maidstone Grammar School

Project 13. KCC Transport Hermitage

Project 15. NHS Kent and Medway – Extension of Shepway Medical Centre

Project 22. Lenham Nursery School

### **YELLOW (Five Projects) - Projects with moderate potential for funding in the longer term (MBC Internal Scoring 44-51)**

Project 5. Staplehurst Parish Council Sports Pitch

Project 10. MBC Parks Activation (Cycling and Wheeled Sports)

Project 14. MBC Maidstone Riverside Light Walk

Project 16. EA Headcorn Flood Alleviation Scheme

Project 17. KCC Transport Improvements at M2 J3 A229 & M20 J6

### **RED (Eight Projects) – Projects which should not progress for Strategic CIL funding (MBC Internal Scoring 0-42)**

Project 2. Mote Cricket Club

Project 3. Lenham Public Toilets

Project 4. Staplehurst Parish Council Highway Works

Project 6. Staplehurst PC Youth Club Toilets

Project 7 Staplehurst Community Centre

Project 8. Staplehurst Parish Council Display Screen – Non-compliant as not infrastructure.

Project 19. KCC Transport Demand Responsive Transport (DRT)

Project 20. Staplehurst Golf Club Improvements

Further details are provided in the Appendix.

**Table 4. Projects Ranked “Green” in Moderation**

Further details of the projects suggested for potential funding are given below.

	Project	Grant Request / Cost	Summary	Scoring by MBC	Moderation by Turley	RAG / Recommendation
18	KCC Transport - M20 J7 Upgrade	£5,559,181 / £6,621,610	The proposal is to improve the capacity of the M20 Junction 7 (intersection between the M20 and the A249, and part of the Major Road Network (MRN)). The works are currently estimated to cost £6,621,610 based on estimates at Quarter 3 2022/23 FY and allowing for inflation over the construction period to early 2025. CIL application asks for £5.559 million with £1,062,429 coming from private S106 contributions already secured by KCC.	<b>89/145.</b> Strong policy alignment (LP, IDP) and local support. Identified benefits and public consultation supportive. Delivery by Jan 2025. BCR 20:1. Further clarity needed on S106 contributions. Land owner is KCC. KCC and National Highways revenue costs in the future. Permitted development so lower risk. Potential for mix of grant and loan in advance of future S106 receipts. Various development sites linked to this project are sources of S106/CIL.	Agree. In IDP (HTJ72). BCR while very high at 20:1 is good but may need checking. Up to 84% of costs being requested through CIL. Unsuccessful with LUF R2 bid. Confirm that the programme and costs are still current. Proposed “loan” basis does allow recovery of monies to fund other future projects.	GREEN
12	KCC Transport A229 Linton Crossroads Junction	£1,232,000 / £2,071,392	Widening of junction to include additional lanes on 3 approaches, upgrading traffic signals and improved pedestrian crossings. The total cost of the project is £2,071,392 (including construction costs of £1,182,070).	<b>108/145.</b> Strong policy alignment (LP, IDP) and local support. Detailed costs and all match in place. Land owner agreement. Range of transport benefits. Supporting	Agree. In IDP (HTC1) – Rated critical. Can be delivered Q4 2023. Confirm that the programme and costs are still current.	GREEN

	Project	Grant Request / Cost	Summary	Scoring by MBC	Moderation by Turley	RAG / Recommendation
	Improvement.		The applicant is seeking £1,232,000 of CIL funding with additional funding of £846,557 coming from S106 developer contributions	documents. KCC revenue costs in the future.		
144	21 MBC- Redevelopment of Heather House Community Centre (Parkwood)	£956,420 / £1,771,101	Demolition of existing Heather House Community Centre and construction of a new replacement Community Centre, with associated landscaping and parking. The total estimated scheme cost for the new community centre is £1,771,101 with additional funding of £814,681 coming from the income generated from the residential housing development on the site.	<b>54/145.</b> Some policy support (LP) and scheme submitted to IDP update (May 2022). Some benefits and local community support. Delivery July 2024. Planning secured (Nov 2022). Requires management organisation for the future. £100K grant secured. Match from income/subsidy from the residential housing (Pavilion Building) is £814,681.	Recommend could be funded. Appears an advanced project with 54% funding from identified other sources. Supports an area of relative deprivation and an area of recent growth (SE Maidstone) and supports additional amenity provision after population growth. Local Plan alignment. Confirm that the programme and costs are still current. Confirm contractor position.	GREEN
1	St Faiths Centre	£200,000 / £1.863 million	Demolition of an existing hall and vicarage and building a specifically designed and purpose made community centre. Funding to cover escalating construction costs. Started Oct 2021. The overall project will cost	<b>61/145.</b> Supports Local Plan objectives (increase provision), other finance in place (including S106), no planning consent required.	Advanced project and therefore deliverable in 2023 subject to addressing cost inflation challenges. Area of relative deprivation. Area of recent growth (Maidstone TC) and supports additional amenity provision after	GREEN

145

	Project	Grant Request / Cost	Summary	Scoring by MBC	Moderation by Turley	RAG / Recommendation
			<p>£1,863,000 and a CIL bid has been sought for £200,000 which is just over 10% of the project total. Other funding has been raised totalling £1,574,000 from S106 contributions, sale of assets, Grants and Awards leaving a shortfall of £289,000 which if the bid is successful would leave £89,000 which would be sought from further grants and interest-free loans.</p>		<p>population growth. Local Plan alignment. Confirm that the programme and costs are still current.</p>	

## 6. Recommendations and Next Steps

This section provides some recommendations for future CIL rounds on the basis of this independent review.

- Consider producing a cohort of critical IDP projects that align with likely Strategic CIL budgets which will have the biggest impact on growth.
- Do some additional communications and promotional activity with the project promoters of the most critical projects where you would welcome Strategic CIL bids so these can be brought forward.
- Consider a pass/fail question for alignment with IDP elements and Local Plan key growth locations and policies to screen out bids at an early stage.
- Assessment of VfM would be improved with some output metrics (unit costs) and outcomes / impacts (e.g. number of houses, residents supported, jobs/GVA) as currently just based on costs and match funding.
- Consider having a screening question for the minimum size of project (>£500K) and minimum level of match funding (say 30%-50%) with immediate referral of smaller projects to Neighbourhood CIL funds.



## **Appendices**

# 07

## Appendix 1 – Turley RAG Moderation Scoring of Projects

	Project	Grant Request / Cost	Summary	Scoring by MBC	Moderation by Turley	RAG / Recommendation
1	St Faiths Centre	£200,000 / £1.863 million	Demolition of an existing hall and vicarage and building a specifically designed and purpose made community centre. Funding to cover escalating construction costs. Started Oct 2021.	<b>61/145.</b> Supports Local Plan objectives (increase provision), other finance in place (including S106), no planning consent required.	Advanced project and therefore deliverable in 2023 subject to addressing cost inflation challenges. Area of relative deprivation. Area of recent growth (Maidstone TC) and supports additional amenity provision after population growth. Local Plan	GREEN Potential to Fund
2	Mote Cricket Club	Not provided	Replacement of pavilion and squash club (linked to required residential development).	<b>13/145.</b> Does not align with IDP, limited information, no financial information and requires planning consent.	Agree. Does not delivery IDP objectives and longer term delivery timescale.	RED Unsuccessful
3	Lenham Public Toilets	£115,138 / £115,138.	Complete refurbishment of the existing (life expired) public toilets in the centre of Lenham including provision of currently unavailable accessible facilities.	<b>39/145.</b> Does align with Local Plan. Councillor support. Needs permitted development.	Agree. Not started but deliverable in a 12 week programme. Not an IDP project. No match funding.	RED Unsuccessful. Neighbourhood CIL

	Project	Grant Request / Cost	Summary	Scoring by MBC	Moderation by Turley	RAG / Recommendation
4	Staplehurst Parish Council Highway works	£10,000 / £100,000	Road crossing and Bus stop improvements on Cranbrook Road. To install a Puffin Crossing, Bus stop waiting area and footpath.	<b>29/145.</b> Support by Local Plan, highways strategy and IDP (HTS1). No match funding evidence or cost breakdown. Two years away from delivery.	Agree. Early stage project. Relatively small investment and 10% of funds.	RED. In IDP. Potential to Resubmit with a funded delivery plan. Local CIL?
5	Staplehurst Parish Council Sports Pitch	£100,000 / £1,000,000	To install a 3G sports Pitch for Staplehurst and surrounding areas.	<b>49/145.</b> Links to neighbourhood plan but not IDP. Little detail of VfM. Further confirmation of finance required. Planning consent required. 2 years away from delivery.	Agree. Needs to show other funding is in place as CIL is just 10%. Provide more quantitative evidence of needs and impacts.	YELLOW. Align with LP/IDP and provide a funded delivery plan
6	Staplehurst PC Youth Club Toilets	£12,800 / £16,000	To install new toilet and accessible toilet in the Youth Club building.	<b>24/145.</b> Links to neighbourhood plan but not IDP. Little detail of VfM or finance. 6-8 weeks to complete.	Agree. Small project with no link to IDP. Small impacts.	RED. Unsuccessful. Neighbourhood CIL
7	Staplehurst Community Centre	£400,000 / £1,000,000 (2019 prices)	Redevelopment of Staplehurst Community Centre.	<b>37/145.</b> No direct link to Local Plan or IDP. 60% of finance still required. Planning consent required. 3 years away from completion.	Agree. Not currently costed. Little detail of need and impacts.	RED. Further development work and a detailed and funded delivery plan

	Project	Grant Request / Cost	Summary	Scoring by MBC	Moderation by Turley	RAG / Recommendation
8	Staplehurst Parish Council - Display Screen	£6,000	Outdoor digital display signage.	<b>0/145.</b> Rejected as not infrastructure	Agreed.	RED Non-Compliant
9	SECAMB-Vehicle prep scheme	£500,000+ / £8,220,000	Paddock Wood Make Ready Centre (MRC) was opened in 2011. It is in a converted leased building and now at operational capacity and in a sub-optimal location. A larger site on the outskirts of Maidstone with better access to the M20 is now being sought.	<b>64/145.</b> Support Local Plan and IDP. Planning not secured but track record of delivery in the last. Delivery in March 2026 (current lease ends).	In IDP (PS10). Establish match funding position (in capital plan). Better scale of project in area of critical need?	AMBER Further detail on match funding when delivery imminent.
10	MBC Parks Activation – Cycling and Wheeled sports Mote Park & South Park	£1,180,000 / £1,180,000	Create: (1) new multi-use routes through Mote Park for pedestrians, joggers and cycling; and (2) wheeled sports facilities such as pump track, skate parks.	<b>44/145.</b> Supports Local Plan and other strategy. Supports active modes. Limited costs and no match funding. 30 months to deliver and some experience. Revenue funding agreed.	Agree. MBC could check whether in IDP and level of funding leverage.	YELLOW Further financial detail and match funding

	Project	Grant Request / Cost	Summary	Scoring by MBC	Moderation by Turley	RAG / Recommendation
11	KCC Maidstone Grammar School	£4,519,310 / £8,986,481	To meet the demand for Year 7 girls' selective places in the Maidstone and Malling Planning Group, KCC propose to expand the Maidstone Grammar School for Girls by 1 FE, increasing its PAN from 180 to 210 from September 2023.	<b>74/145.</b> In Local Plan but not in IDP. Construction by Sept 2023. Expands education. Carbon neutral building Request for 50% of costs.	MBC to check whether in IDP and seek more detail on costs. Additionality seems unclear. Additional spend on tourism centre for air raid shelters could just be on education.	AMBER Further develop financial and cost case.
12	KCC Linton Crossroads	£1,232,000 / £2,071,392	A229 Linton Crossroads Junction Improvement. Widening of junction to include additional lanes on 3 approaches, upgrading traffic signals and improved pedestrian crossings.	<b>108/145.</b> Strong policy alignment and local support. Detailed costs and all match in place. Land owner agreement. Range of transport benefits. Supporting documents. KCC revenue costs in the future.	Agree. In IDP (HTC1) – Rated critical. Can be delivered Q4 2023	GREEN Potential to Fund
13	KCC Hermitage Lane	£223,550 / £404,550	Provision of a shared footway/cycleway adjacent to Hermitage Lane between Hermitage Park Development and Maidstone Hospital entrance.	<b>74/145.</b> Good policy alignment and local support. Detailed costs and programme. No land or planning consent issues. Supporting documents. KCC revenue costs in the future.	In IDP (HTNW10) – Essential. Can be delivered for March 2024.	AMBER Additional match funding detail

	Project	Grant Request / Cost	Summary	Scoring by MBC	Moderation by Turley	RAG / Recommendation
14	MBC Maidstone Riverside Light Walk	£500,000 / £2.7-£4.7 million	Improvements to the public realm to increase connectivity from Maidstone Town Centre to the Lockmeadow entertainment complex and Maidstone Riverside.	<b>49/145.</b> Some policy and local support. Not in IDP. No detailed costs. Not all match in place. Two years to deliver. Planning probably not required.	Agree. MBC to confirm if in IDP. Cost range very wide. Not all match in place.	YELLOW Needs further development
15	NHS Kent & Medway - Extension of Shepway Medical Centre	£498,000 / £1,804,363	To carry out a reconfiguration of the first floor to provide additional consulting rooms and to add an extra storey to the premises to provide extra operational capacity.	<b>84/145.</b> Good policy alignment and local support in area of need. Costs and programme. Planning consent required. Delivery by July 2024. £25K match from S106 but rest yet to be agreed. Private sector applicant.	In IDP (HPU12). All funding not in place and planning required. Expensive for a refit – MBC to obtain QS review. Tendered costs in April 2023.	AMBER Further detail on cost and match funding
16	EA Headcorn Flood Alleviation Scheme	£300,000 / £1,050,000	A flood alleviation scheme to mitigate the risks of flooding to properties (99), primary school and businesses that are currently at risk of flooding.	<b>46/145.</b> Good policy alignment but community support not yet achieved. Match funding not in place (FDGiA). No programme of works. Delivery between 2024 and 2026.	Agreed. In IDP (FP2). Need more certainty on match funding and programme.	YELLOW Develop programme and secure match funding
17	KCC Transport-Improvements at M2	£5,000,000 / £230,000,000	Blue Bell Hill A229. Improvements at M2 J3 A229 southbound	<b>51/145.</b> Strong Local Plan alignment but not in IDP. Journey time savings supported by TAG VfM calculations (BCR	Agreed. Very large project. One of the few projects with VfM. Need more certainty on KCC £35 million	YELLOW Develop further and secure match funding.

	Project	Grant Request / Cost	Summary	Scoring by MBC	Moderation by Turley	RAG / Recommendation
	J3 A229 & M20 J6		widening and improvements to the M20 J6.	2:1). Public consultation supportive. 85% of match from other sources but not yet secured. Dec 2028 delivery. Planning application (not DCO) and CPO required. Revenue covered by KCC and National Highways.	of match and LLM application. Detailed design starts in Nov 2024.	
18	KCC Transport - M20 J7 Upgrade	£5,559,181 / £6,621,610	The proposal is to improve the capacity of the M20 Junction 7 (intersection between the M20 and the A249, and part of the Major Road Network (MRN)). The works are currently estimated to cost £6,621,610 based on estimates at Quarter 3 2022/23 FY and allowing for inflation over the construction period to early 2025. CIL application asks for £5.559 million with £1,062,429 coming from private S106 contributions already secured by KCC.	<b>89/145.</b> Strong policy alignment (LP, IDP) and local support. Identified benefits and public consultation supportive. Delivery by Jan 2025. BCR 20:1. Further clarity needed on S106 contributions. Land owner is KCC. KCC and National Highways revenue costs in the future. Permitted development so lower risk. Potential for mix of grant and loan in advance of future S106 receipts. Various development sites linked to this project are sources of S106/CIL.	Agree. In IDP (HTJ72). BCR while very high at 20:1 is good but may need checking. Up to 84% of costs being requested through CIL. Unsuccessful with LUF R2 bid. Confirm that the programme and costs are still current. Loan basis does allow recovery of monies to fund other future infrastructure projects.	GREEN Potential to Fund

	Project	Grant Request / Cost	Summary	Scoring by MBC	Moderation by Turley	RAG / Recommendation
19	KCC - Maidstone Demand Responsive Transport (DRT)	£1,800,000 / £1,800,000	DRT service for the South Maidstone area to complement/replace existing bus routes. For the villages of Hunton, Yalding, Marden and Goudhurst with Maidstone Town Centre. Includes a back-office system which allows passengers to look at the transport options available and book tickets. Funding for the back-office system is being sought via the KCC Bus Service Improvement Plan with an indicative award having been made. Potential for low emission vehicles.	<b>42/145.</b> Good policy alignment and indirect links to IDP. Reasonable benefits and support from public consultation. Delivery in 2024. No costs or match funding in place. CIL is 100% of operational costs (3 buses for 36 months). Potential £80K for back office from DfT.	Indirect links to IDP (bus interventions). Needs TAG compliant business case. Future budgets for service? Depends on back office system first (IT risks). Check whether this is revenue spend for operations?	RED Needs full TAG business case and match funding.
20	Staplehurst Golf Club Improvements	£126,079.80	To install new toilet/accessibile toilet to the Golf Club, with power & improvements.	<b>24/145.</b> Limited policy alignment and benefits. Limited detailed on costs, programme and risks.	Agree	RED Needs further development
21	MBC- Redevelopment of Heather House	£956,420 / £1,771,101	Demolition of existing Heather House Community Centre and construction of a new replacement Community Centre,	<b>54/145.</b> Some policy support and scheme submitted to IDP update (May 2022). Some benefits and local community support. Delivery July 2024.	Recommend could be funded. Appears an advanced project with 54% funding from identified other sources. Supports an area of relative deprivation and an area of	GREEN Potential to Fund

	Project	Grant Request / Cost	Summary	Scoring by MBC	Moderation by Turley	RAG / Recommendation
	Community Centre (Parkwood)		with associated landscaping and parking.	Planning secured in Nov 2022. . Requires management organisation for the future. £100K grant secured. Match from income/subsidy from the residential housing (Pavilion Building) is £814,681.	recent growth (SE Maidstone) and supports additional amenity provision after population growth. Local Plan alignment. Confirm contractor procurement.	
22	Lenham Nursery School	£450,000 / £899,950	To construct a 52 child Nursery School that will serve the Parish of Lenham. Population is expected to double 2021 to 2031. Application was granted permission on 2nd December 2021, at the Allotment site on land owned by Lenham Parish Council, 1a High Street Lenham, Kent ME17 2QD.	<b>67/145.</b> In Parish Plan but not IDP. Aug 2024 delivery. £10K raised. Benefits for early education for disadvantaged pupil and their families. Local support. Planning permission granted. Top level costs provided.	Relatively low risk. Demand arising from increased residential development. Well-developed bid. 50% grant request. Further evidence of timing of match funding?	AMBER Provide evidence of match funding



## APPENDIX 2: Officers Appraisal

### CIL Strategic Bids 2022

PROJECT	Amount Requested	Delivering Growth (45)			Environment (10)	Community Support (30)		Project Cost (25)			Deliverability (35)			Project Score /145
		Will the project contribute towards the delivery of the adopted/emerging Local Plan?	What is the status of the project in the Infrastructure Delivery Plan (IDP)?	Does the project link to the Maidstone Borough Council Corporate Strategy?	Does the project support the aims and targets of the Council's Biodiversity Climate Change Strategy?	Is there evidence of a public benefit of the project?	Is there evidence that the local community support the project?	Is the project value for money (VfM)? (Considering comparison of quotes provided, costs against benchmark costs, potential benefits and outcomes for the borough, alternative funding sources available and the need for CIL, the added value which CIL could bring to the scheme.)	Does the project have or unlock additional funding from other sources (e.g., grants or matchfunding)?	If the project has or unlocks funding from other sources, what is the status of this funding?	What evidence is there to suggest the project is deliverable? (Consider feasibility; if planning permission would be required; what type of bid is the project, e.g. feasibility, preliminary works, or project; is there a project plan which includes timetabling and resources; what measures have been explored to minimise the risk of the project not being delivered.)	What is the delivery timescale for the project?	Have details been given as to how on-going maintenance will be provided for and the identification of the responsible party for the maintenance?	
St Faiths Centre	£200,000	0	0	5	5	5	0	5	10	5	15	6	5	61
Mote Cricket Club	Not Specified	0	0	5	0	0	0	0	0	3	0	0	5	13
Lenham Public Toilets	£115,138	0	0	5	5	5	0	3	0	0	5	6	10	39
Staplehurst Parish Council Highway works	£10,000	0	0	5	5	0	5	3	0	0	0	6	5	29
Staplehurst Parish Council Sports Pitch	£100,000	5	0	5	5	5	5	3	7	3	0	6	5	49

Staplehurst PC Youth Club Toilets	£12,800	0	0	5	0	5	0	3	0	0	0	6	5	24
Staplehurst Community Centre	£400,000	0	0	5	0	5	0	3	3	5	5	6	5	37
<del>Staplehurst Parish Council – Display Screen</del>	<del>£6,000</del>													NOT INFRASTRUCTURE
SECAMB- Vehicle prep scheme	£500,000+	0	15	5	5	10	0	3	7	3	5	6	5	64
MBC Parks Activation – Cycling and Wheeled sports Mote Park & South Park	£1,180,000	0	0	5	10	5	0	3	0	0	5	6	10	44
KCC Maidstone Grammar School	£4,519,310	10	0	10	5	5	10	3	7	3	5	6	10	74
KCC Linton Crossroads	£1,232,000	15	20	10	5	5	10	7	5	5	10	6	10	108
KCC Hermitage Lane	£223,550	15	15	5	5	5	0	5	0	3	5	6	10	74
MBC Maidstone Riverside Light Walk	£500,000	5	0	5	5	5	0	5	0	3	5	6	10	49
NHSKM - Extension of Shepway Medical Centre	£498,000	10	15	10	5	5	0	5	10	3	5	6	10	84
EA Headcorn Flood Alleviation Scheme	£300,000	0	10	5	5	5	0	5	0	0	5	6	5	46
KCC Transport-Improvements at M2 J3 A229 & M20 J6	£5,000,000	0	0	5	0	5	5	5	10	3	5	3	10	51
KCC Transport -M20 J7 Upgrade	£5,559,181	15	20	10	0	5	5	5	5	3	5	6	10	89

KCC - Maidstone Demand Responsive Transport (DRT)	£1,800,000	0	0	5	5	5	5	5	3	3	5	6	0	42
Staplehurst Golf Club Improvements	£126,079.80	0	0	5	0	0	0	3	0	0	5	6	5	24
MBC- Redevelopment of Heather House Community Centre (Parkwood)	£956,420	5	0	5	5	5	5	5	3	5	5	6	5	54
Lenham Nursery School	£450,000	10	0	10	5	5	10	5	3	3	5	6	5	67
Total Requested	£23,682,478													

## APPENDIX 3:

### CIL Steering Group Meetings Dates

<b>2020</b>
11 June @12pm
15 June @2pm
26 June @12pm
14 September @3.30
<b>2021</b>
20 January @11am
17 March @11am
25 May @11am
26 July @3.30pm
15 September @11am
<b>2022</b>
31 January @12pm
9 August @4pm
23 August @11am
13 December @4pm
<b>2023</b>
19 January @12pm (with Turleys)
25 April @ 12pm

<b>Cabinet</b>	<b>28 June 2023</b>
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## Property Acquisition for 1,000 Affordable Homes Programme

<b>Timetable</b>	
<b>Meeting</b>	<b>Date</b>
Housing Health and Environment Policy Advisory Committee	13 <sup>th</sup> June 2023
Cabinet	28 <sup>th</sup> June 2023

<b>Will this be a Key Decision?</b>	Yes
<b>Urgency</b>	Not Applicable
<b>Final Decision-Maker</b>	Cabinet
<b>Lead Head of Service</b>	Philip Morris – Head of New Business and Housing Development
<b>Lead Officer and Report Author</b>	Philip Morris – Head of New Business and Housing Development
<b>Classification</b>	<p>Public Report with Exempt Private Appendices</p> <p>The information contained within the Appendices has been considered exempt under the following paragraph of part 1 of schedule 12A to the Local Government Act 1972:-</p> <p>3 = Information relating to the financial or business affairs of any particular person (including the authority holding that information)</p> <p>Public Interest Test</p> <p>On applying the public interest test, the public interest in non-disclosure of the report outweighs the public interest in disclosing this information. The reasons in favour of disclosure are the public interest in ensuring value for money and the reasons against disclosure are the harm to the Council’s financial position in respect of a commercial transaction. Any disclosure of such information may compromise the negotiating position of the Council. Keeping</p>

	the information exempt is therefore in the public interest.
<b>Wards affected</b>	Fant Ward

### **Executive Summary**

The Council has an ambitious housebuilding programme that is funded via the Council's adopted Capital Programme. This housebuilding programme encompasses homes for Affordable Housing (AH), Private Rented Sector Housing (PRS) and on occasion a limited amount of exposure to Market Sale (MS) Housing too. The development strategy for this programme was approved by the Policy & Resources Committee on 19<sup>th</sup> January 2022, and the proposals within this report are consistent with delivering that strategy.

### **Purpose of Report**

For Consideration and Recommendation to Cabinet

### **That the Cabinet:**

1. Approve the financial returns for the proposed acquisition as shown in Exempt Appendix 3 of this report, which supports the Housing Development and Regeneration Investment Plan and overall Development Strategy.
2. Give delegated authority to the Director of Finance, Resources and Business Improvement to:
  - a) Negotiate terms for the purchase of the proposed acquisition for the sum as shown in the Exempt Appendix 3 of this report.
  - b) Procure and enter into all such deeds, agreements, contracts and documents which may be required to facilitate the purchase of the site, and the subsequent redevelopment works required to deliver the scheme referred to in this report. Including (but not limited to) any related appointments such as suitably qualified consultants and a Contractor.
  - c) Subject to satisfactory conclusion of all due diligence to negotiate and finalise and complete all legal formalities, deeds and agreements which may be required to facilitate the purchase.
3. Authorise the Head of Mid Kent Legal Services to appoint the Solicitors required to negotiate and complete the necessary contract documentation, deeds and agreements associated with the purchase and construction works on the terms as agreed by the Director of Finance, Resources & Business Improvement.
4. Agree, post completion of the procurement process, to appoint a contractor for the build cost detailed in the financial summary at Exempt Appendix 3. If in the event tenders for the works cost are in excess of the agreed sum then officers will return to the Committee/Cabinet to seek further approval prior to the development itself commencing.

# Property Acquisition for 1,000 Affordable Homes Programme

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<p><b>Impact on Corporate Priorities</b></p>	<p>The four Strategic Plan objectives are:</p> <ul style="list-style-type: none"> <li>• Embracing Growth and Enabling Infrastructure</li> <li>• Safe, Clean and Green</li> <li>• Homes and Communities</li> <li>• A Thriving Place</li> </ul> <p>The purchase of the homes described in this report supports the Councils Development Strategic plan in building 1,000 Affordable Homes, within the agreed capital spend of 200m.</p> <p>Accepting the recommendations will materially improve the Council's ability to achieve and support Embracing Growth and Enabling Infrastructure and Homes and Communities.</p>	<p>Philip Morris Head of New Business and Housing Development</p>
<p><b>Cross Cutting Objectives</b></p>	<p>The four cross-cutting objectives are:</p> <ul style="list-style-type: none"> <li>• Heritage is Respected</li> <li>• Health Inequalities are Addressed and Reduced</li> <li>• Deprivation and Social Mobility is Improved</li> <li>• Biodiversity and Environmental Sustainability is respected</li> </ul> <p>The report recommendations support the achievement of the Deprivation and Social Mobility is improved cross cutting objective by delivering a high-quality development of affordable homes.</p>	<p>Alison Broom Chief Executive</p>
<p><b>Risk Management</b></p>	<p>Already covered in the risk section.</p>	<p>Philip Morris Head of New Business and</p>

		Housing Development
<b>Financial</b>	Development of the specific site is not currently included in the draft capital programme, however monies have been allocated for indicative schemes such as this. This scheme would therefore draw upon those resources already allocated to those indicative schemes, subject to the risks set out in this report and to the initiatives described in the report to close any potential viability gap.	Paul Holland (Senior Finance Manager – Client Accountancy)  Philip Morris Head of New Business and Housing Development
<b>Staffing</b>	We will deliver the recommendations with our current staffing. However, we will employ external consultants to help facilitate and oversee the redevelopment works with the appointed contractor.	Philip Morris Head of New Business and Housing Development
<b>Legal</b>	<p>MBC has statutory power under section 1 of the Localism Act 2011 to do anything that individuals generally may do and under section 111 of the Local Government Act 1972 MBC 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.</p> <p>S120(1)(2) of the 1972 Act also enables MBC to acquire land to be used for the benefit, improvement or development of their area or for the purpose of discharging MBC’s functions.</p> <p>MBC must follow its internal procurement rules as detailed in the Constitution and comply with all legal requirements as may be applicable from time to time.</p> <p>Acting on the recommendations is within MBC’s powers as set out in the above statutory provisions.</p>	Russell Fitzpatrick MKLS

<b>Information Governance</b>	The recommendations will impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council processes.	Georgia Harvey and Lauren Connett - Information Governance Team
<b>Equalities</b>	The recommendations do not propose a change in service therefore will not require an equalities impact assessment	Nicola Toulson Equalities & Communities Officer
<b>Public Health</b>	We recognise that the recommendations will not negatively impact on population health or that of individuals.	Philip Morris Head of New Business and Housing Development
<b>Crime and Disorder</b>	The recommendation will not have a negative impact on Crime and Disorder.	Philip Morris Head of New Business and Housing Development
<b>Procurement</b>	On accepting the recommendations, MBC will then follow procurement exercises for commissioning consultancy advice to secure the works contract. We will complete those exercises in line with financial procedure rules.	Philip Morris Head of New Business and Housing Development
<b>Biodiversity and Climate change</b>	<p>Providing 1,000 new affordable homes will have a significant impact on the Council's carbon footprint and 2030 Net Zero commitment. Highly thermally efficient, low carbon heating, and climate adapted housing, as well as consideration for shared heating solutions, renewable energy, active travel, and biodiversity enhancements as part of the development strategy will ensure alignment with the Biodiversity and Climate Change Action Plan.</p> <p>Special attention is needed in regards to the implications of the following to action of the Biodiversity and Climate Change Action plan:</p> <p>Action 9.3 Deliver Policy that ensures</p>	James Wilderspin - Biodiversity and Climate Change Manager

	<p>sustainability criteria is used for all Maidstone Borough Council construction of new buildings (offices, housing, leisure facilities) and sustainability criteria is part of decision-making process for all Maidstone Borough Council building acquisitions, to ensure buildings owned by the council are sustainable, future proofed, and align with our net zero commitment.</p> <p>Action 9.4 Establish criteria for investment in climate change and biodiversity and invest to save schemes (eg. renewables, heat networks). These will consider relative impact in terms of carbon reduction and ease of delivery, such that expenditure is focused on deliverable, affordable initiatives that maximise impact on the carbon reduction targets.</p>	
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## 2 INTRODUCTION AND BACKGROUND

2.1 When appraising new housing development opportunities, the New Business and housing Development Team consider proposals against the following standard risk headings: -

- Site location and ownership.
- Town Planning Status.
- Schedule of accommodation, tenure mix and parking ratio.
- Quality – Maidstone Building for Life 12.
- Housing Management.
- Deal structure.
- Contractor procurement.
- Financial viability.
- Delivery programme.
- Professional team.

2.2 The opportunity proposed in this report is fully appraised against these standard risk headings in the exempt Appendix 1.

## 3 AVAILABLE OPTIONS

3.1 Option 1: The Cabinet could choose not to approve the purchase of the proposed acquisition. The Council would however lose an excellent opportunity to purchase a site with full planning permission with access to good transport links and amenities to add to its affordable housing stock. It will assist towards much needed affordable accommodation in the Borough and contribute towards the Council 1,000

Affordable Homes delivery target.

- 3.2 Option 2: The Cabinet approve the purchase of the proposed acquisition on the agreed terms and procures the professional consultants. That post completion of the procurement process to appoint a contractor for the works cost detailed in the financial summary Exempt Appendix 3. If in the event tenders for the works cost are in excess of the agreed sum then officers will return to the committee to seek further approval prior to the development itself commencing. This site when built would assist with affordable housing provision, contributing towards delivering the 1,000 affordable homes target.

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#### **4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

- 4.1 Option 2 is the recommended option. A significant amount of work and negotiation has been completed by officers to reach this accepted offer stage with the vendor. The scheme has full planning consent on purchase and represents a good investment opportunity which supports the 1,000 Affordable Homes Development Strategy.
- 4.2 The acquisition will also deliver a number of new apartments within a residential location, making a valuable contribution to the borough's identified affordable housing need.

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#### **5 RISK**

- 5.1 Please see exempt appendix 1.

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#### **6 CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

- 6.1 The was considered by the HHE PAC on 13 June 2023 the committee recommended that the Cabinet approve the recommendations. In doing so, and with the support of the Cabinet Member, the wording in recommendation 4 was changed to 'build cost' so that it correlated to the Exempt Appendix 3.

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#### **7 NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

- 7.1 The next steps, will be to secure the site with exchange and completion of contracts on the terms as agreed by the Director of Finance, Resources and Business Improvement, subject to RICS valuation, and satisfactory contract. Alongside the acquisition, officers will work with the appointed Employers Agent to source a suitable contractor, and will return to Committee/Cabinet, as per point 4 of the recommendations, should there be any variance to the build cost provided in Exempt Appendix 3.

## **8 REPORT APPENDICES**

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

- Exempt Appendix 1: Risk Assessment
  - Exempt Appendix 2: Site Layout
  - Exempt Appendix 3: Financial Viability Outputs
- 

## **9 BACKGROUND PAPERS**

Policy and Resources Committee Report "Affordable Housing Delivery by the Council" and Minute (No.157) of 19 January 2022

<b>Cabinet</b>	<b>28 June 2023</b>
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## Property Acquisition

<b>Timetable</b>	
<b>Meeting</b>	<b>Date</b>
Housing, Health, and Environment Policy Advisory Committee	13 <sup>th</sup> June 2023
Cabinet	28 <sup>th</sup> June 2023

<b>Will this be a Key Decision?</b>	Yes
<b>Urgency</b>	Not Applicable
<b>Final Decision-Maker</b>	Cabinet
<b>Lead Head of Service</b>	Philip Morris – Head of New Business and Housing Development
<b>Lead Officer and Report Author</b>	Rachael Bennett – Development Project Manager
<b>Classification</b>	<p>Public Report with Exempt Private Appendices</p> <p>The information contained within the Appendices has been considered exempt under the following paragraph of part 1 of schedule 12A to the Local Government Act 1972:-</p> <p>3 = Information relating to the financial or business affairs of any particular person (including the authority holding that information)</p> <p>Public Interest Test</p> <p>On applying the public interest test, the public interest in non-disclosure of the report outweighs the public interest in disclosing this information. The reasons in favour of disclosure are the public interest in ensuring value for money and the reasons against disclosure are the harm to the Council’s financial position in respect of a commercial transaction. Any disclosure of such information may compromise the negotiating position of the Council. Keeping</p>

	the information exempt is therefore in the public interest.
<b>Wards affected</b>	High Street

### **Executive Summary**

The Council has an ambitious housebuilding programme that is funded via the Council's adopted Capital Programme. This housebuilding programme encompasses homes for; Affordable Housing (AH), Private Rented Sector Housing (PRS) and on occasion a limited amount of exposure to Market Sale (MS) Housing too. The development strategy for this programme was approved by the Policy & Resources Committee in January 2022, and the proposals within this report are consistent with delivering that strategy.

### **Purpose of Report**

For Decision

### **That the Cabinet:**

1. Approve the financial returns for the proposed acquisition as shown in Exempt Appendix 3 of this report, which supports the Housing Development and Regeneration Investment Plan and overall Development Strategy.
2. Give delegated authority to the Director of Finance, Resources and Business Improvement to:
  - a) Negotiate terms for the purchase of the proposed acquisition for the sum as shown in the Exempt Appendix 3 of this report.
  - b) Procure and enter into all such deeds, agreements, contracts and documents which may be required to facilitate the purchase of the site, and the subsequent redevelopment works required to deliver the scheme referred to in this report. Including (but not limited to) any related appointments such as suitably qualified consultants and a Contractor.
  - c) Subject to satisfactory conclusion of all due diligence to negotiate and finalise and complete all legal formalities, deeds and agreements which may be required to facilitate the purchase.
  - d) Negotiate and agree any lease between The Council and Maidstone Property Holdings.
3. Authorise the Head of Mid Kent Legal Services to appoint the Solicitors required to negotiate and complete the necessary contract documentation, deeds and agreements associated with the purchase and construction works on the terms as agreed by the Director of Finance, Resources & Business Improvement.

# Property Acquisition

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<p><b>Impact on Corporate Priorities</b></p>	<p>The four Strategic Plan objectives are:</p> <ul style="list-style-type: none"> <li>• Embracing Growth and Enabling Infrastructure</li> <li>• Safe, Clean and Green</li> <li>• Homes and Communities</li> <li>• A Thriving Place</li> </ul> <p>Accepting the recommendations will materially improve the Council’s ability to achieve its strategic objectives of Embracing Growth and Enabling Infrastructure and Homes and Communities.</p>	<p>Philip Morris Head of New Business and Housing Development</p>
<p><b>Cross Cutting Objectives</b></p>	<p>The four cross-cutting objectives are:</p> <ul style="list-style-type: none"> <li>• Heritage is Respected</li> <li>• Health Inequalities are Addressed and Reduced</li> <li>• Deprivation and Social Mobility is Improved</li> <li>• Biodiversity and Environmental Sustainability is respected</li> </ul> <p>The report recommendations support the achievement of the Council’s cross cutting objectives to reduce Deprivation and improve Social Mobility by delivering a high-quality development of affordable homes.</p>	<p>Alison Broom Chief Executive</p>
<p><b>Risk Management</b></p>	<p>Already covered in the risk section.</p>	<p>Philip Morris Head of New Business and Housing Development</p>
<p><b>Financial</b></p>	<p>Monies are allocated in the capital programme for Private Rented Sector housing. This scheme would draw upon</p>	<p>Paul Holland Senior Finance</p>

	those resources already allocated, subject to the risks set out in this report and to the initiatives described in the report to close any potential viability gap.	Manager – Client Accountancy
<b>Staffing</b>	We will deliver the recommendations with our current staffing. However, we will employ external consultants to help facilitate and oversee the redevelopment works with the appointed contractor.	William Cornall Director of Regeneration & Place
<b>Legal</b>	<p>MBC has statutory power under section 1 of the Localism Act 2011 to do anything that individuals generally may do and under section 111 of the Local Government Act 1972 MBC 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.</p> <p>S120(1)(2) of the 1972 Act also enables MBC to acquire land to be used for the benefit, improvement or development of their area or for the purpose of discharging MBC’s functions.</p> <p>MBC must follow its internal procurement rules as detailed in the Constitution and comply with all legal requirements as may be applicable from time to time.</p> <p>Acting on the recommendations is within MBC’s powers as set out in the above statutory provisions.</p>	Robin Harris Interim Team Leader (Contentious and Corporate Governance)
<b>Information Governance</b>	The recommendations will impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council processes.	Lauren Connett & Georgia Harvey Information Governance Team

<b>Equalities</b>	The recommendations do not propose a change in service and therefore will not require an equalities impact assessment.	Nicola Toulson Equalities & Communities Officer
<b>Public Health</b>	We recognise that the recommendations will not negatively impact on population health or that of individuals.	Philip Morris Head of New Business and Housing Development
<b>Crime and Disorder</b>	The recommendation will not have a negative impact on Crime and Disorder.	Philip Morris Head of New Business and Housing Development
<b>Procurement</b>	On accepting the recommendations, MBC will then follow procurement exercises for commissioning consultancy advice to secure the works contract. We will complete those exercises in line with financial procedure rules.	Philip Morris Head of New Business and Housing Development
<b>Biodiversity and Climate change</b>	<p>Providing new affordable and market rent homes will have a significant impact on the Council's carbon footprint and 2030 Net Zero commitment. Highly thermally efficient, low carbon heating, and climate adapted housing, as well as consideration for shared heating solutions, renewable energy, active travel, and biodiversity enhancements as part of the development strategy will ensure alignment with the Biodiversity and Climate Change Action Plan.</p> <p>Inline with the Biodiversity and Climate Change Action Plan, two particular actions should be considered as part of the developments:</p> <p>Action 9.3 Deliver Policy that ensures sustainability criteria is used for all Maidstone Borough Council construction of new buildings (offices, housing, leisure facilities) and</p>	<p>James Wilderspin - Biodiversity and Climate Change Manager</p> <p>Philip Morris Head of New Business and Housing Development</p>

	<p>sustainability criteria is part of decision-making process for all Maidstone Borough Council building acquisitions, to ensure buildings owned by the council are sustainable, future proofed, and align with our net zero commitment.</p> <p>Action 9.4 Establish criteria for investment in climate change and biodiversity and invest to save schemes (eg. renewables, heat networks). These will consider relative impact in terms of carbon reduction and ease of delivery, such that expenditure is focused on deliverable, affordable initiatives that maximise impact on the carbon reduction targets.</p>	
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## 2 INTRODUCTION AND BACKGROUND

2.1 When appraising new housing development opportunities, the New Business and Housing Development Team consider proposals against the following standard risk headings: -

- Site location and ownership.
- Town Planning Status.
- Schedule of accommodation, tenure mix and parking ratio.
- Quality – Maidstone Building for Life 12.
- Housing Management.
- Deal structure.
- Contractor procurement.
- Financial viability.
- Delivery programme.
- Professional team.

2.2 The acquisition opportunity proposed in this report is fully appraised against these standard risk headings in the exempt Appendix 1.

## 3 AVAILABLE OPTIONS

3.1 Option 1: The Committee could choose not to recommend the approval of the purchase of the proposed acquisition to Cabinet. The Council would however lose an excellent opportunity to purchase a completed block of 25 units. Although some of the individual units fall under the national space guidance the site is shown to be a profitable asset for the council and Maidstone Property Holdings in the appraisal of the financial viability that has been undertaken. Having a central location, the site is close to amenities and develops a previously derelict area which will help improve

the aesthetics of the Town Centre South Conservation Area and aid in the prevention of crime by the addition of population.

- 3.2 Option 2: The Committee recommends to Cabinet that the purchase of the proposed acquisition is approved on the agreed terms and subsequently leased to Maidstone Property Holdings. This site will be a profitable asset to MBC and assist with much needed housing provision and contribute towards delivering MPH target. Having a central location, the site is close to amenities and develops a previously derelict area which will help improve the aesthetics of the Town Centre South Conservation Area and aid in the prevention of crime by the addition of population.
- 

#### **4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

- 4.1 Option 2 is the recommended option. A significant amount of work and negotiation has been completed by officers to reach this accepted offer stage with the vendor. The scheme is completed block of 25 flats and represents a good investment opportunity which supports Maidstone Property Holdings in their delivery target.
- 

#### **5 RISK**

- 5.1 Please see exempt appendix 1
- 

#### **6 CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

- 6.1 HHE PAC considered the issue on the 13 June 2023 and recommended approval by the Cabinet.
- 

#### **7 NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

- 7.1 The next steps, subject to the decision made by Cabinet, will be to secure the site with exchange and completion of contracts on the terms as agreed by the Director of Finance, Resources and Business Improvement, subject to RICS valuation, and satisfactory due diligence report and contract.
- 

#### **8 REPORT APPENDICES**

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

- Exempt Appendix 1: Risk Assessment
- Exempt Appendix 2: Site Layout
- Exempt Appendix 3: Financial Viability Outputs

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## **9 BACKGROUND PAPERS**

Policy and Resources Committee Report "Affordable Housing Delivery by the Council" and Minute (No.157) of 19 January 2022

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

Document is Restricted

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

Document is Restricted

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

Document is Restricted

# Agenda Item 23

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

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

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