

STRATEGIC PLANNING AND INFRASTRUCTURE COMMITTEE MEETING

Date: Tuesday 8 December 2020
Time: 6.30 pm
Venue: Remote Meeting: The public proceedings of the meeting will be broadcast live and recorded for playback on the Maidstone Borough Council Website

Membership:

Councillors D Burton (Chairman), Clark, English, Garten, Mrs Grigg (Vice-Chairman), McKay, Munford, Parfitt-Reid and Spooner

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

AGENDA

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1. Apologies for Absence
2. Notification of Substitute Members
3. Urgent Items
4. Notification of Visiting Members
5. Disclosures by Members and Officers
6. Disclosures of Lobbying
7. To consider whether any items should be taken in private because of the possible disclosure of exempt information.
8. Minutes of the Meeting Held on 18 November 2020 1 - 7
9. Presentation of Petitions (if any)
10. Question and Answer Session for Members of the Public
11. Questions from Members to the Chairman (if any)
12. Committee Work Programme 8
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Issued on Monday 30 November 2020

Continued Over/:

Alison Broom

Alison Broom, Chief Executive

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INFORMATION FOR THE PUBLIC

In order to ask a question at this remote meeting, please call **01622 602899** or email committee@maidstone.gov.uk by 5 p.m. one clear working day before the meeting (i.e. by 5 p.m. on Friday 4 December 2020). You will need to provide the full text in writing.

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

In order to make a statement in relation to an item on the agenda, please call **01622 602899** or email committee@maidstone.gov.uk by 5p.m. one clear working day before the meeting (i.e. by 5p.m. on Friday 4 December 2020). You will need to tell us which agenda item you wish to speak on.

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MAIDSTONE BOROUGH COUNCIL

STRATEGIC PLANNING AND INFRASTRUCTURE COMMITTEE

MINUTES OF THE MEETING HELD ON WEDNESDAY 18 NOVEMBER 2020

Present: Councillors D Burton (Chairman), Clark, English, Garten, Mrs Grigg, McKay, Munford, Parfitt-Reid and Spooner

Also Present: Councillors Adkinson, J and T Sams

245. **APOLOGIES FOR ABSENCE**

There were no apologies.

246. **NOTIFICATION OF SUBSTITUTE MEMBERS**

There were no Substitute Members.

247. **URGENT ITEMS**

As the agenda for this Committee meeting had been published on 10 November 2020, the minutes of the meeting held on 9 November 2020 were not ready for publication. The Minutes had been published within an amended agenda.

The Committee were informed that Item 17 – Motion – Anti-Idling would be taken after Item 15 – Petition – Housebuilding Targets and Infrastructure, to further accommodate the additional Councillor and Officer present for the item.

248. **NOTIFICATION OF VISITING MEMBERS**

Councillor Adkinson was present as a Visiting Member for Item 17 – Motion – Anti-Idling.

Councillors J and T Sams were present as Visiting Members for Item 15 – Petition – Housebuilding Targets and Infrastructure and Item 16 – Local Plan Review Regulation 18 Preferred Approaches Public Consultation Update.

249. **DISCLOSURES BY MEMBERS AND OFFICERS**

There were no disclosures by Members or Officers.

250. **DISCLOSURES OF LOBBYING**

All Members had been lobbied on:

Item 15 – Petition – Housebuilding Targets and Infrastructure
Item 16 – Local Plan Review Regulation 18 Preferred Approaches Public Consultation Update

Councillor Mrs Grigg had also been lobbied on Item 14 – Objections to Traffic Regulation Orders.

Councillors English and McKay had also been lobbied on Item 17 – Motion – Anti-Idling.

251. EXEMPT ITEMS

RESOLVED: That all items be taken in public as proposed.

252. MINUTES OF THE MEETING HELD ON 9 NOVEMBER 2020

RESOLVED: That the minutes of the meeting held on 9 November 2020 be approved as a correct record and signed at a later date.

253. PRESENTATION OF PETITIONS

There were no petitions.

254. QUESTION AND ANSWER SESSION FOR MEMBERS OF THE PUBLIC

There were six questions from members of the public.

Question from Ms Geraldine Brown to the Chairman of the Strategic Planning and Infrastructure Committee

'We note in the paper for Agenda Item 16 that Regulation 18 consultation is proposed to run from 1 to 22 December. Given the immense time pressures to prepare for Regulation 19, what plans do MBC have in place to ensure that work on the input continues intensively throughout the extended holiday period?'

The Chairman responded to the question

Ms Brown asked the following supplementary question:

'Do you have a timescale by which the appraisal of the consultation responses will be completed?'

The Chairman responded to the supplementary question.

Question from Mr John Horne to the Chairman of the Strategic Planning and Infrastructure Committee

'As evidenced by negative effects stated in the published Sustainability Analysis, why are constraints, such as water (both supply and disposal),

not deployed to reduce the assessed Housing Needs figure to a lower, perhaps much lower, Housing Target?’

The Chairman responded to the question.

Mr Horne asked the following supplementary question:

‘In Hampshire, the concerns of Natural England and the environment agency has resulted in a ceiling on water usage for new builds. As we in Maidstone rely, to a large extent on imported water, will the supply of water now be re-examined with a view to an application possible of constraints on overall development?’

The Chairman responded to the supplementary question.

Question from Mr John Hughes to the Chairman of the Strategic Planning and Infrastructure Committee

‘Duty to Cooperate – when will we actually see clear documentary evidence of its exercise to-date, suitably redacted as confidentiality dictates?’

The Chairman responded to the question.

Mr Hughes asked the following supplementary question:

‘As infrastructure such as transport or water are major strategic issues for the Local Plan Review and as Maidstone is committed to give detailed consideration to the Leeds-Langley relief road in the Local Plan Review, and given the potential impact of Brexit and Covid-19 on infrastructure provers workloads, are they committed to making their key inputs by March-April 2021, to allow proper consideration by Officers and Members before the Local Plan Review consultation in June, so that Maidstone will not fail the duty to co-operate test as its examination?’

The Chairman responded to the supplementary question.

Question from Mr Peter Titchener to the Chairman of the Strategic Planning and Infrastructure Committee

‘At your last SPI meeting, it was declared that Gypsy & Traveller sites would be carried forward in a separate planning document. We were assured that the same strict sustainability criteria and, presumably, prior classification into red and green, would be applied as they have been for dwellings for the settled community. Assuming proper consultation, that document may not be ready for Regulation 19 submission at the same time as the rest of the Local Plan Review and, if that were the case, a separate Regulation 19 submission and a separate Examination would presumably be required. That G&T document may then not be adopted before the current Local Plan loses validity after five years. Therefore, from October 2022, what policy would apply when considering subsequent G&T site applications?’

The Chairman responded to the question.

Mr Titchener asked the following supplementary question:

'Can you confirm that no shortcuts will be taken and that very importantly the same rigorous sustainability criteria that have been used to produce the red and green housing proposals definitely apply to gypsy and traveller sites? As all communities should surely be treated equally'.

The Chairman responded to the supplementary question.

Question from Ms Cheryl Taylor-Maggio to the Chairman of the Strategic Planning and Infrastructure Committee

'For windfall dwellings, paragraph 8 of the Housing Land Supply Update Analysis Paper dated 1 April 2020 stated 114 p.a. for small sites and, for large sites, 90 p.a. for 2024/25 to 2028/29 and 180 p.a. for the following two years. If those per annum assumptions are extrapolated through the Local Plan Review period, that would infer a total of 3600 windfall dwellings. Why not use that figure, and reduce future need by almost 900 dwellings, rather than using 2718 as stated in paragraph 5.12 of the draft Regulation 18 document?'

The Chairman responded to the question.

Question from Mr Peter Coulling to the Chairman of the Strategic Planning and Infrastructure Committee

'Paragraph 5.9 of the draft Regulation 18 submission states that, on top of the 7741 dwellings, according to the "5-year Housing Land Supply at 1 April 2020", completed in the Adopted Local Plan period up to 31 March 2020, a further 3214 dwellings will be delivered before commencement of the Local Plan Review period. That would represent delivery of a surplus of 1242 dwellings over the Adopted Local Plan 883 p.a. requirement up to commencement of the Review period. That means that, of the 5790 to be identified within the Local Plan Review, 1242 would not have been necessary, if delivery had been better shaped. Is there nothing that MBC can do better to align roll-out with requirement and, even now, to get that 1242 removed from the 5790 requirement for the Local Plan Review period, for the benefit of the whole of our Borough?'

The Chairman responded to the question.

Mr Coulling asked the following supplementary question:

'May I ask that you require officers to once again look at the 5790 for all possible ways, if the government regulations don't change, to reduce that legitimately perhaps taking a bit more risk?'

The Chairman responded to the supplementary question.

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

To access the webcast recording, please use the link below:

<https://www.youtube.com/watch?v=WJR08761LuY>

255. QUESTIONS FROM MEMBERS TO THE CHAIRMAN

There were no questions from Members to the Chairman.

256. COMMITTEE WORK PROGRAMME

The Committee was informed that the Chair and Vice-Chair had requested a report on the protocol used for the duty to cooperate. This would be presented in January 2021.

RESOLVED: That the Committee Work Programme be noted.

257. REPORTS OF OUTSIDE BODIES

There were no reports of Outside Bodies.

258. OBJECTIONS TO TRAFFIC REGULATION ORDERS

The Operations Engineer introduced the report and noted that it had been presented to the Maidstone Joint Transportation Board on 14 October 2020, with support given for the proposal.

Restrictions had been advertised in 14 locations with representations received for Loose Road and Northdown Close. The Council had previously been petitioned by the residents of Northdown Close to introduce parking restrictions, with 30 of the 39 residents supportive of the proposal. 14 representations had been received in support of the recommendations. Seven objections were received on the basis that the restrictions would negatively impact residents, visitors and cause vehicle dispersion into the surrounding roads.

The Operations Engineer confirmed that the restrictions proposed were as minimal as feasible to reduce disruption, with a survey for further restrictions to be considered if necessary.

In response to questions, it was confirmed that other roads in the local area had the same or similar restrictions in place with enforcement officers frequenting the area.

RESOLVED: That

1. The proposed parking regulations for Northdown Close proceed; and

2. The objectors be informed of the outcome and Kent County Council, as the Highway Authority, be recommended to make and implement the order.

259. PETITION - HOUSEBUILDING TARGETS AND INFRASTRUCTURE

Mr Steve Heeley addressed the Committee on behalf of the Save Our Heathlands Action Group.

In receiving the petition, the Committee referenced the importance of avoiding an increase in housebuilding targets and the challenges presented by the overarching Government policy in place. The relationship between housing and infrastructure, the importance of local views and evidence collection were mentioned.

RESOLVED: That:

1. The petitioners be thanked for their petition; and
2. The petition be accepted as a formal consultation response, with the weight of all 4,000 signatures noted.

260. MOTION - ANTI-IDLING

Councillor Adkinson addressed the Committee as the mover of the motion at the Council meeting held on 30 September 2020.

The Head of Housing and Community Services stated that given the significant resource pressures experienced by the Community Protection and Environmental Health Teams, it was unlikely that there would be the capacity within the next six-months to focus on anti-idling or enforcement against it. This was due to the ongoing Covid-19 pandemic.

The Committee understood the resources implications but felt that the possibility of an anti-idling policy should be further explored, particularly for future use. It was noted this would signify a further commitment to green policies.

RESOLVED: That the recommendation to move forward with an anti-idling policy is accepted in principle, and officers be asked to bring a full report to a future meeting on how such a policy could move forward in practice with a balanced assessment on how this would operate.

261. LOCAL PLAN REVIEW REGULATION 18 PREFERRED APPROACHES PUBLIC CONSULTATION UPDATE

The Strategic Planning Manager introduced the report and highlighted that the Regulation 18 Preferred Approaches Public Consultation Document and Sustainability Appraisal would be published on 1 December 2020 as intended. A pre-consultation engagement exercise to involve parishes, developers, key stakeholders and adjoining Local Authorities had begun.

RESOLVED: That the report be noted.

262. DURATION OF MEETING.

6.30 p.m. to 8.12 p.m.

2020/21 WORK PROGRAMME

	Committee	Month	Origin	CLT to clear	Lead	Report Author
Duty to Co-operate Protocol	SPI	12-Jan-21	Cllr Request		Rob Jarman	Helen Garnett
Medium Term Financial Strategy & Budget Proposals 2021/22	SPI	12-Jan-21	Governance	Yes	Mark Green	Ellie Dunnet
Overview of the Draft Building Safety Bill and the Implications for the Council	SPI	12-Jan-21	Officer Update		William Cornall	Robert Wiseman
Local Plan Review Update	SPI	12-Jan-21	Officer Update		Phil Coyne	Mark Egerton
Q3 Budget and Performance Monitoring 2020/21	SPI	09-Feb-21	Officer Update	No	Mark Green	Ellie Dunnet
Local Plan Review Update	SPI	09-Feb-21	Officer Update		Phil Coyne	Mark Egerton
Local Plan Review Update	SPI	09-Mar-21	Officer Update		Phil Coyne	Mark Egerton
Parking Charges and Tarriff Options	SPI	13-Apr-21	Cllr Request		Jeff Kitson	Jeff Kitson
Local Plan Review Update	SPI	13-Apr-21	Officer Update		Phil Coyne	Mark Egerton
Anti-Idling Policy	SPI	TBC	Cllr Request		John Littlemore	John Littlemore
Revised Integrated Transport Strategy	SPI	TBC	Cllr Request	Yes	TBC	TBC
Ensuring Conditions are Incorporated in Delegated Decisions	SPI	TBC	Cllr Request	?	Rob Jarman	Rob Jarman
Future Funding Opportunities for the Conservation Area Work Programme	SPI	TBC	Cllr Request		TBC	TBC
Review of Building Control	SPI	TBC		Yes	Rob Jarman	TBC
KCC 20mph Speed Limit Pilot Scheme - Hale Road	SPI	TBC	Cllr Request		TBC	TBC
KCC 20mph Speed Limit Pilot - Summary of Conclusions (Requested by Cllr English)	SPI	Awaiting Date for Pilot Information to be Released by KCC	Cllr Request	?	TBC	TBC

STRATEGIC PLANNING & INFRASTRUCTURE COMMITTEE

8 December 2020

2nd Quarter Financial Update & Performance Monitoring Report 2020/21

Final Decision-Maker	Strategic Planning & Infrastructure Committee
Lead Head of Service	Mark Green, Director of Business Improvement
Lead Officer and Report Authors	Ellie Dunnet, Head of Finance Paul Holland, Senior Finance Manager (Client) Carly Benville, Senior Business Analyst
Classification	Public
Wards affected	All

Executive Summary

This report sets out the 2020/21 financial and performance position for the services reporting into the Strategic Planning & Infrastructure Committee (SPI) as at 30th September 2020 (Quarter 2). The primary focus is on:

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

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

Budget Monitoring

Overall net expenditure at the end Quarter 2 for the services reporting to SPI is £0.498m, compared to the approved budget of -£0.312m, representing a shortfall of £0.810m.

Capital expenditure for the services reporting to SPI of £37,000 has been incurred against the approved budget of £1.123m. Forecast spend for the year is £0.967m.

Performance Monitoring

66.7% (4 of 6) targetable quarterly key performance indicators reportable to the Strategic Planning & Infrastructure Committee achieved their Quarter 2 target.

Purpose of Report

The report enables the Committee to consider and comment on the issues raised and actions being taken to address both budget pressures and performance issues as at 30th September 2020.

This report makes the following Recommendations to the Committee:

1. That the Revenue position as at the end of Quarter 2 for 2020/21, including the actions being taken or proposed to improve the position, where significant variances have been identified, be noted;
2. That the Capital position at the end of Quarter 2 be noted; and
3. That the Performance position as at Quarter 2 for 2020/21, including the actions being taken or proposed to improve the position, where significant issues have been identified, be noted.

Timetable

<i>Meeting</i>	<i>Date</i>
Strategic Planning & Infrastructure Committee	8 December 2020

2nd Quarter Financial Update & Performance Monitoring Report 2020/21

CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	<p>This report monitors actual activity against the revenue budget and other financial matters set by Council for the financial year. The budget is set in accordance with the Council's Medium-Term Financial Strategy which is linked to the Strategic Plan and corporate priorities.</p> <p>The Key Performance Indicators and strategic actions are part of the Council's overarching Strategic Plan 2019-45 and play an important role in the achievement of corporate objectives. They also cover a wide range of services and priority areas.</p>	Director of Finance and Business Improvement (Section 151 Officer)
Cross Cutting Objectives	This report enables any links between performance and financial matters to be identified and addressed at an early stage, thereby reducing the risk of compromising the delivery of the Strategic Plan 2019-2045, including its cross-cutting objectives.	Director of Finance and Business Improvement (Section 151 Officer)
Risk Management	This is addressed in Section 5 of this report.	Director of Finance and Business Improvement (Section 151 Officer)

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

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

1. BACKGROUND AND INTRODUCTION

- 1.1 The Medium Term Financial Strategy for 2020/21 to 2024/25 - including the budget for 2020/21 - was approved by full Council on 26th February 2020. This report updates the Committee on how its services have performed over the last quarter with regard to revenue and capital expenditure against approved budgets.
- 1.2 The report particularly focuses on the impact of the Covid-19 pandemic on the financial position and performance of the service areas that fall under this committee, and provide some further detail around particular areas of concern.
- 1.3 This report also includes an update to the Committee on progress against its Key Performance Indicators (KPIs).
- 1.4 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.

2. AVAILABLE OPTIONS

- 2.1 There are no matters for decision in this report. The Committee is asked to note the contents but may choose to take further action depending on the matters reported here.
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3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 3.1 In considering the current position on the Revenue budget, the Capital Programme and KPIs at the end of September 2020, the Committee can choose to note this information or could choose to take further action.
- 3.2 The Committee is requested to note the content of the report and agree on any necessary action to be taken in relation to the budget position and/or the KPIs position.
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4. RISK

- 4.1 This report is presented for information only and has no direct risk management implications.
- 4.2 The Council has produced a balanced budget for both revenue and capital income and expenditure for 2020/21. The budget is set against a backdrop of limited resources and a difficult economic climate. Regular and comprehensive monitoring of the type included in this report ensures early warning of significant issues that may place the Council at financial risk. This gives the Committee the best opportunity to take actions to mitigate such risks.
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5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 The KPIs update ("Performance Monitoring") is reported to service committees quarterly: Communities, Housing & Environment Committee; Economic Regeneration & Leisure Committee; and the Strategic Planning & Infrastructure Committee. Each committee will receive a report on the relevant priority action areas. The report is also presented to the Policy & Resources Committee, reporting on the priority areas of "A Thriving Place", "Safe, Clean and Green", "Homes and Communities" and "Embracing Growth and Enabling Infrastructure".
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6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 The Quarter 2 Budget & Performance Monitoring reports are being considered by the relevant Service Committees during November and December 2020, including a full report to the Policy & Resources Committee on 25th November 2020.

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

- Appendix 1: Second Quarter Budget Monitoring 2020/21
 - Appendix 2: Second Quarter Performance Monitoring 2020/21
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8. BACKGROUND PAPERS

None.

Second Quarter Financial Update 2020/21

Strategic Planning & Infrastructure Committee

8th December 2020

Lead Officer: Mark Green

Report Authors: Ellie Dunnet/Paul Holland

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Part C: Capital Budget Q2 2020/21

C1) Capital Budget Page 9

Part A

Executive Summary & Overview

This report provides members with a financial update for the second quarter of 2020/21, covering activity for this committee's revenue and capital accounts for this period, and a projected outturn for the year.

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

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

This has resulted in many service areas reporting or projecting adverse variances against the budget for 2020/21, particularly in relation to income. The overall projection for the council as reported to government on our monthly financial monitoring returns is summarised in table 1 below and shows that the potential impact of Covid-19 on the council's financial position is £7.237m. Councils have been asked to complete these returns to enable a comprehensive picture of the financial impact of Covid-19 on local authorities to be compiled by the Ministry of Housing, Communities and Local Government. The projections are based on the information available to finance officers at the time of submitting the return and are being regularly updated as the situation unfolds and further information becomes available.

	£000
Additional Spending	1,483
Income Reductions:	
Business Rates (MBC share)	760
Council Tax (MBC share)	721
Other Income	4,273
Total	7,237

Table 1, Covid-19 financial impact

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

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

To date, unringfenced financial support totalling £2.5m for MBC has been announced by the government. The council has also submitted a claim for lost income from sales, fees and charges under the government's compensation scheme. The initial claim covers the period between April and July and payment was received at the end of November. Two further claims will be submitted (one in December 2020, the other in April 2021) covering the remainder of this financial year. Given the all-encompassing impact of Covid-19 across many of the council's services, mitigation for losses will be treated as a corporate exercise, and we will therefore not attempt to apportion unringfenced support received across service committees.

In addition to the unringfenced support, the council has received funding which can be clearly matched to additional expenditure, or outgoing grants. It is anticipated that these funding streams will be used in full to offset increased costs incurred in responding to the Covid-19 pandemic. Examples of such funding include the Reopening High Streets Safely Fund, Emergency Assistance Grant and the Local Authority Compliance and Enforcement Grant.

Headline messages arising from other sections of this report are summarised below:

Part B: Revenue budget – Q2 2020/21

- Overall expenditure at the end Q2 for the services reporting to SPI is £0.498m, compared to the profiled approved budget of -£0.312m, representing a shortfall of £0.810m. The forecast year end outturn for SPI is an overspend of £1.473m.
- We have now received the first tranche of funding under the government's compensation scheme for sales, fees and charges. Two further claims will be submitted to this scheme later in the year.

Part C: Capital budget – Q2 2020/21

- Capital expenditure for the services reporting to SPI of £37,000 has been incurred against the approved budget of £1.123m. Forecast spend for the year is £0.967m.

Part B

Second Quarter Revenue Budget 2020/21

B2) Revenue Budget

B1.1 The table below provides a detailed summary on the budgeted net income position for SPI services at the end of Quarter 2. The financial figures are presented on an 'accruals' basis (e.g. expenditure for goods and services received, but not yet paid for, is included).

SPI Revenue Budget & Outturn – Quarter 2

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Cost Centre	Approved Budget for Year £000	Budget to 30 September 2020 £000	Actual £000	Variance £000	Forecast 31 March 2021 £000	Forecast Variance 31 March 2021 £000
Building Regulations Chargeable	-385	-203	-207	3	-346	-39
Building Control	-1	-0	2	-3	-1	0
Street Naming & Numbering	-82	-41	-10	-31	-37	-45
Development Control Advice	-251	-125	-83	-42	-161	-90
Development Control Appeals	127	41	38	4	127	0
Development Control Majors	-556	-275	-218	-57	-409	-148
Development Control - Other	-712	-357	-324	-34	-640	-72
Development Control Enforcement	68	56	21	34	68	0
Planning Policy	349	233	235	-2	349	0
Neighbourhood Planning	25	25	31	-6	25	0
Conservation	-11	-7	0	-7	-11	0
Land Charges	-298	-147	-161	14	-264	-34
Development Management Section	967	481	476	5	967	0
Spatial Policy Planning Section	469	202	150	52	469	0
Head of Planning and Development	118	59	56	3	118	0
Development Management Enforcement Section	185	93	99	-7	185	0
Building Surveying Section	444	224	216	8	444	0
Mid Kent Planning Support Service	356	176	100	77	245	111
Heritage Landscape and Design Section	243	126	110	15	243	0
CIL Management Section	84	42	13	29	31	53
Mid Kent Local Land Charges Section	94	40	32	8	94	0
Salary Slippage	-90	-45	0	-45	-90	0
Sub-Total - Planning Services	1,144	597	579	18	1,408	-264

Table 2, Budget & Outturn – Planning Services (second quarter 2020/21)

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Cost Centre	Approved Budget for Year £000	Budget to 30 September 2020 £000	Actual £000	Variance £000	Forecast 31 March 2021 £000	Forecast Variance 31 March 2021 £000
Environment Improvements	25	12	1	11	25	0
Name Plates & Notices	19	9	7	2	19	0
Arterial Route Improvements	0	0	0	-0	0	0
On Street Parking	-413	-191	-54	-137	-187	-226
Residents Parking	-207	-120	-104	-15	-157	-50
Pay & Display Car Parks	-1,846	-805	-120	-685	-1,046	-800
Non Paying Car Parks	11	10	9	1	11	0
Off Street Parking - Enforcement	-116	-52	5	-57	-3	-113
Mote Park Pay & Display	-189	-113	-128	15	-189	0
Sandling Road Car Park	4	2	-0	2	64	-60
Park & Ride	166	119	100	19	166	0
Socially Desirable Buses	0	0	0	0	0	0
Other Transport Services	-10	-5	16	-20	-10	0
Parking Services Section	345	224	188	37	305	40
Sub-Total - Parking Services	-2,211	-909	-81	-828	-1,002	-1,209
Committee Total	-1,068	-312	498	-810	405	-1,473

Table 3, Budget & Outturn – Parking Services & Committee Total (second quarter 2020/21)

B1.2 The table shows that at the end of the second quarter overall net expenditure for the services reporting to SPI is £0.498m, compared to the approved budget of -£0.312m, representing a shortfall of £0.810m. It should be noted that this forecast does not take into account further government support for income losses announced recently. The planned scheme will see councils absorbing losses of up to 5% of planned sales, fees and charges income, with the government compensating for 75p in every pound of 'relevant losses' thereafter. We are therefore confident that the position will improve from the forecasts set out in tables 2 and 3 above.

B1.3 The table indicates that in certain areas, significant variances to the budgeted income levels have emerged during the second quarter of the year. The reasons for the more significant variances are explored in section B2 below.

B2) Variances

B2.1 The impact of Covid-19 and lockdown can be seen most significantly in those areas where income is a significant element of the budget. For this committee the areas that are most impacted are planning fees, where there has been a fall in demand for the service, and car parking, where user numbers have fallen significantly due to the impact of the first lockdown on the town centre. This means that the forecast outturn for the end of the year is a shortfall of £1.473m, although that does not include the recovery of fees and charges from the government outlined earlier in this Appendix or measures taken to mitigate the overspend across all committees such as deferring recruitment plans and cancelling non-essential expenditure.

B2.2 The forecasts are based on the circumstances as they stand at present, and assume a gradual return to normal levels of activity, but the timescale of that is less clear, and of course the impact of the second wave will become more apparent by the time of the third quarter report in the new year.

	Positive Variance Q2	Adverse Variance Q2	Year End Forecast Variance
Strategic Planning & Infrastructure Committee	£000		
PLANNING SERVICES			
Development Control Advice – During the first part of the year there has been a 50% reduction in income for pre-application discussions and Planning Performance Agreements. This trend is expected to continue as the effects of Covid-19 continue to be felt. There are likely to be some underspends in running costs which will partly offset the reduction in income.		-42	-90
Development Control – Majors – The impact of Covid-19 has now started to be seen in this budget, with income levels now lower than had been seen earlier in the year. However, the reduction is around 25%, which is lower than had been initially forecast at this stage, and it is assumed this will remain the case.		-57	-148
Development Control – Other – The reduction in income has been less than was initially forecast, around 10% for the year to date.		-34	-72
Mid Kent Planning Support Service – This variance reflects a number of vacancies in the team. It is anticipated these posts will be deleted as part of the savings proposals for next year.	77		111

Table 4, Significant variances – Planning Services (Q2 2020/21)

	Positive Variance Q2	Adverse Variance Q2	Year End Forecast Variance
Strategic Planning & Infrastructure Committee	£000		
PARKING SERVICES			
On Street Parking – The effects of Covid-19 have impacted all parking income, although it is recovering now, with a better level of income for the second quarter than was initially anticipated.		-137	-226
Residents Parking – Penalty Charge Notice income has dropped significantly, in part due to restrictions placed on collecting outstanding debts. Income from parking permits has remained at normal levels but this is expected to be more than offset by the continuing shortfall on PCNs for the remainder of the year.		-15	-50
Pay & Display Car Parks - The effects of Covid-19 have impacted all parking income, although it is recovering now. There was an initial increase in occupancy rates when the town centre re-opened, but this has now levelled off, with long stay car parks particularly affected.		-684	-800

Off Street Parking – Enforcement – Penalty Charge Notice income has dropped significantly, although as occupancy levels increase in the car parks the income levels should improve. This budget also saw a better than expected level of income in the second quarter.		-57	-113
---	--	-----	------

Table 5, Significant variances – Parking Services (Q2 2020/21)

B4) 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, the spend at 30 September 2020 and planned further spending over the remainder of the year.

Opening Balance 01/04/2020 (including 2020/21 allocation)	Spending April - September 2020	Forecast Spending October - March 2021	Forecast Spending Balance 31/03/2021
£	£	£	£
508,280	284,589	268,213	-44,522

Table 7, Local Plan Review budget (Q2, 2020/21)

- B4.3 Table 7 above identifies that there is a budget of £508,280 available to spend during 2020/21, including unspent resources brought forward from previous years. The forecast spending for 2020/21 exceeds the funding available by £44,522. Officers are working to identify alternative funding or options for controlling spending in this area. The primary reasons for the variance arise from new areas of spending in relation to climate change assessments and the local walking and cycling implementation plan, and the extension of contracts for specialists.

Part C

Second Quarter Capital Budget 2020/21

B1) Capital Budget: Strategic Planning & Infrastructure Committee (CHE)

B1.1 The position of the 2020/21 SPI element of the Capital Programme at the Quarter 2 stage is presented in Table 3 below. The budget for 2020/21 includes resources brought forward from 2019/20.

Table 8: SPI Capital Programme 2020/21 (@ Quarter 2)

Capital Programme Heading	Estimate	Actual to	Budget	Q3 Profile	Q4 Profile	Projected	Projected
	2020/21	September	Remaining			Total	Slippage
	£000	2020	£000	£000	£000	£000	£000
Strategic Planning & Infrastructure							
Mall Bus Station Redevelopment	1,037	37	1,000	50	860	947	90
Bridges Gyratory Scheme	86		86	10	10	20	66
Total	1,123	37	1,086	60	870	967	156





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




Mall Bus Station Redevelopment – work is progressing on the scheme with survey and design work being undertaken so far. It is anticipated that works will commence later in the year with completion due in early 2021.

Bridges Gyratory Scheme – the residual budget is being used to fund flood prevention works by the Medway Street subway. Designs have been drawn up and the work is now expected to take place in the new calendar year.

Second Quarter Performance Monitoring 2020/21

Key to performance ratings

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























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

Performance Summary

RAG Rating	Green	Amber	Red	N/A ¹	Total
KPIs	4	2	0	1	7
Direction	Up	No Change	Down	N/A	Total
Last Quarter	3	1	3	0	7
Last Year	2	1	4	0	7

- 66.7% (4 of 6) targetable quarterly key performance indicators (KPIs) reportable to the Strategic Planning and Infrastructure Committee achieved the Quarter 2 target¹.
- Compared to last quarter (Q1 2020/21), performance for 42.9% (3 of 7) KPIs has improved, 14.3% (1 of 7) KPIs has been sustained, and for 42.9% (3 of 7) KPIs has declined¹.
- Compared to last year (Q2 2019/20), performance for 28.6% (2 of 7) KPIs has improved, 14.3% (1 of 7) KPIs has been sustained, and for 57.1% (4 of 7) KPIs has declined¹.








Embracing Growth & Enabling Infrastructure

Performance Indicator	Q2 2020/21				
	Value	Target	Status	Short Trend (Last Quarter)	Long Trend (Last Year)
Percentage of priority 1 enforcement cases dealt with in time	100%	95%			
Percentage of Priority 2 enforcement cases dealt with in time	94.84%	90%			
Number of enforcement complaints received	155				
Number of affordable homes delivered (Gross)	70	45			
Processing of planning applications: Major applications (NI 157a)	87.50%	92.00%			
Processing of planning applications: Minor applications (NI 157b)	96.81%	99.00%			
Processing of planning applications: Other applications (NI 157c)	99.60%	99.00%			

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

Performance Indicator	Q2 2020/21				
	Value	Target	Status	Short Trend (Last Quarter)	Long Trend (Last Year)
Affordable homes as a percentage of all new homes	Annual KPI				
Net additional homes provided (NI 154)	Annual KPI				

Please note, August 2020 will be the first month that data is recorded for the new 'Open planning enforcement cases' KPI. A monthly figure will be captured at the beginning of every month, depicting how many open planning enforcement cases there were at that time.

	Open planning enforcement cases (as of start of each month)				
	Value	Target	Status	Short Trend (Last Month)	Long Trend (Last Year)
July 2020	No data			N/A	N/A
August 2020	289			N/A	N/A
September 2020	292				N/A

Under 'Embracing Growth & Enabling Infrastructure', all targetable quarterly KPIs were met bar two which missed their targets by less than 10%. Please note one KPI is information-only.

The '**Processing of planning applications: Major applications (NI 157a)**' KPI achieved a figure of 87.50% in Q2 2020/21 against a target of 92.00%, comparable with 100.00% last quarter and 90.00% last year. In this quarter, 14 out of 16 major planning applications were determined in a timely manner. The amount of applications determined this quarter are over 50% higher than the same period last year and last quarter. The team responsible for this KPI state that the quarterly target being missed is mainly attributable to an overturn application at committee where the applicants were not prepared to negotiate an extended period due to their application being refused.

The '**Processing of planning applications: Minor applications (NI 157b)**' KPI achieved a figure of 96.81% in Q2 2020/21 against a target of 99.00%, comparable with 99.10% last quarter and 100.00% the same time last year. In this quarter, 94 minor planning applications were determined, where 91 were determined in a timely manner. The manager responsible for this KPI highlighted that the target set is ambitious. Determining 91 out of 94 applications within agreed timescales, set against the current climate, is still delivering a good performance, accepting that this is below the target.

STRATEGIC PLANNING & INFRASTRUCTURE COMMITTEE

8 December 2020

Is the final decision on the recommendations in this report to be made at this meeting?

No

Medium Term Financial Strategy 2021/22-2025/26

Final Decision-Maker	Council
Lead Head of Service	Director of Finance and Business Improvement
Lead Officer and Report Author	Director of Finance and Business Improvement
Classification	Public
Wards affected	All

Executive Summary

This report sets out a draft new Medium Term Financial Strategy (MTFS) for the Council. The new MTFS updates the existing strategy to cover the five-year period 2021/22 to 2025/26 and to reflect changes in corporate priorities and the impact of the Covid-19 pandemic.

This report makes the following recommendation to this Committee:

1. That it considers and comments on the Draft Medium Term Financial Strategy 2021/22 – 2025/26.

Timetable

Meeting	Date
Strategic Planning & Transportation Committee	8 December 2020
Economic Regeneration & Leisure Committee	15 December 2020
Policy & Resources Committee	10 February 2021
Council	24 February 2021

Medium Term Financial Strategy 2021/22-2025/26

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The Medium Term Financial Strategy and the budget are a re-statement in financial terms of the priorities set out in the strategic plan. They reflect the Council's decisions on the allocation of resources to all objectives of the strategic plan.	Section 151 Officer & Finance Team
Cross Cutting Objectives	The MTFS supports the cross-cutting objectives in the same way that it supports the Council's other strategic priorities.	Section 151 Officer & Finance Team
Risk Management	This has been addressed in section 5 of the report.	Section 151 Officer & Finance Team
Financial	The budget strategy and the MTFS impact upon all activities of the Council. The future availability of resources to address specific issues is planned through this process. It is important that the committee gives consideration to the strategic financial consequences of the recommendations in this report.	Section 151 Officer & Finance Team
Staffing	The process of developing the Strategic Plan and the associated budget strategy will identify the level of resources available for staffing over the medium term.	Section 151 Officer & Finance Team
Legal	<p>Under Section 151 of the Local Government Act 1972 (LGA 1972) the Section 151 Officer has statutory duties in relation to the financial administration and stewardship of the authority, including securing effective arrangements for treasury management.</p> <p>The legal implications are detailed within the body of the report which is compliant with statutory and legal regulations such as the CIPFA Code of Practice on Treasury Management in Local Authorities.</p> <p>In considering the impact of Covid-19 on the Council's financial position in 2020/21,</p>	Principal Solicitor Corporate Governance

	<p>consideration should be given to the Council's legal duty to set a balanced budget.</p> <p>Appropriate remedial action should be taken if at any time it appears likely that expenditure will exceed available resources. The S151 Officer has a personal duty under Section 114(3) of the Local Government Finance Act 1988 to report to the Council if it appears that the set budget will be exceeded. Having received a S114 report, members are obliged to take all reasonable practical measures to bring the budget back into balance.</p>	
Privacy and Data Protection	Privacy and Data Protection is considered as part of the development of new budget proposals. There are no specific implications arising from this report.	Policy and Information Team
Equalities	The MFTS report scopes the possible impact of the Council's future financial position on service delivery. When a policy, service or function is developed, changed or reviewed, an evidence based equalities impact assessment will be undertaken. Should an impact be identified appropriate mitigations will be identified.	Equalities and Corporate Policy Officer
Public Health	The resources to achieve the Council's objectives are allocated through the development of the Medium Term Financial Strategy.	Public Health Officer
Crime and Disorder	The resources to achieve the Council's objectives are allocated through the development of the Medium Term Financial Strategy.	Section 151 Officer & Finance Team
Procurement	The resources to achieve the Council's objectives are allocated through the development of the Medium Term Financial Strategy.	Section 151 Officer & Finance Team

2. INTRODUCTION AND BACKGROUND

- 2.1 The Medium Term Financial Strategy (MTFS) sets out in financial terms how the Council's Strategic Plan will be delivered over a rolling five-year period. The MTFS is reviewed annually and the Committee is invited to consider and comment on the draft MTFS for 2021 to 2026. The MTFS remains subject to finalisation of the Strategic Plan refresh and the government's announcement of the Local Government Finance Settlement 2021/22, which is expected in mid-December 2020.
- 2.2 The vision and priorities set out in the Council's existing Strategic Plan are clear and remain relevant. However, considering the Covid-19 pandemic and its significant impact, work has been carried out to review our outcomes for 2019/24 and to produce a refreshed set of outcomes for 2021/26. The first steps in the Strategic Plan review, including engagement with all councillors, were undertaken in August and reported to the Policy and Resources Committee at its September meeting. Decisions were made then about key areas of focus for cost reduction and approaches to leveraging resources to complement the council's spending and investment. It is intended to bring a refreshed Strategic Plan to the Policy and Resources Committee in January 2021 prior to approval by Council in February 2021.
- 2.3 The draft MTFS is attached as Appendix A. It sets out in financial terms how it is intended to deliver the Strategic Plan, given the Council's capacity and capability. It builds on the existing MTFS, but reflects the impact of Covid-19 by incorporating the re-prioritisation of Strategic Plan objectives described above, together with proposals for transformational budget savings to address the financial challenges that the Council now faces.
- 2.4 A key outcome of the process of updating the MTFS is to set a balanced budget and agree a level of council tax for 2021/22 at the Council meeting on 24 February 2021.
- 2.5 **Revenue Projections**
- 2.6 The MTFS incorporates revenue projections for the five year planning period. Various potential scenarios were modelled, described as adverse, neutral and favourable. Key assumptions made in the projections are as follows.

Council Tax – It has been assumed that the government continues to set a limit of 2% to increases, above which a referendum would be required (as in 2020/21), and that the Council increases Council Tax to this limit. It was confirmed in the Chancellor's Spending Review 2020, announced on 25 November 2020, that the referendum limit will be 2%.

Business Rates - The Business Rates baseline, which dictates the amount of business rates that local authorities may retain locally, will be increased in line with inflation in 2021/22, as part of the one year roll forward of the existing 2020/21 financial settlement that was announced in the Spending Review.

Covid-19 – In the neutral scenario, income from Council Tax, Business Rates and Sales, Fees and Charges will bounce back from the levels experienced in 2020/21 but full recovery will not be seen until 2022/23. There will be

no further general government compensation for the effects of Covid-19 after the end of the current financial year.

This would leave a budget gap of £2.4 million in 2021/22 in the neutral scenario, before taking account of any new savings.

- 2.7 The MTFS proposes that the budget gap is addressed through a combination of strategic plan re-prioritisation, transformation savings and increasing income. To date approximately £2 million of savings have been identified. These savings will be delivered over a period of 3-4 years, so in the meantime it will be necessary to deploy revenue resources hitherto earmarked for other purposes, such as New Homes Bonus and uncommitted Business Rates Growth proceeds to achieve a balanced budget. This is a departure from the Council's existing policy but is considered to be justified given the scale of the budget gap and uncertainties in financial forecasts that the Council faces.
-

3. AVAILABLE OPTIONS

- 3.1 The Committee is asked to consider and comment on the draft MTFS attached at Appendix A. Any changes and comments will be considered by Policy and Resources Committee at its meeting prior to recommending a final MTFS to Council for approval in February 2021.
- 3.2 The Committee could choose not to comment on the draft MTFS.
-

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 The Committee is asked to consider and comment on the draft MTFS. This will ensure that its views are taken into account as part of the development of the MTFS.
-

5. RISK

- 5.1 There are a number of risks and uncertainty surrounding the Council's financial position, as described in the MTFS. In order to address these in a structured way and to ensure that appropriate mitigations are developed, the Council has developed a budget risk register. This seeks to capture all known budget risks and to present them in a readily comprehensible way. The budget risk register is updated regularly and is reviewed by the Audit, Governance and Standards Committee at each meeting.
-

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 Policy and Resources Committee reviewed the background to setting a new Medium Term Financial Strategy at their meeting on 21 July.
- 6.2 The three Service Committees – Economic Regeneration & Leisure, Strategic Planning & Infrastructure and Communities, Housing & Environment – are considering the draft MTFS in the current cycle of meetings. The outcomes will be reported back to Policy & Resources Committee when it is asked to consider the MTFS again for recommendation to Council.
- 6.3 A survey has recently concluded, in which residents were consulted on what they wish to see in the budget. This is attached as Appendix C.

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 An outline timetable for developing the Council's Strategic Plan and the associated Medium Term Financial Strategy and budget for 2021/22 is set out below.

<i>Date</i>	<i>Meeting</i>	<i>Action</i>
December 2020	Service Committees	Consider draft MTFS
December 2020		Finalise detailed budget proposals for 2021/22
January 2021	Policy and Resources Committee, Service Committees	Consider the updated Strategic Plan and 21/22 budget proposals
10 February 2021	Policy and Resources Committee	Agree Strategic Plan, MTFS and 21/22 budget proposals for recommendation to Council
24 February 2021	Council	Approve Strategic Plan and 2021/22 budget

8. REPORT APPENDICES

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

- Appendix A: Draft Medium Term Financial Strategy 2021/22 – 2025/26
 - Appendix B: Strategic Revenue Projection 2021/22 – 2025/26
 - Appendix C: Budget Consultation Report
-

9. BACKGROUND PAPERS

None.

MAIDSTONE BOROUGH COUNCIL
MEDIUM TERM FINANCIAL STRATEGY
2021/22 – 2025/26

DRAFT

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1. OVERVIEW AND SUMMARY OF MEDIUM TERM FINANCIAL STRATEGY

- 1.1 The Medium Term Financial Strategy (MTFS) sets out in financial terms how the Council will deliver its Strategic Plan over the next five years. The Council agreed a new Strategic Plan in December 2018 covering the period 2019 to 2045. The priorities and outcomes in the Strategic Plan are currently being reviewed with a view to Council agreeing a refreshed Strategic Plan in February 2021. The vision remains relevant and it is expected that it will retain its four key objectives: embracing growth and enabling infrastructure; homes and communities; a thriving place; and safe, clean and green. Further details are set out in **Section 2**.
- 1.2 Delivering the Strategic Plan depends on the Council's financial capacity and capability. Accordingly, the MTFS considers the economic environment and the Council's own current financial position. The external environment (**Section 3**) is particularly challenging because of the economic impact of Covid-19. In assessing the Council's current financial position (**Section 4**), attention therefore needs to be paid to its resilience, including the level of reserves that it holds.
- 1.3 Most key variables in local authority funding are determined by central government, such as the Council Tax referendum limit and the share of business rates that is retained locally. Because of economic uncertainty, central government is not prepared to give local authorities any certainty about these factors beyond 2021/22, thus making future planning even more difficult. A consideration of the funding likely to be available in the future is set out in **Section 5**.
- 1.4 In view of these multiple levels of uncertainty, it is imperative that the MTFS both ensures the local authority's continuing financial resilience and is sufficiently flexible to accommodate a range of potential scenarios. The Council has prepared financial projections under different scenarios, following a practice that has been followed for a number of years. Details of the assumptions made in the different scenarios are set out in **Section 6**.
- 1.5 The MTFS sets out the financial projections in **Section 7**. Various potential scenarios were modelled, described as adverse, neutral and favourable. The table below shows projections under the neutral scenario.

Table 1: MTFS Revenue Projections 2021/22 – 2025/26

	20/21	20/21	21/22	22/23	23/24	24/25	25/26
	Orig budget	Latest projn	Forecast				
	£m	£m	£m	£m	£m	£m	£m
Council Tax	16.8	16.1	17.1	17.7	18.3	19.0	19.6
Business Rates	4.5	3.7	3.9	3.3	3.5	3.8	4.1
Other Income	21.7	17.4	18.8	20.0	21.2	22.9	23.7
Total Funding	43.0	37.2	39.8	41.0	43.0	45.7	47.4

Available							
Predicted Expenditure ¹	43.0	43.2	43.1	41.6	43.0	45.0	47.1
Budget Gap	0.0	-6.0	-3.3	-0.6	0.0	0.7	0.3
Existing Planned Savings			0.9	0.6	0.2		
Contribution to Reserves					0.2	0.7	0.3
Residual Budget Gap			-2.4	-0.0	0.0	0.0	0.0

In accordance with legislative requirements the Council must set a balanced budget. The MTFS sets out a proposed approach that seeks to address the budget gap and therefore enable the Council to set a balanced budget.

- 1.6 The Council's strategic priorities are met not only through day-to-day revenue spending but also through capital investment. The Council has adopted a Capital Strategy, which sets out how investment will be carried out that delivers the strategic priorities, whilst remaining affordable and sustainable. As set out in **Section 8** below, funds have been set aside for capital investment and further funding is available, in principle, through prudential borrowing.
- 1.7 The MTFS concludes by describing the process of agreeing a budget for 2021/22, including consultation with all relevant stakeholders, in **Section 9**.

2. CORPORATE OBJECTIVES AND KEY PRIORITIES

2.1 The Council has a Strategic Plan which was approved by Council in December 2018. It sets out four key objectives, as follows:

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

'Embracing growth and enabling infrastructure' recognises the Council's role in leading and shaping the borough as it grows. This means taking an active role in policy and master planning for key sites in the borough, and where appropriate, investing directly ourselves.

'Homes and communities' expresses the objective of making Maidstone a place where people love to live and can afford to live. This means providing a range of different types of housing, including affordable housing, and meeting our statutory obligations to address homelessness and rough sleeping.

'A thriving place' is a borough that is open for business, attractive for visitors and an enjoyable and prosperous place to live for our residents. We will work to regenerate the County town and rural service centres and will continue to grow our leisure and cultural offer.

A 'safe, clean and green' place is one where the environment is protected and enhanced, where parks, green spaces, streets and public areas are looked after, well-managed and respected, and where people are and feel safe.

2.2 Since the adoption of the Strategic Plan in December 2018, the objective of 'Embracing growth and enabling infrastructure' has started to be realised, for example through our work on the Innovation Centre and a new Garden Community. Amongst initiatives to help make Maidstone a 'Thriving Place' include investment at Lockmeadow and on the Parkwood Industrial Estate. Our 'Homes and Communities' aspirations are being achieved by investment for example in temporary accommodation and new build housing schemes at Brunswick Street and Union Street. The objective of a 'Safe, Clean and Green' place has been emphasised by Council's decision to declare its recognition of global climate and biodiversity emergencies.

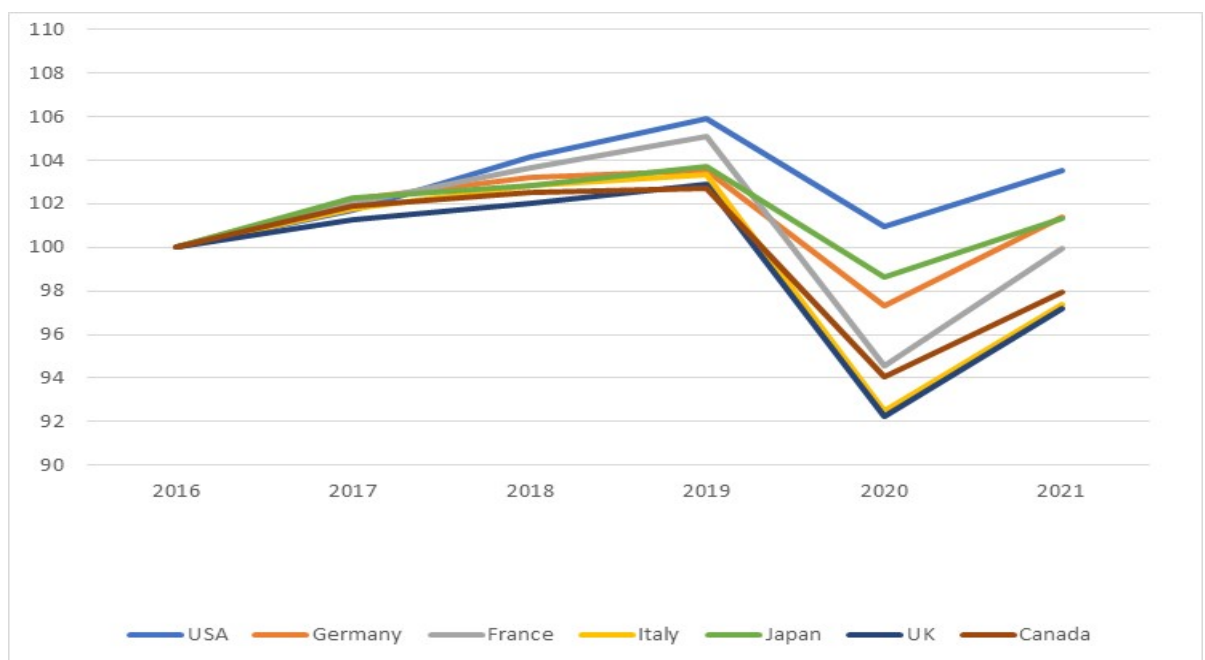
2.3 Covid-19 and the overall financial climate for local government have compelled the Council to re-prioritise its objectives. While the overall vision remains unchanged, the way in which it is achieved and the pace of delivery are likely to be affected. In some areas, it is recognised that funding pressures and the changed environment created by Covid-19 will lead to the Council's ambitions being modified in the short term. The pressures also demand that the Council takes a radical look at how it organises its work, leaving no stone unturned in the search for greater efficiency. Further details are set out in the proposed strategy that is described in section 7 below.

3. ECONOMIC ENVIRONMENT

Macro outlook

- 3.1 Before the onset of Covid-19 in early 2020, economists were starting to identify some signs of stabilisation after a period of slowing global growth. The IMF projected that global growth, estimated at 2.9 percent in 2019, would increase to 3.3 percent in 2020 and 3.4 percent in 2021. These projections were accompanied by caveats about the risks around a further escalation in the US-China trade tensions, a no-deal Brexit, the economic ramifications of social unrest and geopolitical tensions, and weather-related disasters¹.
- 3.2 The UK's growth rate was projected to be slower, stabilising at 1.4 percent in 2020 and increasing to 1.5 percent in 2021. However, these forecasts assumed an orderly exit from the European Union followed by a gradual transition to a new economic relationship with the EU.
- 3.3 Covid-19 has changed the picture completely, with economic activity contracting dramatically during 2020. Although activity picked up in May and June as economies re-opened, as of November 2020 the pandemic is continuing to spread and the recovery has stalled. The UK, with its dominant service sector, has been hit particularly hard, with services that are reliant on face-to-face interactions, such as wholesale and retail trade, hospitality, and arts and entertainment seeing larger contractions than manufacturing. IMF projections are set out in the graph below.

Figure 1: Real Per Capita Output (Annual percent change in constant 2017 international dollars at purchasing power parity)



Source – IMF World Economic Outlook, October 2020

¹ IMF, World Economic Outlook, January 2020

The IMF projects a contraction in output in the UK of 10.4% in 2020, followed by growth of 5.4% in 2021. This is broadly consistent with the Bank of England's latest projections, which envisage a fall in GDP of 11% in Q4 of 2020.²

Public Finances

- 3.4 The government's response to Covid-19 has been to borrow on an unprecedented scale both to support public services, businesses and individuals and to absorb the impact of the downturn on tax revenues. This is expected to lead to public borrowing of £420bn (21.7% of GDP) in 2020/21³, a level not seen outside the two world wars of the twentieth century.
- 3.5 In the short term, the government is able to fund this deficit without an increase in the cost of borrowing. This is because the Bank of England is likely to maintain the government's borrowing costs at historic lows, supported by quantitative easing. The second lockdown in November 2020 was accompanied by a £100 billion expansion in QE and there is likely to be more to come.
- 3.6 The low cost of borrowing and the need to promote economic recovery means that there is currently a strong justification for continued large scale public expenditure. However, this is not sustainable in the long term. Prior to the pandemic, public sector net debt was around 80% of national income, well above the 35% of national income seen in the years prior to the 2008 financial crisis. The Institute for Fiscal Studies forecasts that in 2024–25, public sector net debt will be just over 110% of national income in their central scenario, close to 100% of national income in their optimistic scenario and close to 130% in their pessimistic scenario.⁴ When the economy eventually recovers, the IFS states that policy action will be needed to prevent debt from continuing to rise as a share of national income.

Local Government Funding

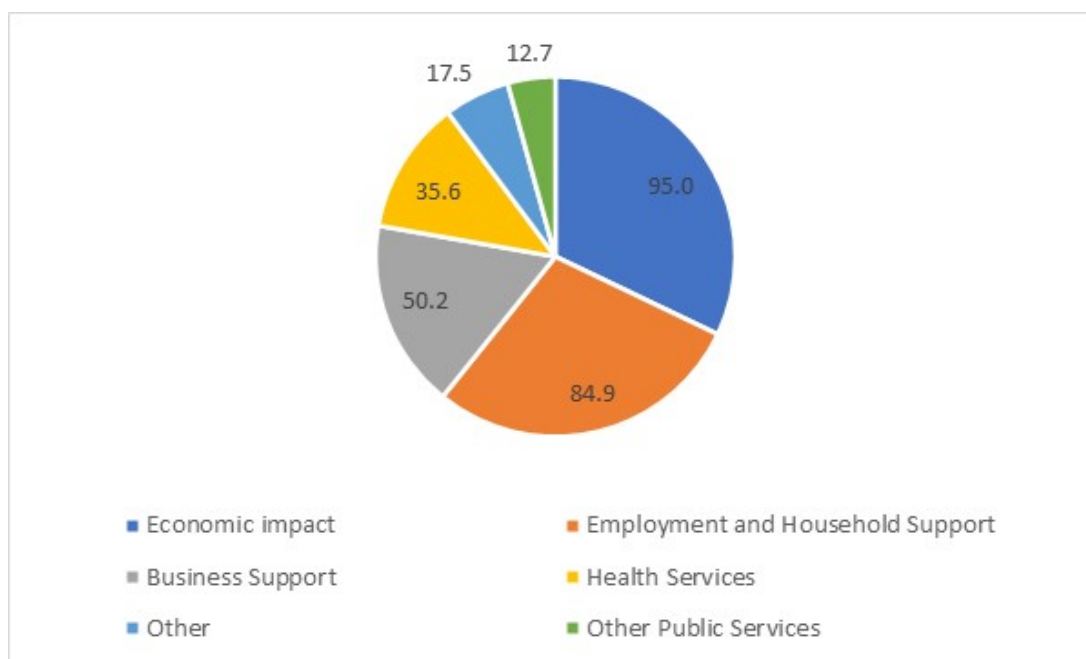
- 3.7 Local government forms only a small part of the overall government expenditure related to Covid-19. The pie chart below sets out the estimated impact of the various elements that have contributed to the overall increase in public borrowing this financial year.

² Bank of England, Monetary Policy Report, November 2020

³ Capital Economics, UK Economic Update, November 2020

⁴ Institute for Fiscal Studies, IFS Green Budget 2020, p 180

Figure 2: Drivers of increase in government borrowing 2020/21 (£ billion)



- 'Other public services' includes public transport, education and local government.
- 'Other' includes the devolved administrations, revenue measures, the Culture Recovery Fund, 'Eat Out to Help Out' and several other programmes.

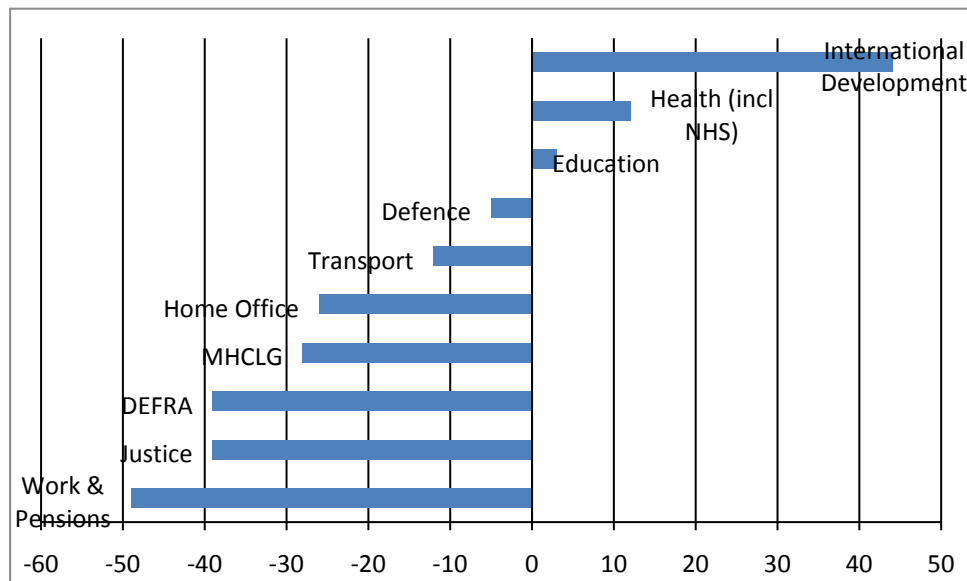
Source: IFS Green Budget 2020

- 3.8 By comparison with the amounts being spent on direct support for businesses and individuals and on the NHS, local government has received relatively little support. Direct unringfenced government grants have amounted to £4.6 billion, which has been paid out in a number of different tranches as the increasing scale of the pressure on local authorities has emerged. There has also been a plethora of other grants to local councils to cover specific initiatives, typically accompanied by detailed conditions about how the grant is to be spent.
- 3.9 The finances of some local authorities, mostly upper tier authorities, were already fragile before the onset of Covid-19. This has led to much discussion about whether the pressures of Covid-19, on top of any pre-existing issues, would lead to individual authorities failing to balance their budgets. A number of councils have been in discussions with the Ministry of Housing, Communities and Local Government (MHCLG) about this risk. For example, the London Borough of Croydon sought additional financial support, which prompted the government to commission a review of the council's governance, culture and management of risk. The implication is that financial support for Croydon, or any other council in a similar situation, will be accompanied by an increased degree of central government involvement.
- 3.10 Although the incremental cost of the local government response to the pandemic has been relatively small, it is generally considered that, where local authorities have been actively involved in the response, they have performed well, taking advantage of their local knowledge and the strong

professional culture of the sector. Many local authority political leaders have challenged central government over its apparent reluctance to make more use of local councils.

- 3.11 The relatively low value placed on local authorities' role is consistent with the way that public expenditure has been prioritised by central government in recent years. See graph below.

Figure 3: Planned real change to Departmental Expenditure Limits 2010-11 – 2019-20 (per cent)



- 3.12 MHCLG, which provides central government funding for local authorities, has seen some of the biggest cuts. Although the policy of austerity in the first part of the last decade has now been reversed, there has been no indication, either before or during the Covid-19 pandemic, that the current Conservative government envisages a bigger role for local authorities.
- 3.13 The effects of austerity in local government have not been spread evenly between authorities. The increasing costs of adult social care and children's social care – services delivered by the upper tier of local government – contribute by far the majority of the funding gap faced by the sector. In the short term, upper tier authorities such as Kent County Council currently face the greatest financial risks. In the medium term, when local government spending needs are eventually assessed against resources in the government's 'Fair Funding Review', it is likely that any rebalancing of public spending will benefit the upper tier authorities that deliver these services, rather than District Councils like Maidstone.

Conclusion

- 3.14 Covid-19 has had an enormous impact on the national economy and consequently on public finances. Whilst central government has spent unprecedented amounts of money to support the NHS, businesses and individuals, support for local authorities has been tailored quite strictly to their specific needs, and to specific initiatives that they have been asked to

undertake by central government. Where Covid-19 has led to unsustainable pressure on individual councils' finances, it appears that any additional financial support is likely to be contingent on accepting government intervention. Councils therefore need to look, first and foremost, to measures that are within their own control to ensure financial resilience.

4. CURRENT FINANCIAL POSITION

- 4.1 As a lower tier authority, Maidstone Borough Council is not subject to the extreme pressures currently faced by upper tier authorities. It is nevertheless appropriate to assess the Council's financial resilience. There are a number of elements that contribute to financial resilience, according to CIPFA⁵:

- level of reserves
- quality of financial management, including use of performance information
- effective planning and implementation of capital investment
- ability to deliver budget savings if necessary
- risk management.

An assessment is set out below of how the Council performs on these measures.

Level of Reserves

- 4.2 Maidstone Borough Council's financial position, as shown by its most recent balance sheet, is as follows (unallocated General Fund balance highlighted, previous year shown for comparative purposes).

Table 2: Maidstone Borough Council balance sheet

	31.3.19 £ million	31.3.20 £ million
Long term assets	121.9	161.4
Current assets	32.9	28.0
Current liabilities	-29.1	-47.7
Long term liabilities	-75.0	-77.1
Net assets	50.7	64.6
Unusable reserves	-35.1	-47.4
	15.6	17.2
Represented by:		
Unallocated General Fund balance	9.2	8.8
Earmarked balances	5.8	7.8
Capital receipts reserve	0.6	0.6
Total usable reserves	15.6	17.2

- 4.3 The maintenance of the unallocated general fund balance is an essential part of the Council's strategic financial planning, as this amount represents the funds available to address unforeseen financial pressures.
- 4.4 For local authorities there is no statutory minimum level of unallocated reserves. It is for each Council to take a view on the required level having

⁵ CIPFA Financial Management Code, Guidance Notes, p 51

regard to matters relevant to its local circumstances. CIPFA guidance issued in 2014 states that to assess the adequacy of unallocated general reserves the Chief Financial Officer should take account of the strategic, operational and financial risks facing their authority. The assessment of risks should include external risks, such as natural disasters, as well as internal risks such as the achievement of savings.

- 4.5 Maidstone Council has historically set £2 million as a minimum level for unallocated reserves. In the light of the heightened risk environment now facing the Council, it is considered that this minimum should be increased to £4 million.

Current Position

- 4.6 Since the balance sheet date of 31 March 2020, the position has changed completely as a result of the Covid-19 pandemic. The Council has:

- Incurred substantial additional expenditure, in particular as a result of accommodating homeless people and establishing a community hub;
- Lost substantial income in areas such as parking;
- Suffered a reduction in Council Tax and Business Rates receipts.

These additional pressures have only been partially mitigated by government support.

- 4.7 As at November 2020 the likely outturn for the financial year remains unclear, given the second wave of Covid-19 infections and resulting lockdown, and potential further outbreaks in future. However, it is likely that there will be a deficit which will reduce reserves below the current level of £8.8 million.

Financial management

- 4.8 Financial management at Maidstone Borough Council contains a number of elements. Officers and members are fully engaged in the annual budget setting process, which means that there is a clear understanding of financial plans and the resulting detailed budgets
- 4.9 Detailed financial reports are prepared and used on a monthly basis by managers, and on a quarterly basis by elected members, to monitor performance against the budget. Reports to members are clear, reliable and timely, enabling a clear focus on any areas of variance from the plan.
- 4.10 Financial reports are complemented by performance indicators, which are reported both at the service level to the wider leadership team, and at a corporate level to members. Member reports on performance indicators are aligned with the financial reports, so that members see a comprehensive picture of how services are performing.
- 4.11 Financial management and reporting is constantly reviewed to ensure that it is fit for purposes and meets the organisation's requirements. Quarterly financial reports to members have been redesigned over the last two years to make them more user-friendly.

- 4.12 Where variances arise, prompt action is taken to address them. Action plans are put in place at an early stage if it appears that there is likely to be a budget overspend.

Capital investment

- 4.13 Capital expenditure proposals are developed in response to the Council's strategic priorities as part of the annual budget cycle. Capital investment must fall within one of the four following categories: required for statutory reasons, eg to ensure that Council property meets health and safety requirements; schemes that are self-funding and meet Strategic Plan priority outcomes; other schemes that are clearly focused on Strategic Plan priority outcomes; and other priority schemes which will attract significant external funding. All schemes within the capital programme are subject to appropriate option appraisal. Any appraisal must comply with the requirements of the Prudential Code.
- 4.14 Member oversight is ensured, first by inclusion of schemes in the capital programme that is approved as part of the annual budget setting process. Subsequently, prior to any capital commitment being entered into, a report setting out details of the capital scheme is considered by the relevant service committee.
- 4.15 The Council has a corporate project management framework that applies to most of the projects included within the capital programme. This provides for designation of a project manager and sponsor, and includes a mechanism for progress on major projects to be reported to a Strategic Capital Investment Board.
- 4.16 Financial monitoring of capital projects is incorporated within the quarterly reports to Service Committees.

Ability to deliver budget savings

- 4.17 The Council has a good track record of delivering budget savings, whilst sustaining and investing in services. Savings initiatives are planned so far as possible across the five year period of the MTFS, rather than the focus being simply on achieving whatever savings are necessary in order to balance the budget for the coming year.
- 4.18 A common criticism of local authority financial planning is that proposed savings are often over-optimistic and are not based on realistic evidence of what is achievable. The Council aims to mitigate this risk with a robust process for developing budget savings proposals:
- New and updated savings proposals are sought on a regular annual cycle, with Service Managers typically briefed on the savings remit in August/September
 - Savings proposals are then developed over a period of around two months

- Savings proposals have to be formally documented and signed off by the Service Head who will be responsible for delivering them.
- 4.19 Once savings have been built into the budget, their achievement is monitored as part of the regular financial management process described above.

Risk management

- 4.20 The Council's MTFS is subject to a high degree of risk and certainty. In order to address this in a structured way and to ensure that appropriate mitigations are developed, the Council has developed a budget risk register. This seeks to capture all known budget risks and to present them in a readily comprehensible way. The budget risk register is updated regularly and is reviewed by the Audit, Governance and Standards Committee at each meeting.
- 4.21 The major risk areas that have been identified as potentially threatening the Medium Term Financial Strategy are as follows.
- Financial impact from resurgence of Covid-19 virus
 - Fees and Charges fail to deliver sufficient income
 - Adverse impact from changes in local government funding
 - Collection targets for Council Tax and Business Rates missed
 - Adverse financial consequences from a disorderly Brexit
 - Capital programme cannot be funded
 - Planned savings are not delivered
 - Failure to contain expenditure within agreed budgets
 - Inflation rate predictions in MTFS are inaccurate
 - Constraints on council tax increases
 - Litigation costs exceed budgeted provisions
 - Commercialisation fails to deliver additional income
 - Business Rates pool fails to generate sufficient growth
 - Shared services fail to meet budget
 - Council holds insufficient balances
 - Increased complexity of government regulation.

It is recognised that this is not an exhaustive list. By reviewing risks on a regular basis, it is expected that any major new risks will be identified and appropriate mitigations developed.

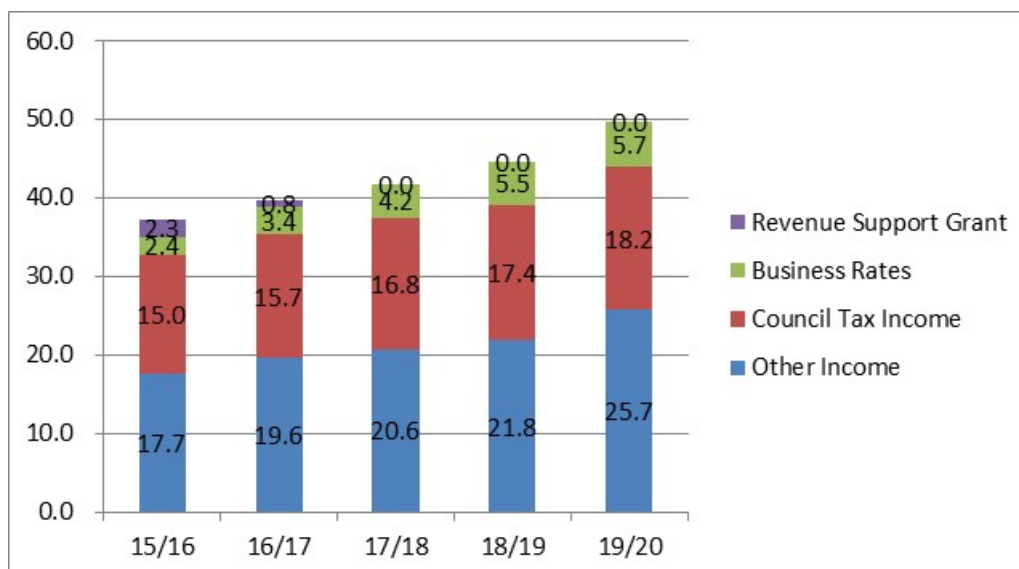
Conclusion

- 4.22 When assessed against the CIPFA criteria for financial resilience, the Council can be seen to have adequate reserves in the short term and to be positioned well to manage the financial challenges it will face. The following section considers whether this position is sustainable.

5. AVAILABLE RESOURCES

- 5.1 The Council's main sources of income are Council Tax and self-generated income from a range of other sources, including parking, planning fees and property investments. It no longer receives direct government support in the form of Revenue Support Grant; although it collects around £60 million of business rates annually, it retains only a small proportion of this.

Figure 4: Sources of Income (£ million)



Council Tax

- 5.2 Council Tax is a product of the tax base and the level of tax set by Council. The tax base is a value derived from the number of chargeable residential properties within the borough and their band, which is based on valuation ranges, adjusted by all discounts and exemptions.
- 5.3 The tax base has increased steadily in recent years, reflecting the number of new housing developments in the borough. See table below.

Table 3: Number of Dwellings in Maidstone

	2016	2017	2018	2019	2020
Number of dwellings	68,519	69,633	70,843	71,917	73,125
% increase compared with previous year	1.18%	1.63%	1.74%	1.52%	1.68%

Note: Number of dwellings is reported each year based on the position shown on the valuation list in September.

- 5.4 Whilst the effect of the increased number of dwellings is to increase the Council Tax base, this is offset by the cost of reliefs for council tax payers, in particular Council Tax support, and any change in the percentage of Council Tax collected. Covid-19 has led both to an increase in the number of Council Tax support claimants and a fall in the collection rate.

- 5.5 The level of council tax increase for 2021/22 is a decision that will be made by Council based on a recommendation made by the Policy and Resources Committee. The Council's ability to increase the level of council tax is limited by the requirement to hold a referendum for increases over a government set limit. The referendum limit for 2020/21 was the greater of 2% or £5.00 for Band D tax payers. Council Tax was increased by the maximum possible, ie £5.13 (2%).

Other income

- 5.6 Other income is an increasingly important source of funding for the Council. It includes the following sources of income:

- Parking
- Shared services
- Commercial property
- Planning fees
- Cremations
- Garden waste collection
- Income generating activity in parks

Where fees and charges are not set by statute, we apply a policy that guides officers and councillors in setting the appropriate level based on demand, affordability and external factors. Charges should be maximised within the limits of the policy, but customer price sensitivity must be taken into account, given that in those areas where we have discretion to set fees and charges, customers are not necessarily obliged to use our services.

- 5.7 Other income, particularly parking, has been seriously affected by Covid-19. Whilst the government has committed to compensating local authorities for 70% of lost income above a 5% threshold in 2020/21, there has been no guarantee of ongoing support in the event that income fails to return to pre-Covid-19 levels.

Business Rates

- 5.8 Under current funding arrangements, local government retains 50% of the business rates it collects. The aggregate amount collected by local government is redistributed between individual authorities on the basis of perceived need, so that in practice Maidstone Borough Council receives only around 7% of the business rates that it collects.
- 5.9 Prior to the 2017 General Election, the Government was preparing to move to 100% business rates retention with effect from 2020. The additional income would have been accompanied by devolution of further responsibilities to local government. However, the need to accommodate Brexit legislation meant that there was no time to legislate for this. The Government indicated that they would increase the level of business rates retention to the extent that it was able to do within existing legislation, and had originally planned to introduce 75% business rates retention with effect from 2021/22. However, these plans have been delayed for at least another 12 months owing to the Covid-19 pandemic.

- 5.10 In the meantime, the November Spending Review is expected to mean a 'roll-forward' settlement for local government in 2021/22, with the existing 50% scheme retained and the amounts retained by individual local authorities increased in line with inflation.
- 5.11 Any new business rates retention regime, coming into effect in 2022/23 or subsequently, would be linked to a mechanism for rates equalisation to reflect local authorities' needs. These will be assessed based on a 'Fair Funding Review'. The overall amounts to be allocated as part of the Fair Funding Review are yet to be determined. It is therefore difficult to predict with any degree of accuracy whether the proportion of business rates retained by Maidstone will remain the same, increase or decrease from 2021/22 onwards.
- 5.12 The current local government funding regime gives authorities the opportunity to pool their business rates income and retain a higher share of growth as compared with a notional baseline set in 2013/14. Maidstone has been a member of the Kent Business Rates pool since 2014/15. Its 30% share of the growth arising from membership of the pool has hitherto been allocated to a reserve which is used for specific projects that form part of the Council's economic development strategy. A further 30% represents a Growth Fund, spent in consultation with Kent County Council. This has been used to support the Maidstone East development.
- 5.13 It should be noted that in 2022, the business rates baseline will be reset, so all growth accumulated to that point will be reallocated between local authorities as described in paragraph 5.11 above.
- 5.14 Total projected business rates income for 2020/21, and the ways in which it was originally intended to deploy it, are summarised in the table below.

Table 4: Projected Business Rates Income 2020/21

	£000	
Business Rates baseline income	3,260	Included in base budget
Growth in excess of the baseline	1,210	Included in base budget
Pooling gain (MBC share)	542	Funds Economic Development projects
Pooling gain (Growth Fund)	542	Spent in consultation with KCC, eg on Maidstone East
Total	5,554	

- 5.15 These are budgeted amounts. The actual amounts received will be lower if Covid-19 continues to have an adverse impact on collection performance.

Revenue Support Grant

- 5.16 Maidstone no longer benefits directly from central government support in the form of Revenue Support Grant, as it is considered to have a high level of resources and low needs. In fact, Councils in this situation were due to be penalised by the government under the previous four year funding

settlement, through a mechanism to levy a 'tariff / top-up adjustment' – effectively negative Revenue Support Grant. Maidstone was due to pay negative RSG of £1.589 million in 2019/20. However, the government faced considerable pressure to waive negative RSG and removed it in the 2019/20 and 2020/21 Local Government Finance Settlements. The government has also stated that it is minded not to levy negative RSG in 2021/22.

- 5.17 From 2022/23 there will be a new local government funding regime. However, it should be noted that a needs-based distribution of funding will continue to create anomalies like negative RSG, so it cannot be assumed that the threat of losing funding in this way (even if the mechanism is different) has gone away.

Conclusion

- 5.18 It can be seen that ongoing revenue resources are likely to be adversely affected by the Covid-19 pandemic in the short term, at a time when services pressures will increase. The previous section indicated that the Council's reserves, while adequate, do not leave it with a large amount of flexibility. This puts a premium on accurate forecasting and strong financial management.

6. SCENARIO PLANNING

- 6.1 Owing to uncertainty arising from the economic environment, and from the lack of clarity about what the government's plans for local government funding will mean for the Council, financial projections have been prepared for three different scenarios, as follows.

1. Favourable

The economy recovers rapidly from the impact of the Covid-19 pandemic. The effect is that its previous growth trajectory resumes from 2022/23 onwards and this feeds through to income from Council Tax, Business Rates and other sources. Inflation remains under control and within the government's 2% target.

2. Neutral

Covid-19 has a more longer-lasting impact, with some permanent scarring of the economy. The result is that Council income starts growing again, but does not resume its previous pattern until the end of the five year planning period. Inflation remains within the government's 2% target.

3. Adverse

There continue to be outbreaks of Covid-19, and future international trading arrangements fail to replicate the economic benefits of EU membership. As a result, the economy is slower to recover and sterling falls in value against other currencies, leading to a resurgence of inflation. This both reduces Council income and leads to increased service pressures in areas like homelessness.

Details of key assumptions underlying each of these scenarios are set out below.

Council Tax

- 6.2 It is assumed that the Council will take advantage of any flexibility offered by central government and will increase Council Tax up to the referendum limit, which is assumed to be 2% in 2021/22. It is not known at this stage what the referendum limit will be for subsequent years, but it is assumed to be 2%, to align with the government's inflation target.
- 6.3 The other key assumption regarding Council Tax is the change in the Council Tax base. The number of properties in Maidstone has grown by over 1.5% for the past four years. However, if there is a downturn in the economy, this rate of increase could fall. Moreover, Covid-19 is likely to reduce the amount of Council Tax collectible from each household. Assumptions are as follows:

	21/22	22/23 onwards
Favourable	1.0%	2.0%
Neutral	-0.5%	1.5%

Adverse	-2.0%	1.0%
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Business Rates

- 6.4 It is likely that for 2021/22, the government will roll forward the existing arrangements, with an increase in the business rates baseline to reflect inflation.
- 6.5 After 2022, the proportion of business rates retained by the authority will be adjusted to reflect the findings of the Fair Funding Review and the Spending Review. It is very difficult to predict what this will mean in practice. However, for the purposes of revenue projections, a number of assumptions have been made.
- 6.6 The starting point in the government's calculations will be Maidstone's perceived level of need, which in the previous four year funding settlement led to the Council being faced with a negative revenue support grant payment of £1.589 million in 2019/20. In the event, this was not levied on the Council, following concerted lobbying by Maidstone and other authorities that faced negative RSG. The amount of negative RSV thus avoided is being held in reserve to address likely future funding pressures.
- 6.7 The starting point for future business rates income is therefore assumed to be the current baseline share of business rates income, as adjusted for inflation in 2021/22, less £1.589 million. It is not accepted that this would be a fair allocation of business rates income but it is nevertheless prudent to make this assumption for forecasting purposes.
- 6.8 A further factor to be considered is the resetting of the government's business rates baseline. This represents the level above which the Council benefits from a share in business rates growth. It is likely that the government will reset the baseline in order to redistribute resources from those areas that have benefitted most from business rates growth in the years since the current system was introduced in 2013, to those areas that have had lower business rates growth. Accordingly, cumulative business rates growth has been removed from the projections for 2022/23, then is gradually reinstated from 2023/24.
- 6.9 Given these assumptions, the specific assumptions for business rates growth in each scenario are as follows:

	2021/22		2022/23 onwards	
	Baseline growth	Local growth	Baseline growth	Local growth
Favourable	5.0%	0.0%	3.0%	3.0%
Neutral	0.0%	-5.0%	2.0%	2.0%
Adverse	-5.0%	-10.0%	0.0%	0.0%

Inflation

- 6.10 For the purpose of forecasting, it is assumed that the government's target rate of inflation is 2% is achieved in the favourable and neutral scenarios.

A higher rate of 3% is assumed in the adverse scenario, reflecting the risk of increases in input prices pushing up inflation rates.

Pay inflation

- 6.11 Pay is the Council's single biggest item of expenditure, accounting for around 50% of total costs. Although the Council sets pay rates independently of any national agreements, in practice it has to pay attention to overall public sector and local authority pay settlements, as these affect the labour market in which the Council operates. It is assumed for the first three years of the MTFS planning period that the annual increase will be 1%. An additional amount has to be allowed for in pay inflation assumptions arising from the annual cost of performance related incremental increases for staff.

Fees and charges

- 6.12 Fees and charges are affected by changes both in price levels and in volume. The projections imply that the level of fees and charges will increase in line with overall inflation assumptions, to the extent that the Council is able to increase them. In practice, it is not possible to increase all fees and charges by this amount as they are set by statute. Accordingly, the actual increase in income shown in the projections is 50% of the general inflation assumption in each scenario.
- 6.13 The sensitivity of fees and charges income to overall economic factors varies across different income streams. Parking income is highly sensitive, and has been very severely affected by the Covid-19 pandemic. Other sources of income, such as income from industrial property holdings, are more stable.

Contract costs

Costs are generally assumed to rise in line with inflation, but a composite rate is applied to take account of higher increases on contracts like waste collection where the growth in the number of households leads to a volume increase as well as an inflation increase.

- 6.14 Inflation assumptions are summarised as follows.

Table 5: Inflation Assumptions

	Favourable	Neutral	Adverse	Comments
General	2.00%	2.00%	3.00%	2% is the government's target inflation rate but in reality it is likely to be lower in the next few years.
Employee Costs	1.00%	1.00%	2.00%	Neutral assumption is in line with the most recent pay settlement and government inflation targets
	0.50%	0.50%	0.50%	The annual cost of performance related

	Favourable	Neutral	Adverse	Comments
				incremental increases for staff
Contract costs	2.00% - 5.00%	2.00% - 5.00%	2.00% - 8.00%	A composite rate is applied, reflecting different pressures on individual contracts
Fees and charges - price	2.00%	2.00%	3.00%	In line with general inflation assumptions
Fees and charges - volume	2.00%	0.00%	-2.00%	Reflects overall economic conditions

Service Spend

- 6.15 Strategic Revenue Projections under all scenarios assume that service spend will remain as set out in the previous MTFS, so savings previously agreed by Council will be delivered and no further growth arising from the new Strategic Plan is incorporated. In practice, it is likely that service spending would need to be reduced if the adverse scenario were likely to arise.
- 6.16 The projections include provision for the revenue cost of the capital programme, comprising interest costs (2.5%) and provision for repayment of borrowing (2%).

Summary of Projections

- 6.17 A summary of the financial projections under the neutral scenario is set out in section 7.

7. REVENUE PROJECTIONS

- 7.1 Strategic revenue projections, based on the assumptions set out above, are summarised in table 7 below for the 'neutral' scenario. More detailed projections are included in Appendix B.
- 7.2 In light of the many uncertainties around future funding, it is important to note that projections like these can only represent a 'best estimate' of what will happen. These projections will be updated as more information becomes available, prior to a final version of the projections being included in the Medium Term Financial Strategy to be presented to Council in February 2021.

Table 6: Strategic Revenue Projections 2021/22-2025/26

	20/21	20/21	21/22	22/23	23/24	24/25	25/26
	Orig budget	Latest projn	Forecast				
	£m	£m	£m	£m	£m	£m	£m
Council Tax	16.8	16.1	17.1	17.7	18.3	19.0	19.6
Business Rates	4.5	3.7	3.9	3.3	3.5	3.8	4.1
Other Income	21.7	17.4	18.8	20.0	21.2	22.9	23.7
Total Funding Available	43.0	37.2	39.8	41.0	43.0	45.7	47.4
Predicted Expenditure ¹	43.0	43.2	43.1	41.6	43.0	45.0	47.1
Budget Gap	0.0	-6.0	-3.3	-0.6	0.0	0.7	0.3
Existing Planned Savings			0.9	0.6	0.2		
Contribution to Reserves					0.2	0.7	0.3
Residual Budget Gap			-2.4	-0.0	0.0	0.0	0.0

¹ Predicted Expenditure assumes that Existing Planned Savings and Savings Required arising in the preceding year have been delivered and are built into the budget.

- 7.3 The above table shows that, based on the 'neutral' scenario, income will recover from the levels projected in 2020/21, and one-off additional expenditure will reduce. However, there will not be a full recovery, with income remaining below the levels previously projected. In the absence of any mitigating action, this would lead to a deficit, smaller than the £6.0 million projected in the current year, but still very significant.
- 7.4 The MTFS must balance the very tight financial constraints set out in previous sections with the requirement to deliver the Strategic Plan. Members considered at Policy and Resources Committee on 16th September 2020 a number of ways in which the objectives in the Strategic Plan could be re-prioritised, including:
- A more modest direction of travel in developing the museum
 - Reconsidering the sustainability of the Hazlitt Theatre

- Reviewing the scope of our community safety work.

7.5 At the same time, as agreed by the Committee at its meeting on 21st July 2020, a radical and ambitious approach is required to transforming the way the Council does business. This includes:

- Review of office accommodation
- Better use of technology
- Better use of external grant funding
- Identifying further opportunities for income generation
- Absorb overhead costs of delivering the capital programme within the cost of individual schemes
- Better service commissioning
- Review of shared service arrangements
- Review of staff reward packages
- Review of the structure of democratic representation
- Exploit synergies between service areas.

A further area for exploration that was identified in the report to Policy and Resources Committee on 21st July, absorbing the overhead costs of project delivery within the savings from individual projects, will be reflected when examining project feasibility, in particular in the area of better use of technology.

7.6 The overall approach will be that nothing is excluded from consideration, including proposals made in the past but rejected at the time.

7.7 It is recognised that savings proposals emerging from this work will not be capable of being implemented over the next twelve months. In the meantime it will therefore be necessary to deploy earmarked reserves, including resources hitherto earmarked for other purposes, such as New Homes Bonus and uncommitted Business Rates Growth proceeds. This is a departure from the Council's existing policy, but is considered to be justified given the scale of the budget gap that the Council faces.

7.8 The following table plots the projected savings trajectory against the SRP projections and shows the impact on reserves. It assumes that one-off funding from New Homes Bonus and the Business Rates Pool can be deployed to meet the budget shortfall. Both of these resources are time-limited. New Homes Bonus is expected to be phased out over the next few years. The Business Rates Pool gives the Council a share of growth in excess of the business rates baseline, but the baseline is expected to be reset in 2022/23.

Table 7: Use of Reserves

	21/22	22/23	23/24	24/25	25/26
	£m	£m	£m	£m	£m
Savings Required (from Table 7)	-2.4	0.0	0.0	0.0	0.0
Proposed savings	1.0	0.4	0.4	0.2	0.0

Savings shortfall b/f		-1.4	-1.0	-0.6	-0.4
Savings shortfall c/f	-1.4	-1.0	-0.6	-0.4	-0.4
New Homes Bonus	2.3	1.2			
Additional borrowing costs/MRP arising from use of NHB for revenue	-0.1	-0.2	-0.2	-0.2	-0.2
Business Rates Pool surplus (est)	0.3				
Contribution to reserves			0.2	0.7	0.3
General Fund reserves b/f	6.8	7.9	8.0	7.4	7.6
General Fund reserves c/f	7.9	8.0	7.4	7.6	7.3

- 7.9 The above table shows that by using New Homes Bonus, the Council can sustain reserves at broadly the same level as at present.
- 7.10 Note that there are a number of risks inherent in this approach. It assumes that the budget gap will not widen further over the next three years, and therefore that the level of savings currently projected will be adequate. It also requires a sustained effort to deliver savings over a long period of time. However, these risks need to be weighed against the feasibility of making large scale savings in a short period of time and the disruptive effect that this might have.

8. CAPITAL STRATEGY

- 8.1 The capital programme plays a vital part in delivering the Council's strategic plan, since long term investment plays an essential role in realising our ambitions for the borough. The cost of the capital programme is spread over the lifetime of investments, so does not have such an immediate impact on the revenue budget position. However, there are revenue consequences to the capital programme. Maidstone Borough Council borrowed to fund its capital programme for the first time in 2019/20. The cost of borrowing is factored into the 2020/21 budget, along with a Minimum Revenue Provision which spreads the cost of loan repayments over the lifetime of an asset. The budgeted total revenue costs of the capital programme in 2020/21 amounted to £1.870 million.
- 8.2 Typically, local authorities fund capital expenditure by borrowing from the Public Works Loan Board, which offers rates that are usually more competitive than those available in the commercial sector. Prior to 2019/20, Maidstone Borough Council had not borrowed to fund its capital programme, instead relying primarily on New Homes Bonus to fund the capital programme. Borrowing has not been required so far in 2020/21, but is likely to be in subsequent years. The cost of any borrowing is factored into the MTFS financial projections.
- 8.3 Public Works Loan Board funding has for several years offered local authorities a cheap source of finance, which has been used more and more extensively. The government is expected to revise the terms of PWLB borrowing to ensure that local authorities use it only to invest in housing, infrastructure and public services. Given the Council's capital strategy, this should not prevent us accessing PWLB borrowing. In any case, given that borrowing costs in the market generally remain very low, it is considered likely that local authorities will be able to continue to borrow cheaply from other lenders, if not from the PWLB.
- 8.4 There has been a reduction of the period for which New Homes Bonus would be paid from six years to five in 2017/18 and then to four in 2019/20 and 2020/21. The government is likely to pay New Homes Bonus on a one-year only basis in 2021/22, but under the new Local Government funding regime to be implemented from 2022/23 a new, unspecified mechanism for incentivising housebuilding is envisaged.
- 8.5 External funding is sought wherever possible and the Council has been successful in obtaining Government Land Release Funding for its housing developments and ERDF funding for the Kent Medical Campus Innovation Centre.
- 8.6 Funding is also available through developer contributions (S 106) and the Community Infrastructure Levy (CIL). The Community Infrastructure Levy was introduced in Maidstone in October 2018.

- 8.7 The current funding assumptions used in the programme are set out in the table below.

Table 8: Capital Programme Funding

	20/21 £000	21/22 £000	22/23 £000	23/24 £000	24/25 £000	Total £000
External sources	4,738	10,175	3,881	2,232	2,242	23,268
Own resources	530	517	537	568	580	2,732
Debt	32,997	11,604	13,262	12,284	12,272	82,418
TOTAL	38,265	22,296	17,680	15,084	15,094	108,418

- 8.8 Under CIPFA's updated Prudential Code, the Council is now required to produce a Capital Strategy, which is intended to give an overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services, along with an overview of how associated risk is managed and the implications for future financial sustainability. The Capital Strategy was approved by Council at its meeting on 26th February 2020 and will be updated in February 2021.
- 8.9 The existing capital programme was approved by Council at its budget meeting on 26th February 2020. Major schemes include the following:
- Completion of Brunswick Street and Union Street developments
 - Granada House extension
 - Further mixed housing and regeneration schemes
 - Purchase of housing for temporary accommodation
 - Flood Action Plan
 - Mote Park Improvements
 - Further investment at Lockmeadow Leisure Complex
 - Commercial Property Investments
 - Kent Medical Campus Innovation Centre
 - Mall Bus Station Improvements
 - Biodiversity and Climate Change.
- 8.10 The capital programme for 2020/21 has been reviewed in the light of the Covid-19 pandemic. The majority of projects in the current programme are either already under way, are required for health and safety reasons, or must be carried out to meet contractual commitments. However, it is proposed that a number of projects are deferred to 2021/22, which will have the effect of reducing the in-year revenue costs of capital expenditure.
- 8.11 The capital programme is reviewed every year. In carrying out the annual review, prior to presentation of revenue and capital budget proposals to Council in February 2021, consideration will be given as to how the capital programme can support the process of recovery from Covid-19, eg by investing in projects that have a positive effect on employment and economic regeneration.

- 8.12 A review of the schemes in the capital programme is currently under way. Proposals will be considered for new schemes to be added to the capital programme, whilst ensuring that the overall capital programme is sustainable and affordable in terms of its revenue costs. An updated capital programme will be considered by Policy and Resources Committee in January 2021 and recommended to Council for approval.

9. CONSULTATION AND NEXT STEPS

- 9.1 Each year the Council carries out consultation as part of the development of the MTFS. A budget survey has been carried out and is attached as Appendix C.
- 9.2 Consultation will be undertaken with the business community, including a presentation to the Maidstone Economic Business Partnership.
- 9.3 Consultation will also take place in January 2021 on the detailed budget proposals. Individual Service Committees considered the budget proposals relating to the services within their areas of responsibility. Full details of the proposals were published and residents' and businesses' views welcomed.
- 9.4 The process of member consultation on the MTFS is as follows:

<i>Meeting</i>	<i>Date</i>
Policy and Resources Committee	25 November 2020
Communities Housing & Environment Committee	1 December 2020
Strategic Planning & Transportation Committee	8 December 2020
Economic Regeneration & Leisure Committee	15 December 2020
Council	24 February 2021

Document History

Date	Description	Details of changes
25.11.20	Draft to Policy & Resources Committee	
01.12.20	Draft to Service Committees	Minor typographical changes

REVENUE ESTIMATE 2021/22 to 2025/26
STRATEGIC REVENUE PROJECTION - NEUTRAL

2020/21 £000		2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
16,817	COUNCIL TAX	17,068	17,670	18,294	18,940	19,608
3,260	RETAINED BUSINESS RATES	3,260	3,325	3,392	3,459	3,529
1,210	BUSINESS RATES GROWTH	605	0	180	362	546
	COLLECTION FUND ADJUSTMENT					
21,287	PROJECTED NET BUDGET	20,932	20,995	21,866	22,761	23,683
21,709	OTHER INCOME	21,924	18,244	20,859	22,046	22,940
	FORECAST CHANGE IN INCOME	-3,090	1,767	384	893	781
42,996	TOTAL RESOURCES AVAILABLE	39,766	41,006	43,109	45,701	47,403
41,314	CURRENT SPEND	42,996	39,766	41,006	43,109	45,701
	INFLATION & CONTRACT INCREASES					
1,013	PAY, NI & INFLATION INCREASES	765	1,002	1,033	1,064	1,096
	EXTERNAL BUDGET PRESSURES					
150	PENSION DEFICIT FUNDING	40	40	150	150	150
	LOCAL PRIORITIES					
24	GROWTH TO MEET STRATEGIC PRIORITIES					
10	ADDITIONAL GROWTH AGREED BY P&R	-10				
	REPROFILE LOCAL PLAN REVIEW		100	-280	60	120
	OTHER SERVICE PRESSURES					
	PROVISION FOR MAJOR CONTRACTS			500		
1,870	REVENUE COSTS OF CAPITAL PROGRAMME	893	646	562	583	
	CONTINGENCY FOR FUTURE PRESSURES	-1,589				
50	GENERAL GROWTH PROVISION	50	50	50	50	50
44,431	TOTAL PREDICTED REQUIREMENT	43,145	41,605	43,021	45,015	47,117
-1,435	SAVINGS REQUIRED	-3,379	-598	88	686	286
1,611	EXISTING SAVINGS	890	603	200	0	0
-89	NEW AND AMENDED SAVINGS / (GROWTH)	0	0	0	0	0
87	SURPLUS / (DEFICIT)	-2,489	5	288	686	286

Budget 2021/22

CONSULTATION REPORT



CONSULTATION@MAIDSTONE.GOV.UK
POLICY & INFORMATION TEAM

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Key Findings

- 29.3% ($\pm 2.8\%$) of respondents agreed that Maidstone Borough Council provides value for money.
- The proportion disagreeing that the Council provides good value for money has increased for the first time in four years. In 2019, 26.9% of respondents disagreed while for 2020, 31.8% of survey respondents disagreed that the Council provides good value for money.
- 28.4% ($\pm 2.8\%$) said Council Tax should increase to help close the budget gap. While six in ten respondents said there should be no increase in Council Tax.
- Just over one in five respondents said that the Council should increase fees and charges. The top three areas for fee increases chosen by these respondents were building control, planning advice and festivals and events.
- Prioritisation of investment programmes remains the same from 2019, with Infrastructure including flood preventions and street scene scoring highly and new homes the lowest scoring priorities.
- More than half of all respondents said that charges should not be introduced in new areas/ for services.
- The top two most important services provided by the Council to residents were waste collection and parks and open spaces.
- The proportion of residents dissatisfied with their local area as a place to live has dropped from just over a quarter in 2019 to just under a fifth for 2020.
- 51.1% ($\pm 3.1\%$) said they were either 'Very proud' or 'Fairly proud' of Maidstone Borough. This is an increase of 11.4 percentage points compared to the result for 2019.

Methodology

The survey was open between 7 October and 5 November 2020. It was promoted online through the Council's website and social media channels. Residents who have signed up for consultation reminders were notified and sent an invitation to participate in the consultation.

The data has been weighted by age and gender based on the population in the ONS mid-year population estimates 2019 to ensure that the results more accurately match the known profile of Maidstone Borough's population. While this approach assists in achieving a more representative sample for analysis, some groups remain under-represented.

There were 1007 weighted responses (1039 unweighted responses) to the survey. Based on Maidstone's population aged 18 years the overall results are accurate to approximately $\pm 3.1\%$ at a 95% confidence level. This means that if the same survey was repeated 100 times, 95 times out of 100 the results would be between $\pm 3.1\%$ of the calculated response, so the 'true' response could be 3.1% above or below the figures reported (i.e. a 50% agreement rate could in reality lie within the range of 46.9% to 53.1%). Confidence intervals for individual questions are shown as plus/minus percentages in brackets.

When the sample size is smaller, as is the case for certain groups, the confidence intervals are wider as it is less certain that the individuals in the sample are representative of the population. This means that it is more difficult to draw inferences from the results.

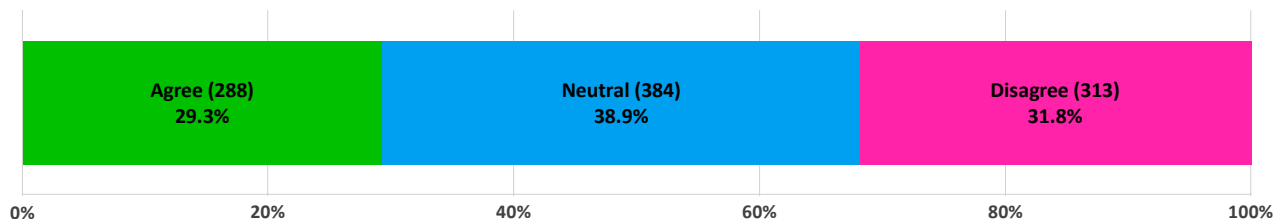
Under-representation of 18 to 34-year olds means that high weights have been applied to responses in this group, therefore results for this group should be treated with caution. Respondents from BAME backgrounds are also under-represented at 5.0% compared to 5.9% in the local area. Due to a small sample size after weighting the BAME respondent group has greater confidence intervals. This means what appear to be a large gap between BAME respondents and white respondents could be up to $\pm 14\%$ the reported figure, depending on the number of responses to each question.

Where reference has been made in the report to a 'significant difference' in response between groups, the proportional data has been z-tested and means have been t-tested. These tests determine if the difference between subgroups is large enough, taking into account the population size, to be statistically significant (meaning that if we were to run the same survey 100 times, at least 95 times out of 100 the same result would be seen) or whether the difference is likely to have occurred by chance. Where references have been made to a relationship between variables, chi-squared tests have been undertaken. This test compares observed (actual) and expected (theoretical) values in order to establish whether there is a significant relationship between two variables being compared.

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

Value for money

Survey respondents were asked to 'what extent do you agree or disagree that Maidstone Borough Council provides value for money'. There was a total of 985 responses.

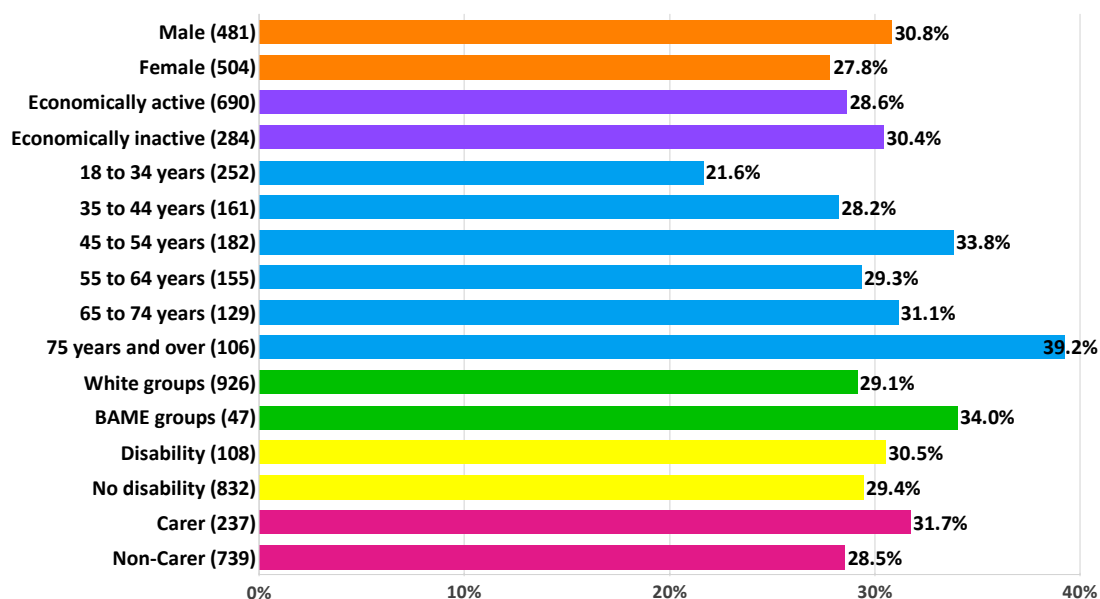




The most common response was 'Neither agree nor disagree' with 384 responding this way. 29.3% ($\pm 2.8\%$) of respondents agreed that Maidstone Borough Council provides value for money.





This question was previously asked in the 2019/20 Budget Survey and 33.2% of residents agreed with this question. In the 2018 Budget Survey 33.4% agreed and in the 2017 resident survey 30.2% of respondents agreed.

Since 2017 the proportion of people responding negatively to this question had declined from 28.6% in 2017 to 26.9% in 2019. The 2020 Budget Consultation is the first time in four years that the proportion responding negatively to this question has increased.

The chart below shows the proportions responding positively (Strongly agree and Agree combined).



	There were no significant differences in the proportions responding positively or negatively in terms of gender.
	Economically active respondents were more likely than economically inactive respondents to answer negatively with 34.4% ($\pm 3.5\%$) answering this way compared to 25.2% ($\pm 5.0\%$) of economically inactive respondents.

	While the proportions from these groups responding positively is comparable, economically inactive respondents had a significantly greater proportion responding neutrally.
	18 to 34 year olds had the greatest proportion responding negatively at 43.0% ($\pm 6.1\%$). This was significantly higher than the proportions responding this way for the age groups 44 years and over. The 75 years and over group had the greatest proportion responding positively at 39.2% ($\pm 9.3\%$). Almost half of this group responded negatively, the greatest proportion responding this way across all age groups.
	There were no significant differences in the response to this question in terms of ethnicity.
	There were no significant differences in the response to this question between respondents with a disability and those without a disability.
	A significantly greater proportion of non-carers answered this question neutrally with 40.8% ($\pm 3.5\%$) responding this way compared to 31.9% ($\pm 5.9\%$) of carers.

Council Tax

Appetite for increase

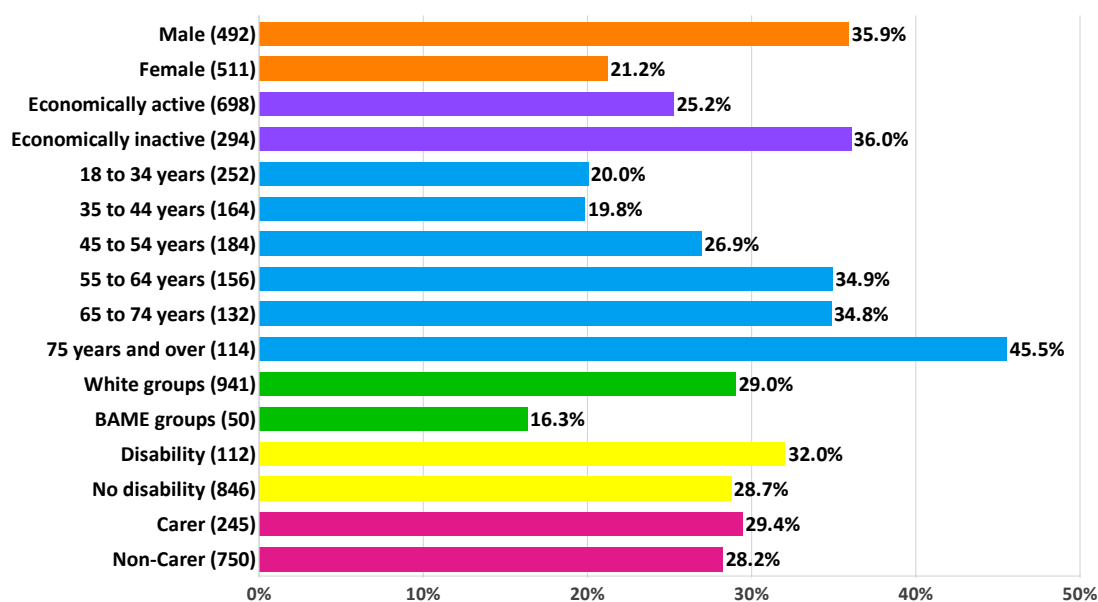
The survey asked respondents if they thought that Council Tax for 2021/22 should be increased to help close the budget gap. There were 1003 responses to this question.



The most common response was 'No' with 609 responding this way. 28.4% ($\pm 2.8\%$) of respondents said that Council Tax should increase to help close the budget gap.

This question was asked in the 2019 Budget Consultation (without the wording to 'help close the budget gap'). Since then the proportion responding 'Yes' has increased (2019 Budget Survey 24.1%). While the proportion responding 'No' has remained consistent, the proportion responding 'Not sure' has declined from 16.1% in 2019 to 10.8% for 2020.

The chart below shows the proportion responding 'Yes' across the different demographic groups.







Male respondents had a significantly greater proportion answering 'Yes' at 35.9% ($\pm 4.2\%$) compared to female respondents where 21.2% (3.5% answered this way).

Female respondents had a significantly greater proportion responding 'Not sure' with 15.1% ($\pm 3.1\%$) answering this way compared to 6.3% ($\pm 2.1\%$) of male respondents.

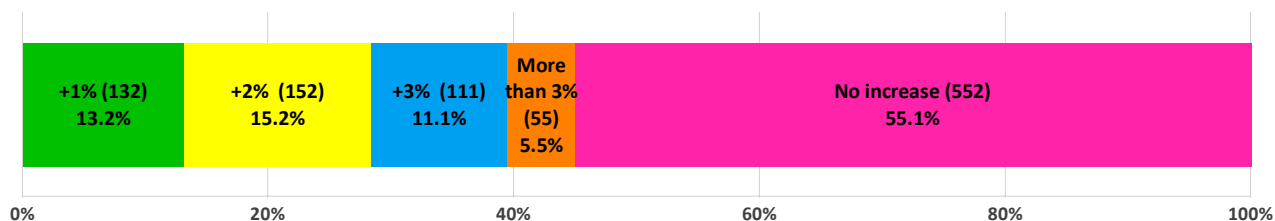


There were significant differences between the proportions of economically active and economically inactive respondents answering both positively and negatively. 65.0% ($\pm 3.5\%$) of economically active respondents answered 'No' compared to 50.6% ($\pm 5.7\%$) of economically inactive respondents.

	Analysis shows that there is a significant linear relationship between this question and age. The proportions responding 'No' decreases with age and the proportion responding 'Yes' increases with age.
	There were no significant differences in how those from white groups and those from BAME groups responded to this question.
	There were no significant differences in how those with a disability and those without a disability responded to this question.
	There were no significant differences in how those who provide care (Carers) and those who do not provide care responded to this question.

Acceptable levels for increase

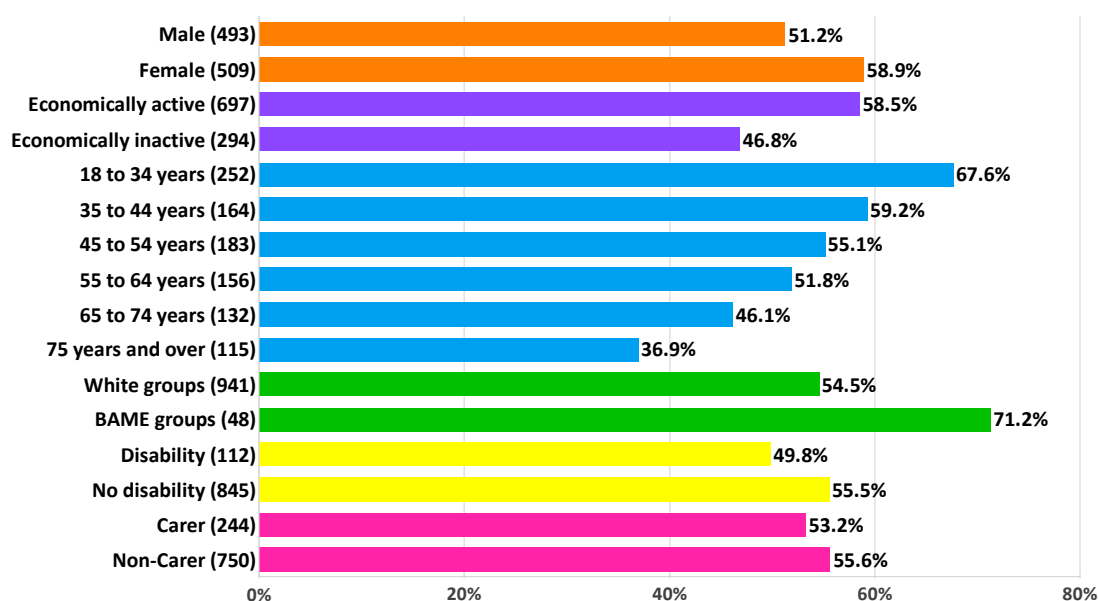
Survey respondents were asked to indicate how much more, if any, Council Tax they would be willing to pay to help close the budget gap. There were 1002 responses to this question.









The most common response was 'No increase' with 55.1% ($\pm 3.1\%$) answering this way. Overall, 44.9% ($\pm 3.1\%$) indicated that Council Tax should be raised to help the budget gap by selecting a percentage increase. This is significantly greater than the proportion responding 'Yes' to the previous more general question. In the survey this question was presented with the average increase per household, providing more details about how a proportion increase translates into money terms. This allowed for a more informed decision to be made and therefore accounts for the greater proportion of respondents amenable to an increase.

The proportion responding 'No increase' has increased by 7.6 percentage points since 2019 when this question was last asked as part of the 2019/20 Budget Survey, increasing from 47.5% to 55.1%.

The chart below shows the proportion responding 'No increase' across the different demographic groups.

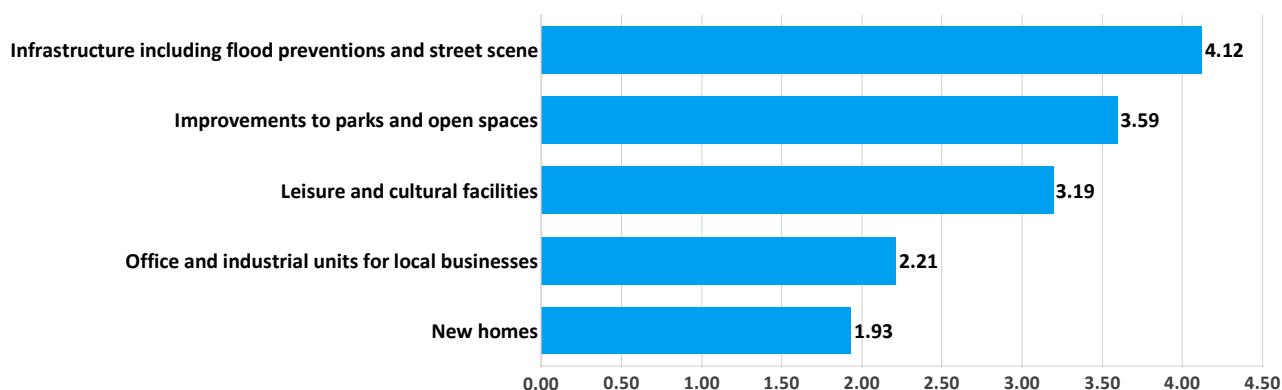


	<p>Female responders had a significantly lower proportion selecting an increase amount compared to male respondents.</p> <p>Where an increase was selected female respondents favoured a 1% increase with 81 answering this way. Male respondents favoured a 2% increase with 87 answering this way.</p>
	<p>Economically active respondents had a significantly greater proportion responding 'No increase' compared to economically inactive respondents.</p> <p>Where an increase was selected, both groups favoured a 2% increase with 96 economically active respondents and 55 economically inactive respondents answering this way.</p>
	<p>Analysis shows that there is a significant liner relationship between this question and age. The proportions responding 'No increase' decreases with age and the proportion selecting an increase amount, increases with age.</p>
	<p>Respondents from BAME groups had a significantly greater proportion responding 'No increase' than white group respondents.</p> <p>Where an increase was selected BAME respondents favoured a 3%+ increase with 6 answering this way and white group respondents favoured a 2% increase with 147 answering this way.</p>
	<p>There were no significant differences in how those with a disability and those without a disability responded to this question.</p>
	<p>There were no significant differences in how those who provide care (Carers) and those who do not provide care responded to this question.</p>

Investment Programme Priorities

Survey respondents were asked to place a list of investment programme priorities into their preferred order of importance. A total of 879 respondents ranked the investment priorities.

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

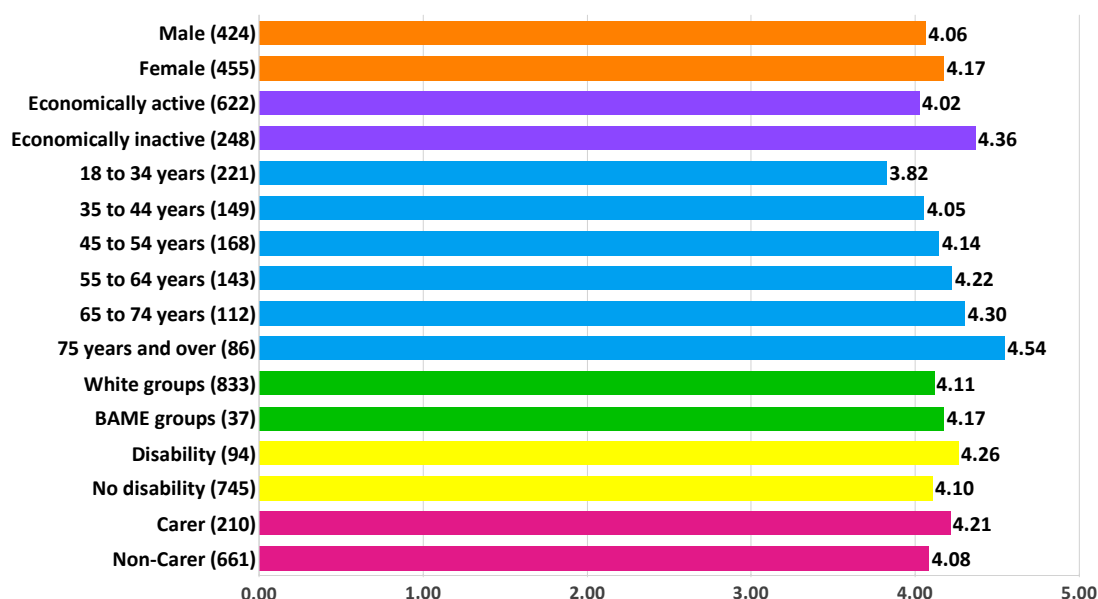








This question was asked in the 2019/20 Budget Survey, undertaken in Autumn 2019. The priorities were placed in the same order as above.

Infrastructure including flood preventions and street scene

Overall, 467 (53.2%) respondents placed 'Infrastructure including flood preventions and street scene' as their top investment priority. This is comparable to the 2019 Budget survey where 52.2% placed this priority as first.

The following chart shows the mean score across the demographic groups for the priority 'Infrastructure including flood prevention and street scene'.

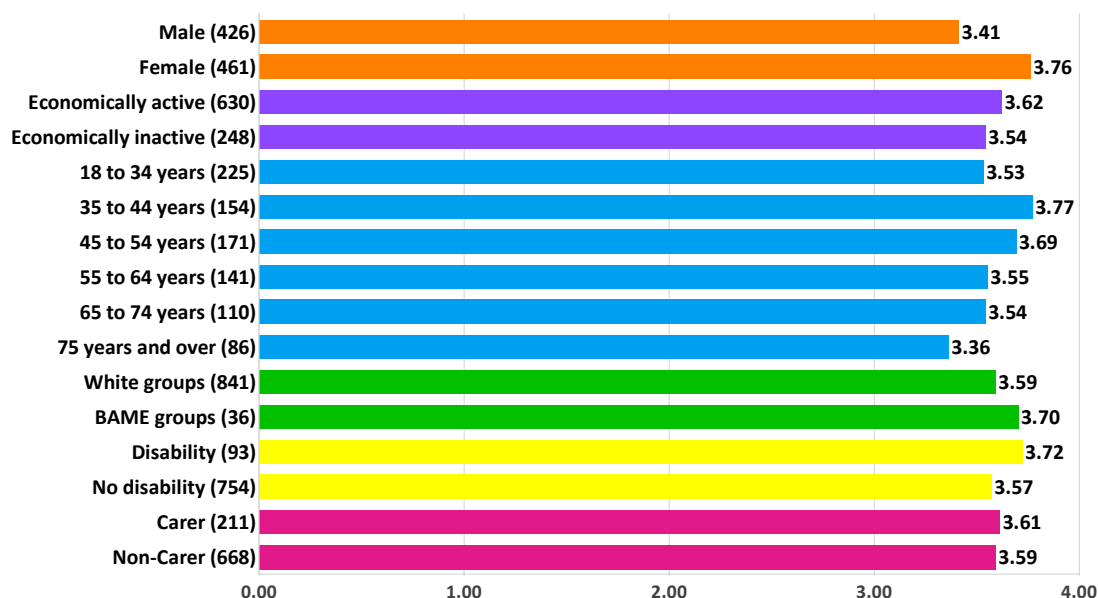


	No significant difference in score between male and female respondents has been identified.
	The difference in score between economically active and economically inactive respondents is significant. 81.7% (± 4.8) of economically inactive respondents placed this priority as first or second compared to 67.0% (± 3.7) of economically active respondents answering the same.
	Analysis suggests a significant relationship between age and ranking of this priority with the proportion placing this priority first and second increasing with age. There were no respondents aged 75 years and over that ranked this priority last (fifth).
	No significant difference has been identified in score between respondents from BAME groups and respondents from white groups.
	No significant difference in score between respondents with a disability and respondents without a disability was identified.
	No significant difference in score between respondents that said they were carers and those who do not provide any care were identified.

Improvements to parks & open spaces

Overall, 203 (22.9%) respondents placed 'Improvements to parks and open spaces' as their top investment priority.

The following chart shows the mean score across the demographic groups for the priority 'improvements to parks and open spaces'.

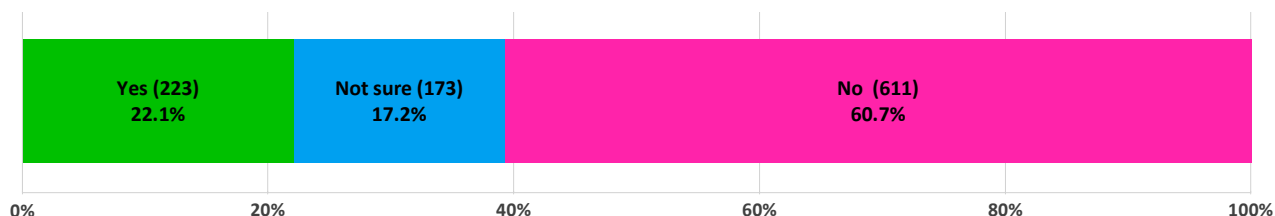


	The difference in score between male and female respondents was significant. 65.9% ($\pm 4.3\%$) of female respondents placed this priority as first or second compared to 53.8% ($\pm 4.7\%$) of male respondents answering the same.
	No significant difference in score between economically active and economically inactive respondents has been identified.
	The score for respondents aged 35 to 44 years is significantly greater than the score for respondents 75 years and over, showing this is a greater priority for respondents aged 35 to 44 years.
	No significant difference has been identified in score between respondents from BAME groups and respondents from white groups.
	No significant difference in score between respondents with a disability and respondents without a disability was identified.
	No significant difference in score between respondents that said they were carers and those who do not provide any care were identified.

Fee and Charges

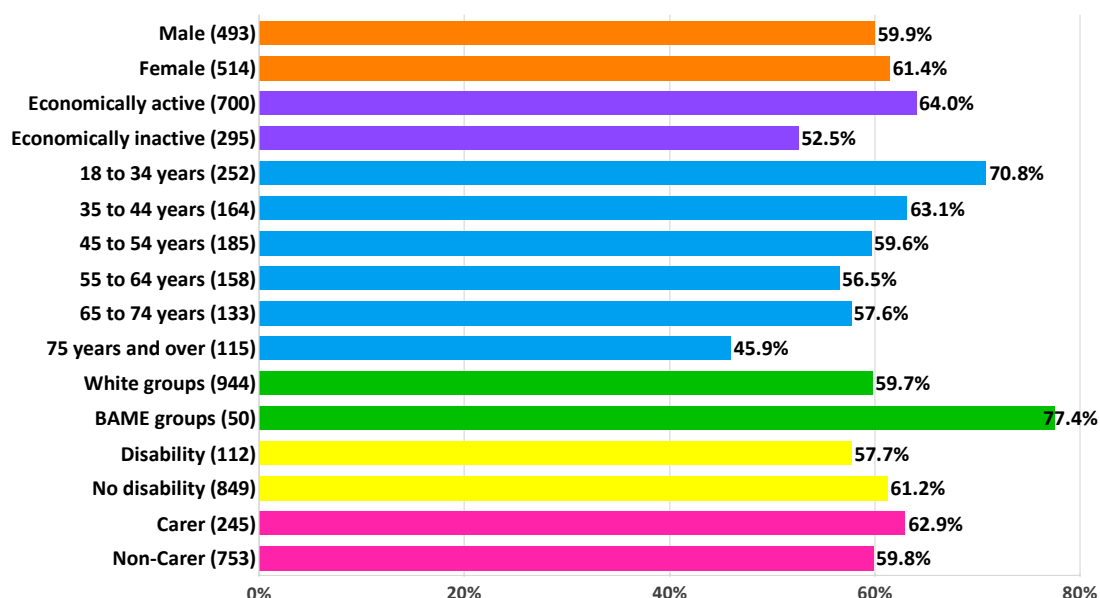
Increase Fees?

Survey respondents were asked if they thought that the Council should increase fees and charges. A total of 1006 answered this question.






Overall, 60.7% ($\pm 3.0\%$) responded 'No', this was the most common response.

The chart below shows the proportions responding 'No' across the different demographic groups.



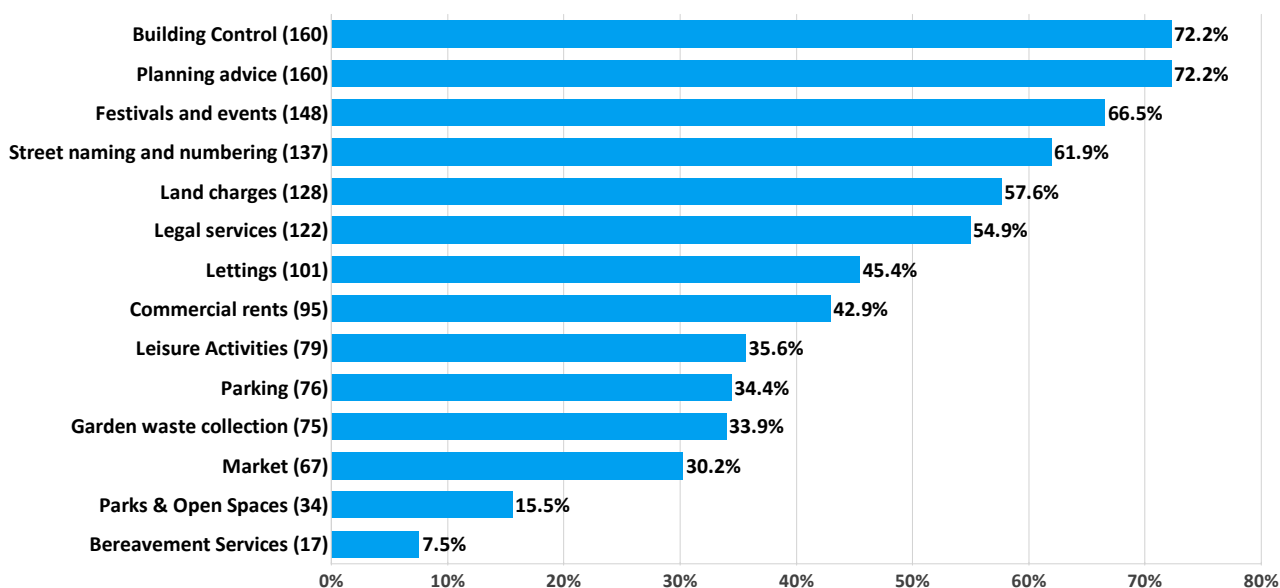
	Although comparable levels of male and female respondents answered 'No', Male respondents had a significantly greater proportion responding 'Yes' with 26.6% ($\pm 3.9\%$) answering this way compared 17.9% ($\pm 3.3\%$) of female respondents answering the same.
	Economically active and economically inactive respondents had significant differences across all of the answer options. One in five economically active respondents answered 'Yes' compared to one in four economically inactive respondents.
	There were no significant differences across the age groups in the proportion of people responding, 'Not sure'. The proportions who responded 'Yes' follows the same profile as the proportion responding 'No' but reversed with the 18 to 34 years group having the lowest proportion answering this way and the 75 years and over group having the greatest proportion responding this way.

	There were no significant differences in terms of ethnicity in the proportion of people responding, 'Not sure'. The proportions from BAME groups and white groups responding 'yes' and 'No' are significantly different from each other. Respondents from white groups were more in favour of increasing fees and charges than respondents from BAME groups.
	There were no significant differences in terms of disability in the proportion of people responding, 'No' and 'Not sure'. 30.5% ($\pm 8.5\%$) of respondents with a disability answered 'Yes' compared to 21.2% ($\pm 2.8\%$) of respondents without a disability – these differences are significant.
	There were no significant differences in the response to this question between respondents that are carers and those who were not carers.

Areas for increased fees

Survey respondents that had answered 'Yes' when asked if the Council should increase fees and charges to help close the budget gap were asked to pick from a list of services that the Council currently charge for and which they think the Council should increase (respondents could tick as many or as few as they wished).

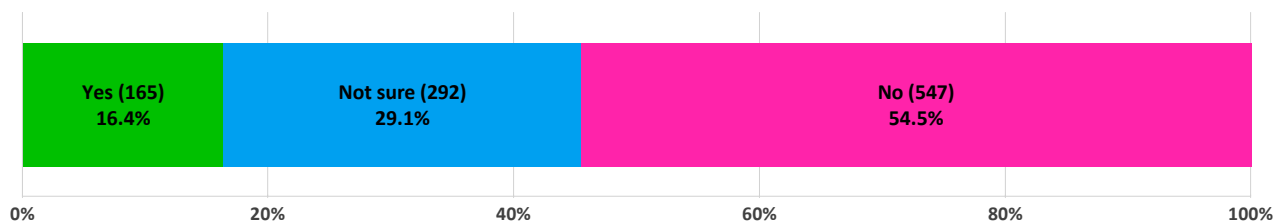
222 respondents answered this question (asked of 223 respondents) and gave a total of 1401 responses (an average of 6.3 options selected per respondent).



Please note - Demographics cannot be assessed for significant differences due to small sample sizes.

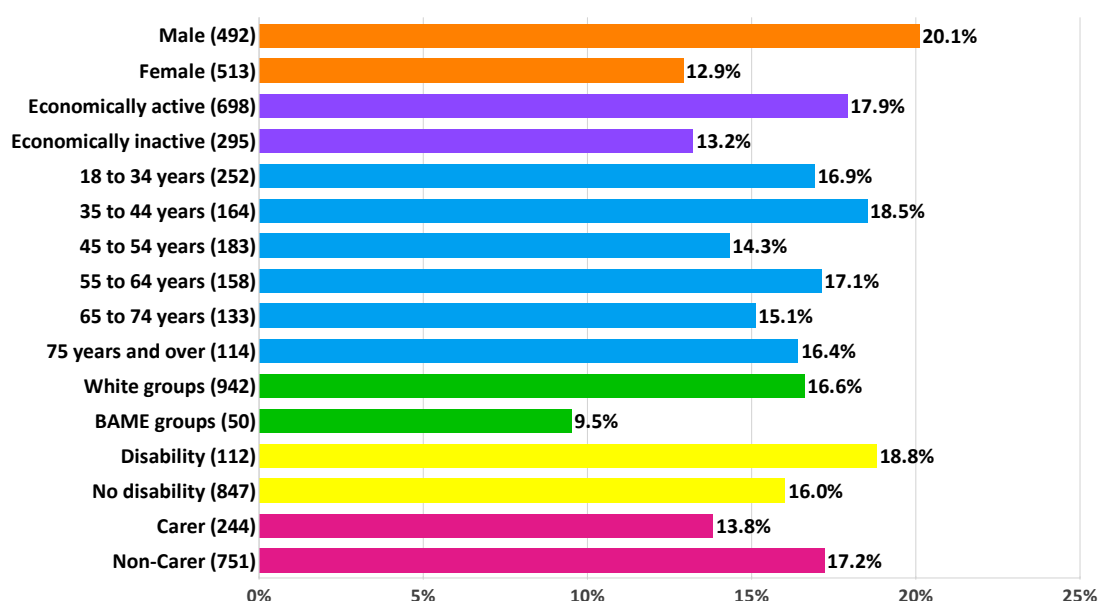
Introduction of new charges

Survey respondents were asked if they thought that the Council should introduce charges for services that it did not currently charge for. There were 1004 responses to this question.





The most common response was 'No' with 547 answering this way. Overall, just over half of all respondents were against the introduction of a fee or charges for services not currently charged for.

The chart below shows the proportion responding 'yes' across the different demographic groups.



	The proportions responding 'yes' for male and female respondents were significantly different. With a greater proportion of male respondents open to idea of introducing charges/fees for services that do not currently incur a charge or fee.
	There were no significant differences in the response to this question between economically active and economically inactive respondents.
	There were no significant differences in the response to this question across the age groups.
	Respondents from BAME groups had a significantly greater proportion responding 'No' with 68.3% (±13.0%) compared to 53.7% (±3.2%) of respondents answering the same from white groups.

	There were no significant differences in the response to this question between respondents with a disability and those without a disability.
	There were no significant differences in the response to this question between carer and non-carer respondents.

Important Services

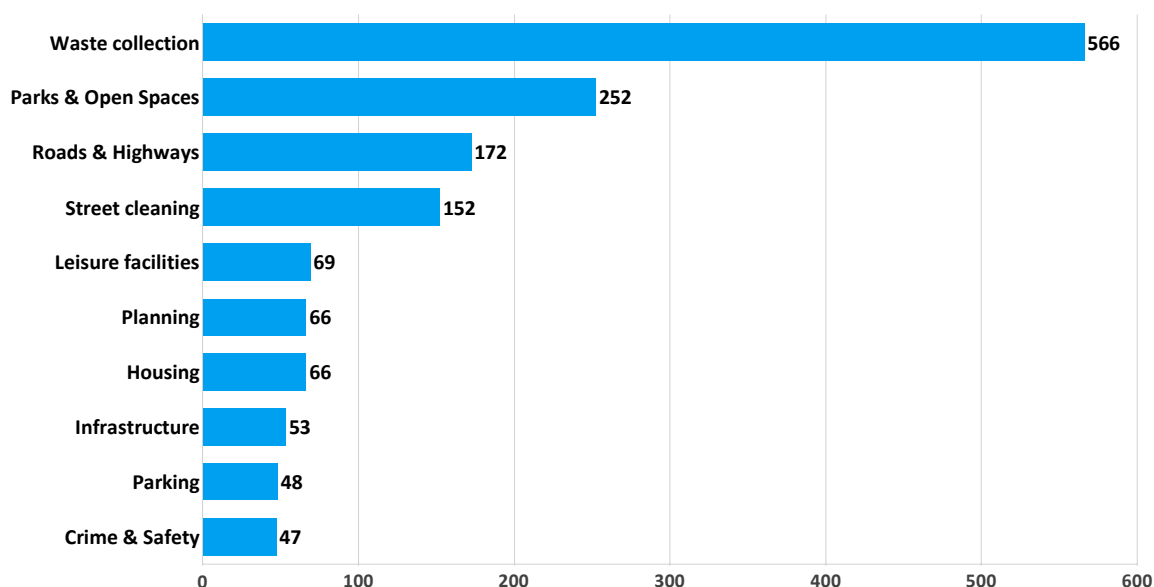
Survey respondents were asked what three services were most important to them and provided with three open text boxes to provide a response. The answers have been cleansed so that counts can be obtained (e.g. refuse to waste collection, leisure, and leisure centre to leisure facilities).

A total of 851 respondents answered this question. Please note that not all respondents that answered this question gave three services.

The word cloud below shows the top 71 responses where two or more respondents have said the same thing.



The top ten services mentioned are shown in the chart below.



Living in Maidstone

Satisfaction with local area as a place to live

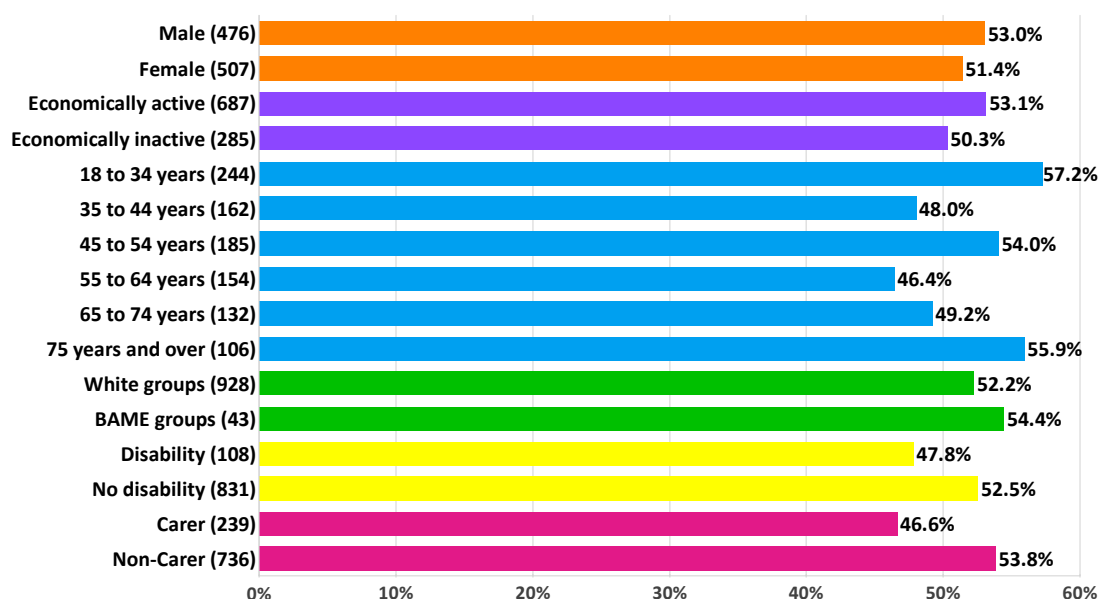
Survey respondents were asked 'How satisfied or dissatisfied are you with your local area as a place to live?' and given a five-point scale from Very satisfied to Very dissatisfied. There was a total of 983 respondents.



The most common response was 'fairly satisfied' with 428 answering this way. Overall, just over half of respondents said they 'satisfied' with their local area as a place to live.

This question was last asked in the 2019 Budget survey. Compared to the 2019 survey the proportion 'Satisfied' has remained consistent with 53.1% responding satisfied in 2019. However, the proportion responding 'Dissatisfied' has reduced from 28.9% in 2019 to 19.9% for 2020.





The chart below shows the proportion responding 'Satisfied' across the demographic groups.



There were no significant differences in the response to this question between male and female respondents.

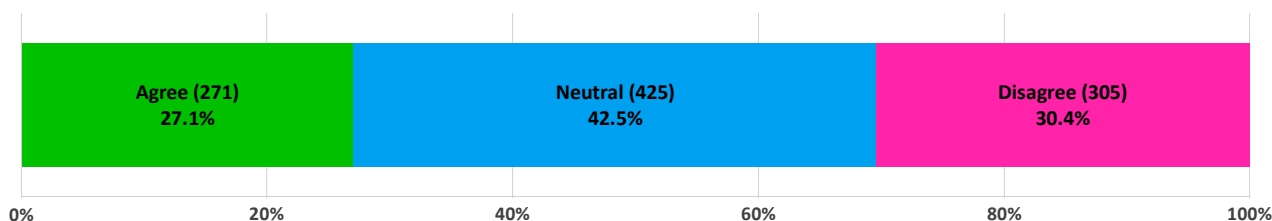


There were no significant differences in the response to this question between economically active and economically inactive respondents.

	<p>The proportions responding positively from the 18 to 34 years group and the 55 to 64 years group are significantly different from each other.</p> <p>The 55 to 64 years group had the greatest proportion responding negatively at 25.2% ($\pm 6.9\%$) – this is significantly greater than the proportion responding the same from the 75 years and over group where 14.7% ($\pm 6.7\%$) responded negatively.</p>
	<p>There were no significant differences in the proportions responding in terms of ethnicity.</p>
	<p>There were no significant differences in the proportions responding between respondents with a disability and those without a disability.</p>
	<p>Respondents that are carers had a significantly greater proportion responding negatively with 26.9% ($\pm 5.6\%$) answering this way compared to 17.9% ($\pm 2.8\%$) of non-carers answering the same.</p>

Potential realised

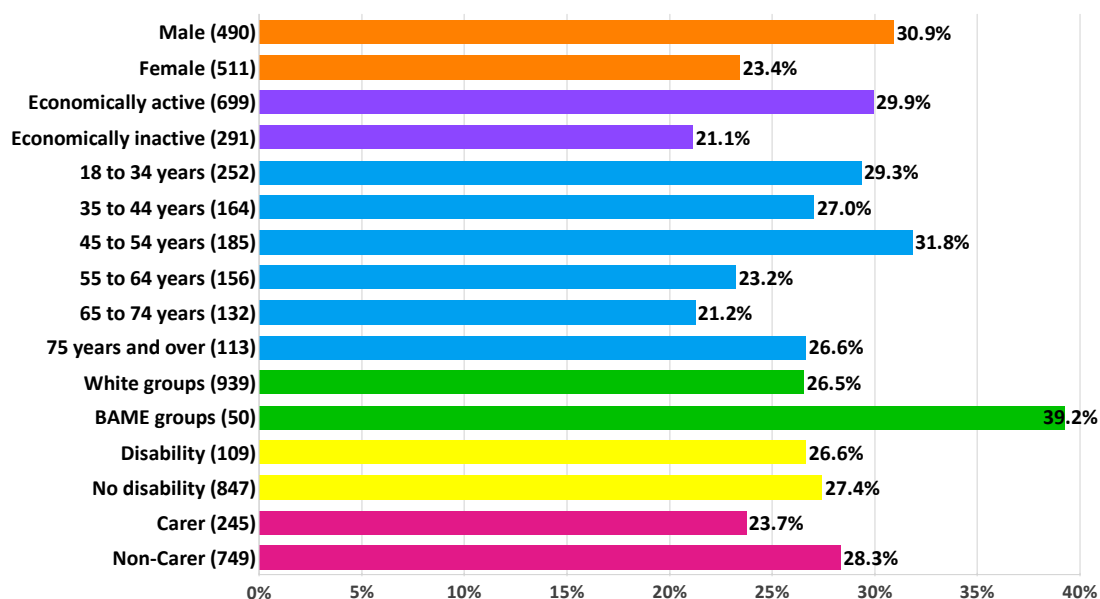
The survey asked respondents 'To what extent do you agree or disagree that Maidstone is a place where everyone can realise their potential?'. A total of 1001 people responded to this question.



Overall, 27.1% ($\pm 2.8\%$) of respondents said they agreed that Maidstone was a place where everyone can realise their potential. The most common response was 'Neither agree nor disagree' with 42.5% ($\pm 3.1\%$) responding this way.

The proportion responding 'Agree' has improved since 2019 when this question was asked for the first time in the 2019 Budget survey. In 2019, 21.9% of respondents agreed and 35.5% disagreed that Maidstone was a place where everyone can realise their potential.

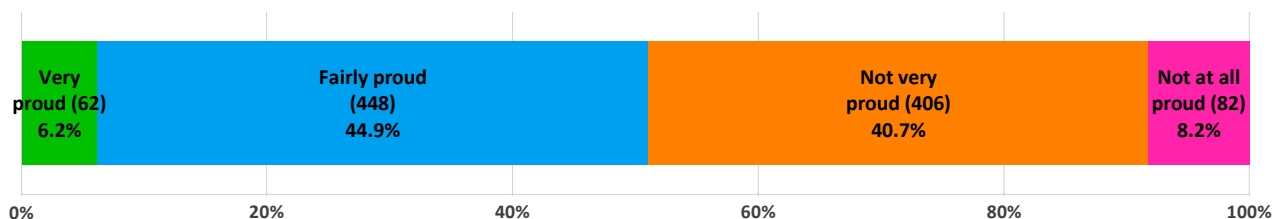
The following chart shows the proportion responding 'Agree' across the different demographic groups.



	While comparable proportion of male and female respondents responded neutrally to this question, the difference in the proportion responding both negatively and positively are significant. Female respondents were more likely to disagree with this statement compared to male respondents.
	More than half of economically inactive respondents responded neutrally, significantly greater than the proportion responding the same, who are economically active. Economically active respondents had significantly greater proportions answering both positively and negatively (more than three quarters of the respondents in the economically inactive group told us they were currently 'wholly retired from work').
	The 18 to 34 years and the 35 to 44 years had the greatest proportions responding negatively at 38.4% ($\pm 6.0\%$) and 38.8% ($\pm 7.5\%$) respectively and the lowest proportions responding neutrally. The 75 years and over had the lowest proportion responding negatively and the greatest proportion responding neutrally.
	The difference in the proportion answering positively between BAME groups and white groups is significant. 31.1% ($\pm 3.0\%$) of white group respondents answered negatively compared to 16.4% ($\pm 10.4\%$) of BAME respondents answering the same.
	There were no significant differences in the response to this question between respondents with a disability and those without a disability.
	Although there were no significant differences in the proportion responding positively and neutrally between carers and non-carers, carers had a significantly greater proportion responding negatively with 36.9% ($\pm 6.0\%$) answering this way compared to 28.7% (3.2%) of non-carers.

Pride in Maidstone Borough

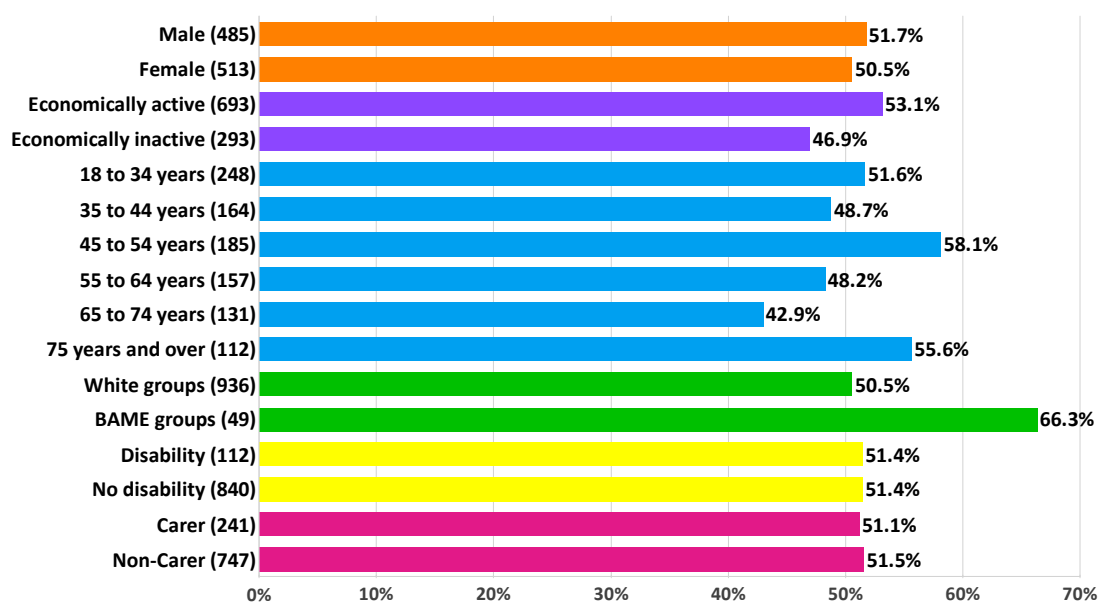
The survey asked respondents 'How proud are you of Maidstone Borough?', a total of 997 responded to this question.






Overall, 51.1% ($\pm 3.1\%$) said they were either 'Very proud' or 'Fairly proud' of Maidstone Borough. The most common response was 'Fairly proud' with 448 answering this way.

The proportion responding positively (very proud and fairly proud combined) has improved since 2019 when this question was asked for the first time in the 2019 Budget survey. In 2019, 39.7% of respondents were positive when answering this question and 60.3% responded negatively. In 2019 'Not very proud' was the most common response.

The chart below shows the proportion responding positively across the different demographic groups.



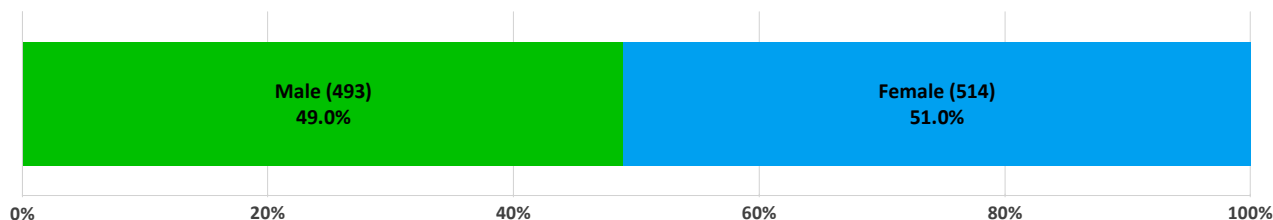
	There were no significant differences in the response to this question between male and female respondents.
	There were no significant differences in the response to this question between economically active and economically inactive respondents.
	Respondents in the 65 to 74 years group had the lowest proportion responding negatively. This result is significant when compared to the proportions responding the same from the 35 to 44 years group and the 75 years and over group.

	<p>The difference in the proportion answering positively between BAME groups and white groups is significant. 49.5% ($\pm 3.2\%$) of white group respondents answered negatively compared to 33.7% ($\pm 12.2\%$) of BAME respondents answering the same.</p>
	<p>There were no significant differences in the response to this question between respondents with a disability and those without a disability.</p>
	<p>There were no significant differences in the response to this question between carer respondents and non-carer respondents.</p>

Demographics

Gender

The proportions for male and female respondents aligns with that in the local population¹ (survey weighting is based on this variable).



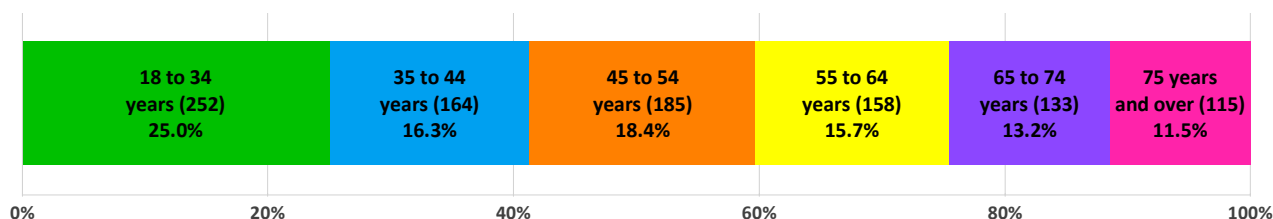
Economic Activity

The economically active were slightly under-represented in the respondent profile accounting for 72.9%. The economically inactive are slightly over-represented with 27.1% in the local population².



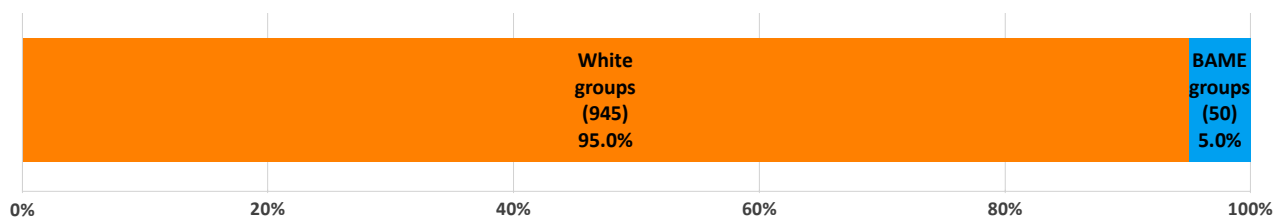
Age

The proportions of respondents in each age group aligns with that in the local population³ (survey weighting is based on this variable).



Ethnicity

BAME respondents were marginally underrepresented in the respondent profile accounting for 5.9% in the local population⁴.



¹ ONS Mid- year population estimates 2019

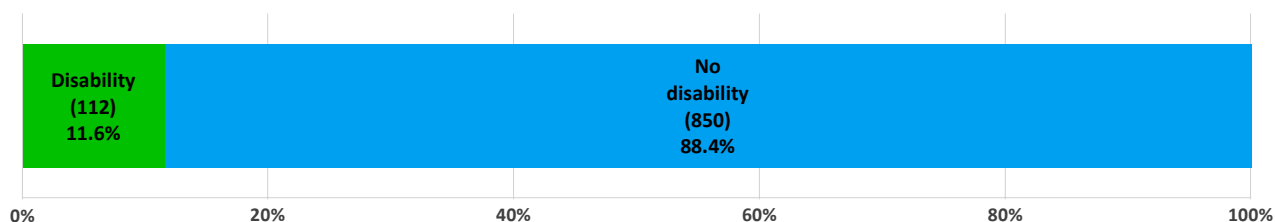
² 2011 UK Census

³ ONS Mid- year population estimates 2019

⁴ 2011 UK Census

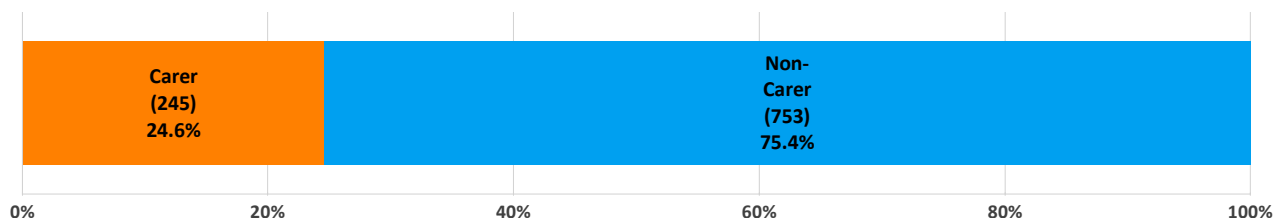
Disability

Respondents with a disability were slightly under-represented in the respondent profile accounting for 15.2% of the local population⁵.



Carers

There are no national statistic on the numbers of carers (both paid and unpaid) however, 10.2% of all residents provide unpaid care⁶, with a further 2,842 claiming carers allowance, therefore it is likely that carers are over-represented in the respondent profile.



⁵ UK Census 2011

⁶ Census 2011

Strategic Planning and Infrastructure Committee

8 December 2020

Maidstone Authority Monitoring Report

Final Decision-Maker	Strategic Planning and Infrastructure Committee
Lead Head of Service	Rob Jarman, Head of Planning and Development
Lead Officer and Report Author	Anna Ironmonger, Planning Officer (Strategic Planning)
Classification	Public
Wards affected	All

Executive Summary

Regulation 34 of the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended) requires the Council to publish an Authority Monitoring Report (AMR) on at least an annual basis. The purpose of an Authority Monitoring Report is to monitor progress of the implementation of the local plan and the local plan review and provide information on various matters including progress on engagement under the Duty to Cooperate; and implementation of policies within an adopted local plan and progress towards the meeting of targets. The Maidstone Authority Monitoring Report 2019-2020 (Appendix 1 to this report) meets the statutory requirements and reports on progress made for the period 1 April 2019 to 31 March 2020. In monitoring the implementation of Maidstone Borough Local Plan policies, the AMR is a source of evidence for the Local Plan Review.

Purpose of Report

For noting

This report makes the following recommendations to this Committee:

1. That the Maidstone Authority Monitoring Report 2019-2020 be noted

Timetable

Meeting	Date
Strategic Planning and Infrastructure	8 December 2020

Maidstone Authority Monitoring Report

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	We do not expect the recommendations will by themselves materially affect achievement of corporate priorities. However, they will support the Council's overall achievement of its aims.	Head of Service
Cross Cutting Objectives	The report recommendations support the achievement of all four cross-cutting objectives as the Local Plan Review (which is monitored through the AMR) has consideration for the cross-cutting objectives.	Head of Service
Risk Management	This is part of the evidence base and so accurate description and associated analysis is key particularly around duty to co-operate, Habitats Regulations, Sustainability Appraisal, projection of the 5 year housing land supply and trajectory	Rob Jarman
Financial	There is provision in the budget for preparation of the Maidstone Authority Monitoring Report and, more generally, for work on the Local Plan, so there are no additional financial implications arising from this report.	Section 151 Officer & Finance Team
Staffing	We will deliver the recommendations with our current staffing.	Head of Service
Legal	Accepting the recommendations will fulfil the Council's duties under the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended).	Russell Fitzpatrick MKLS (Planning)
Privacy and Data Protection	No impact identified.	Policy and Information Team
Equalities	The recommendations do not propose a change in service therefore will not require an equalities impact assessment	Equalities and Corporate Policy Officer
Public Health	No impact identified.	[Public Health Officer]
Crime and	There are no implications for Crime and	Head of

Disorder	Disorder.	Service
Procurement	There are no procurement requirements	Head of Service & Section 151 Officer

2. INTRODUCTION AND BACKGROUND

1.1 Through an Authority Monitoring Report (AMR), the Council must provide information on various matters including the preparation of local plans; engagement under the Duty to Cooperate; and implementation of policies within an adopted local plan (Regulation 34 of the Town and Country Planning (Local Planning) (England) Regulations 2012) (as amended) (the 2012 Regulations). The Maidstone Authority Monitoring Report 2019-2020 (Appendix 1 to this report) covers the period of 1 April 2019 to 31 March 2020 and covers the following:

- Overview of the profile of the Borough
- Progress of the Local Plan Review
- Progress of Neighbourhood Plans
- Update on the Community Infrastructure Levy and Infrastructure Funding Statement
- Engagement with organisations under the Duty to Cooperate
- Implementation of policies within the adopted Maidstone Borough Local Plan (Local Plan Monitoring Indicators)
- Effects of the Maidstone Borough Local Plan and implementation of the Sustainability Appraisal (Significant Effect Indicators)

1.2 The AMR is a corporate document, with inputs from a range of Council departments and uses both internal and external data sources. The Council must publish its Authority Monitoring Report at least annually. The previous iteration of the AMR covered the period of 1 April 2018 to 31 March 2019 and was considered by this committee on 7 January 2020.

Development Plan Progress

1.3 The Local Development Scheme outlines the delivery programme for the Local Plan Review (LPR). Since the previous iteration of the AMR (2018-2019) the Council has adopted a revised LDS which covers the period of 2020 to 2022. As required by Regulation 34 of the 2012 Regulations, the AMR must set out the timetable for preparation of the LPR. The AMR must also set out the stage the LPR has reached. Table 3.1 from the AMR has been reproduced below to outline the new LPR timetable and whether key milestones have been met.

Regulation	Stage of LPR Production	Target	Target met
18b	Preferred Approaches	December 2020	On track

	Consultation (Regulation 18b)		
19	Consultation	June 2021	-
22	Submission	December 2021	-
24	Examination	May – June 2022	-
	Main Modification Consultation	August 2022	
26	Adoption	October 2022	-

- 1.4 Neighbourhood planning is very active in Maidstone Borough. In total there are 16 designated neighbourhood areas. As of August 2020, there are four made (adopted) neighbourhood plans which form part of the Maidstone Development plan: Staplehurst (December 2016 and amended in August 2020), North Loose (April 2016), Loose (September 2019) and Marden (July 2020). Significant progress has been made on the Lenham Neighbourhood Plan. Following a decision taken by this committee in September 2020, the Lenham Neighbourhood Plan will proceed to referendum when the referendum process resumes in May 2021. Paragraph 3.9 of the AMR outlines the progress of other neighbourhood plans in the Borough.
- 1.5 The Community Infrastructure Levy (CIL) Charging took effect from 1 October 2018. The Council is required under Regulation 34 of the 2012 Regulations to published information on CIL matters outlined in the Infrastructure Funding Statement (IFS) within the AMR. An extract of the IFS can be found at Appendix 2 of the AMR.
- 1.6 Within the AMR, local planning authorities should set out any engagement that has taken place with organisations under the Duty to Cooperate. The Duty to Cooperate places a legal duty on local planning authorities to engage constructively, actively and on an ongoing basis with certain organisations, in order to maximise the effectiveness of local plan preparation in the context of strategic cross boundary matters. It is important that the Council can demonstrate that it has complied with the Duty to Cooperate at the independent examination of the LPR. In line with previous AMRs details of the engagement which has taken place during the monitoring year (between 1 April 2019 and 31 March 2020) is included as an appendix (Appendix 3) to the AMR discussions have taken place since this time and will be recorded in the next iteration of the AMR.
- 1.7 In monitoring the implementation of policies within the adopted Maidstone Borough Local Plan (Local Plan Monitoring Indicators) and the Sustainability Appraisal (Significant Effect Indicators), the AMR is an important source of evidence for the Local Plan Review and demonstrating what policies will need to change as part of the review.

Monitoring Indicators

Local Plan Performance – Maidstone Borough Local Plan Monitoring Indicators

- 1.8 The Local Plan Monitoring Indicators enable the Council to understand the progress of objectives and targets set out in the adopted Maidstone

Borough Local Plan during the monitoring year of 1 April 2019 to 31 March 2020. The indicators cover housing, employment, retail, gypsy and travellers, environment and infrastructure. A summary is provided in the following paragraphs.

- 1.9 There were two reported departures from the adopted Maidstone Borough Local Plan. A departure means a failure to implement a policy. In both cases it was a departure from Policy SP17 The Countryside. Paragraph 4.2 of the AMR provides detail on the nature of the departure and concludes that a review of the implementation of Policy SP17 The Countryside is not required. There has been an increase in the number of appeals lodged against the Council's planning decisions from 78 in 2018/19 to 99 in 2019/20.
- 1.10 In respect of housing delivery, there were 1,304 dwellings (net) completed during the monitoring year 2019/20, bringing the total completed dwellings to 7,741 for the plan period 2011/31. This represents a shortfall of 206 against the nine year target of 7,947 dwellings. This shortfall will be delivered over the next six years (2020 to 2027). On 1 April 2020, the Council can demonstrate a 6.1 years' worth of housing land supply. There is uncertainty regarding the impact of Brexit and Covid-19 on the delivery of housing. This will be explored in the next iteration of the AMR.
- 1.11 The AMR is based on the current annual requirement of 883 dwellings. It is important to note that the housing target for the Borough will increase as the national standard methodology for calculating housing need is brought into effect, and the date of the Local Plan Review is rolled forward to 2037. New housing targets will be considered through the Local Plan Review (LPR).
- 1.12 The Council is required to keep a register of individuals and associations who are seeking serviced plots of land for self-build and custom housebuilding. The Council also has a duty to grant planning permission for enough suitable serviced plots of land to meet the demand for self-build and custom housebuilding. In total over the three base periods, 203 individuals and 3 associations have registered an interest. However, only 46 applications for self-build dwellings have been permitted. A policy review will be undertaken as part of the Local Plan Review.
- 1.13 The Council has successfully secured affordable homes on qualifying development sites in strong alignment with the requirements of Maidstone Borough Local Plan policy SP20. The percentage of affordable homes secured in qualifying geographical areas remains broadly aligned with the percentage targets:
- Maidstone, urban – 26% (against at target of 30%)
 - H1 (11) Springfield, Royal Engineers Road – 13% (against at target of 20%)
 - Countryside/Rural Service Centres/Larger Villages – 36% (against a target of 40%).
- 1.14 Since 2016/17 there has been a net total loss of 32,505 sqm B class employment floorspace. This results in greater pressure to deliver employment land requirements over the remaining years of the plan. As

part of the Local Plan Review, the approach to employment land will be reviewed and in the meantime, the Council has agreed to proceed with an Article 4 Direction to limit the loss of office floorspace to residential uses in future. In respect of employment allocations there are extant permissions at EMP1 (1) West of Barradale Farm, Maidstone Road, Headcorn; EMP1 (4) Woodcut Farm, Bearsted Road, Bearsted; RMX1 (1) Newnham Park, Bearsted Road, Maidstone; and RMX1 (4) Former Syngenta works, Hampstead Lane, Yalding.

- 1.15 There has also been an overall loss of retail floorspace since 2016/17. In respect of retail allocations, there is an extant permission at RMX1 (1) Newnham Park, Bearsted Road, Maidstone for refurbishment and extension of existing garden centre buildings (including the enclosure of 2570 sqm gross internal area of existing external retail floor space). As of 1 April 2020, there has been a loss of 6171sqm of retail floorspace. Retail requirements will be reviewed as part of the Local Plan Review. Within the town centre, none of the primary frontages have fallen below the 85% threshold for A1 uses, indicating that the primary frontage is still effective in focusing a core retail provision in Maidstone Town Centre.
- 1.16 Since 2011 the delivery of gypsy and traveller pitches has exceeded the 187 pitch target (based on the 2012 GTAA). On 1 April 2020 the Council can demonstrate a 7.0 years' worth of deliverable gypsy and traveller pitches. Work is underway on a new Gypsy and Traveller Accommodation Needs Assessment.
- 1.17 During the monitoring year there has been no loss of designated heritage assets, designated wildlife sites or designated open space as a result of development. Qualifying residential and mixed-use sites provided over 3 hectares of on-site open space provision, with no payments for off-site open space provision during the monitoring year.
- 1.18 Work published in the Air Quality Annual Status Report indicates that there has been continued improvement in air quality at identified exceedance areas.
- 1.19 During the monitoring year, there were 7 applications granted planning permission subject to S106 agreements. Each application provided all the contributions sought in accordance with the priorities outlined in Policy ID1(4). As highlighted within the AMR appended to this report, two key highways schemes: HTNW4 - 'capacity improvements at the junction of Fountain Lane and the A26/Tonbridge Road' and HTC1 - 'Linton crossroads junction improvements' were not on track for a timely delivery. All highways and transportation schemes will continue to be closely monitored over the course of the year, however, the impact of Covid on the ability to progress projects during 2020 is likely to result in a reported delay to delivery.

Sustainability Appraisal – Significant Effect Indicators

- 1.20 The Significant Effect Indicators enable the Council to monitor the effects of the Maidstone Borough Local Plan. Like the local plan indicators above, the significant effect indicators cover a range of topics and in some instances

there is overlap between the two sets of indicators. A summary is provided in the following paragraphs.

- 1.21 As of 2019, according to the Index of Multiple Deprivation, the least deprived lower layer super output area (LSOA) in Maidstone Borough is in Bearsted ward and has a ranking of 32,648. The LSOA is amongst the 10% least deprived areas in the country. The most deprived LSOA in the Borough is located in Parkwood ward and is ranked as 2914. The LSOA is amongst the 10% most deprived areas in the country.
- 1.22 Since 2011 there has been a decrease in the number of pupils achieving NVQ 2 or above of 4.3%, and this is in contrast to the rest of the South East (7.9%).
- 1.23 There has been a general increase in all reported crime both within Maidstone and county wide between 2017/18 and 2019/20. For the Borough, crime rate per 1,000 population has risen from 90 in 2017/18 to 95 in 2019/20 an increase of 6%.
- 1.24 Out of the 1,304 dwellings (net) completed during the monitoring year a total of 351 dwellings (which equates to 27%) were completed on previously developed land. There has been a decline in the percentage of completions on previously developed land, which is to be expected as greenfield sites allocated in the adopted Local Plan are delivered.
- 1.25 Across Kent there has been a reduction in the amount of non-household waste collected between 2014/15 and 2018/2019 of 13.8%, with 35,406 tonnes collected in 2018/19. In Maidstone there has been a decrease in the amount of non-household waste collected of 54.8% with 252 tonnes of non-household waste collected in 2018/19. Between 2011 and 2018 there has been an overall increase of 0.11% in energy consumption within the Borough.

Summary

- 1.26 The Council continues to make good progress towards the delivery of the objectives and targets set out in the adopted Maidstone Borough Local Plan, as well as minimising the effects of the Local Plan. The AMR is an important source of evidence for the Local Plan Review and demonstrating what policies will need to change as part of the review.

3. AVAILABLE OPTIONS

- 3.1 By virtue of Regulation 34 of the 2012 Regulations the Council (as the local planning authority) has a statutory duty to produce an annual AMR which monitors progress of the local plan and the local plan review. The Maidstone Authority Monitoring Report 2019-2020 (at Appendix 1) meets that statutory requirement for the period 1 April 2019 to 31 March 2020 and will be made available for inspection in accordance with the statutory

requirements contained in Part 9 of the 2012 Regulations which includes publication on the Council's website.

3.2 This report is for noting

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

4.1 This report is for noting only.

5. RISK

5.1 This report is presented for information only and has no risk management implications.

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

6.1 There is no duty to undertake consultation on an Authority Monitoring Report.

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

7.1 The Maidstone Authority Monitoring Report 2019-2020 will be published on the website.

8. REPORT APPENDICES

Appendix 1: Maidstone Authority Monitoring Report 2019-2020

9. BACKGROUND PAPERS

None

MAIDSTONE BOROUGH COUNCIL

AUTHORITY MONITORING REPORT

Date: 2019-2020



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1. Introduction

1.1 The Maidstone Authority Monitoring Report (AMR) provides a framework with which to monitor and review the effectiveness of local plan policies that address local issues for the monitoring period 1st April 2019 to 31st March 2020. The AMR should also assess whether policies and related targets or "milestones" set out in the Local Development Scheme have been met, or whether progress has been made in meeting them. Where targets are not being met or are not on track to be achieved, the AMR must set out the reasons why and the appropriate action to be taken.

1.2 The AMR includes a brief profile of Maidstone Borough (section 2). It reviews the progress of the Maidstone Development Plan (section 3) against the timetable for plan making set out in the Local Development Scheme, i.e. for the preparation of the Local Plan Review. The report includes updates on neighbourhood development plans, the Council's community infrastructure levy, and the 'duty to cooperate' requirement for continued collaboration with partners over strategic cross-boundary issues. The performance of local plan policies (sections 4 and 5) is monitored in accordance with the monitoring indicators of the Maidstone Borough Local Plan 2017 and Sustainability Appraisal Statement 2017. This AMR is a corporate document with input from a range of Council departments. The report often includes a series of data so that changes over time can be understood. Appendix 1 contains tables and maps illustrating the Borough's heritage and environment assets and constraints, Appendix 2 provides an extract of the Infrastructure Funding Statement covering CIL matters, Appendix 3 shows progress under the Council's duty to cooperate, and Appendix 4 sets out a glossary of terms to assist the reader.

1.3 The key points highlighted in the AMR 2020 include:

- Consultation on the Local Plan Review – Scoping, Themes and Issues Public Consultation was held between July and September 2019 in accordance with the LDS 2018-2022. In December 2020 a consultation will be held on the Local Plan Review – Preferred Approaches in accordance with the LDS 2020-2022 (September 2020 edition).
- Since the last AMR was published the Council made (adopted) the Marden Neighbourhood Plan on 15th July 2020. The Staplehurst Neighbourhood Plan was originally made in 2016, but modifications were made in August 2020. The Lenham Neighbourhood Plan was examined during the monitoring year and the Council has since received the examiner's final report on 30th June 2020. A decision was then taken to move the plan to referendum. Both the Otham and Boughton Monchelsea Neighbourhood Plans have been subject to the first round of consultation during the

monitoring year, known as Regulation 14 consultation. Both plans have since progressed to Regulation 16 consultation.

- Continued delivery of housing allocations and meeting the housing need, which is demonstrated through 6.1 years' worth of housing land supply.
- 27% of completed dwellings were completed on previously developed land.
- There has been a sustained low delivery of self-build plots.
- The delivery of affordable housing is on target and does not significantly deviate from the indicative policy target.
- Continued delivery of employment allocations but the delivery of allocations without planning permission will be reviewed as part of the Local Plan Review.
- At the 1st April 2020 the Council can demonstrate 7.0 years' worth of deliverable planning gypsy and traveller pitches. The delivery of pitches is currently ahead of target.
- All critical and essential projects remain on track to be delivered within the time frames identified in the Infrastructure Delivery Plan (IDP).

2. Maidstone Profile

2.1 Maidstone Borough has a population of 171,850 (ONS, June 2019) and a dwelling stock of 70,990 at 31st March 2018¹ (KCC Housing Stock 2018 update). Maidstone is the county town of Kent and is an important administrative centre, strategically located between the Channel Tunnel and London with good road and rail links. The urban area, located to the north-west of the borough, has a strong commercial and retail town centre. Maidstone has an extensive rural hinterland, which is characterised by an abundance of villages and hamlets.

2.2 The borough benefits from a range of designated heritage assets, and its rural hinterland is of high landscape and environmental quality, much of which is protected by national and local designations. Parts of the borough located adjacent to its rivers lie within a floodplain. These assets and constraints are illustrated in Appendix 1.

2.3 Between mid-2018 and mid-2019 there has been an increase of 1.1% in Maidstone's population. There has been no change in the split between male and female since 2017 (49% male and 51% female). The two largest age groups in 2019 were 45-49 and 50-54 and accounted for 14% of the total population.

2.4 The Maidstone Borough Local Plan (2017) outlines the following key issues:

1. Where, when and how much development will be distributed throughout the borough;
2. Maintenance of the distinct character and identity of villages and the urban area;
3. Protection of the built and natural heritage, including the Kent Downs AONB and its setting, the setting of the High Weald AONB and areas of local landscape value;
4. Provision of strategic and local infrastructure to support new development and growth including a sustainable Integrated Transport Strategy, adequate water supply, sustainable waste management, energy infrastructure, and social infrastructure such as health, schools and other educational facilities;
5. Improvements to quality of air within the air quality management area (AQMA);
6. Regeneration of the town centre and areas of social and environmental deprivation;
7. Redressing the low wage economy by expanding the employment skills base to target employment opportunities;
8. Meeting housing needs by delivering affordable housing, local needs housing, accommodation for the elderly, accommodation to meet Gypsy and Traveller needs, and accommodation to meet rural housing needs;

¹ No updated figures have been published

9. Promotion of the multi-functional nature of the borough's open spaces, rivers and other watercourses;
10. Ensuring that all new development is built to a high standard of sustainable design and construction; and
11. Ensuring that applications for development adequately address:
 - i. The impact of climate change;
 - ii. The issues of flooding and water supply; and
 - iii. The need for dependable infrastructure for the removal of sewage and waste water.

2.5 The borough is under pressure to meet the development needs outlined in the Maidstone Borough Local Plan (2017). Development must be managed in the context of Maidstone's quality environment. The key monitoring indicators of the AMR (section 4) and the significant effect indicators (section 5) provide additional context, revealing further characteristics of the borough.

3. Development Plan and Associated Documents

3.1 The Maidstone Development Plan currently comprises the Maidstone Borough Local Plan (2017) and its Policies Map, the Kent Minerals and Waste Local Plan (2016), Staplehurst Neighbourhood Plan (amended 2020), North Loose Staplehurst Neighbourhood Plan (2016), Loose Staplehurst Neighbourhood Plan (2019) and Marden Staplehurst Neighbourhood Plan (2020) (Figure 3.1 below). The Development Plan must conform to national policies and guidance, and is supported by a number of process documents, including the AMR. Development Plan Documents are available to view and download from the Council's website, together with process documents and supplementary planning documents.

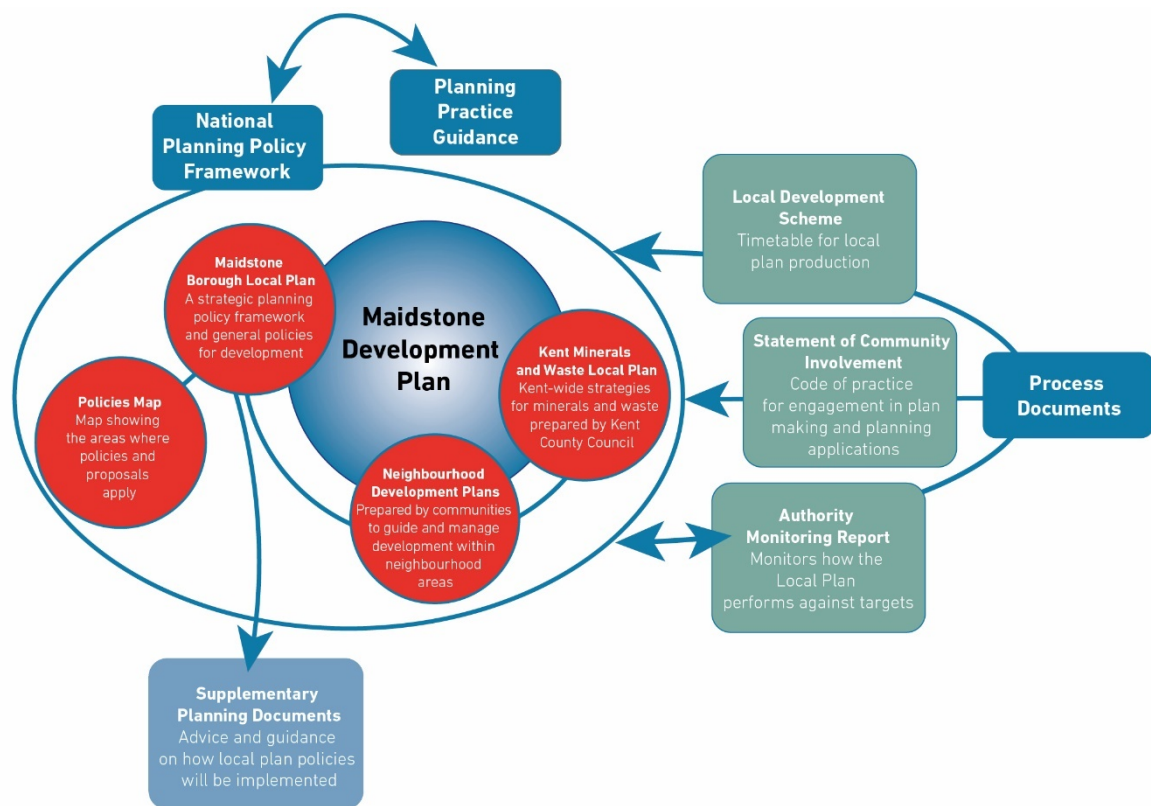


Figure 3.1: plan making diagram (Source: MBC 2018)

Local Development Scheme: Local Plan Review

3.2 The Council has a duty to review its local plan every five years and, following adoption of the Maidstone Borough Local Plan in 2017, the Local Development Scheme (LDS) outlines the delivery programme for the Local Plan Review (LPR). The LDS is a project plan that sets out the timetable for the delivery of the Council's development plan documents. The Maidstone Local Development

Scheme 2018-2022 was adopted by the Council in July 2018, and covered the period January 2018 to December 2022.

3.3 Since then there have been two further iterations of the LDS. The LDS 2018-2022 timetable states that Regulation 18 – scoping/options consultation would take place between July and August 2019. The consultation milestone was met and extended to September to accommodate the summer holiday period, running from 19th July to 30th September 2019. The timetable then outlined that consultation on the preferred approaches would take place in February to March 2020.

3.4 The Council completed a Call for Sites exercise whereby people could submit information about land and sites which could potentially be developed in the future. The Call for Sites was open between 28th February and 24th May 2019 and approximately 330 site submissions were received. Due to the number of responses to the Call for Sites and the need for a thorough appraisal of each submission, but also the number of responses to the first stage of consultation and the time required to process and analyse those representations, the LDS was updated. The LDS 2020-2022 (July 2020 edition) was adopted by the Council in July 2020.

3.5 Since the LDS 2020-2022 (July 2020 edition) came into effect, the MHCLG has published two key consultations on changes to the planning system in England. The changes proposed in the two consultations are likely to have a significant impact on plan making in the Borough. Among the proposed changes is an update to the standard methodology used to calculate housing need. The consultation also proposes transitional arrangements which, if met, could allow for the retention of the numbers around which the current Local Plan Review is being prepared. These changes in the standard methodology will have implications for the number of houses the Borough Council is required to provide. Table 3.1 outlines the new timetable for delivering the Local Plan Review and whether the key milestones have been met. The new timetable has been incorporated into the LDS 2020-2022 (September 2020 edition) which was adopted in September 2020.

Regulation	Stage of LPR Production	Target	Target met
18b	Preferred Approaches Consultation (Regulation 18b)	December 2020	On track
19	Consultation	June 2021	-
22	Submission	December 2021	-
24	Examination	May – June 2022	-
	Main Modification Consultation	August 2022	
26	Adoption	October 2022	-

Table 3.1: Stages of Local Plan Review Production (Source: MBC 2020)

Neighbourhood Plans

3.6 Neighbourhood development plans, also known as neighbourhood plans, are prepared by Parish Councils or designated Neighbourhood Forums for their areas. Their production is subject to a legislative process, similar to that for local plans, and a local referendum. Following a successful referendum, a neighbourhood plan becomes part of the Maidstone Development Plan, before being formally 'made' (adopted) by the Borough Council. Further details regarding the neighbourhood planning process and the Council's role in the preparation of neighbourhood plans are set out in the Maidstone Statement of Community Involvement 2018 (and associated addendum).

3.7 Neighbourhood planning is very active in Maidstone Borough, which has a total of 16 designated neighbourhood areas: 15 submitted by parish councils and one by the North Loose Neighbourhood Forum. There are four made (adopted) plans that form part of the Maidstone Development Plan: Staplehurst 2016 (and amended in August 2020), North Loose 2016, Loose 2019 and Marden which was made in July 2020.

3.8 The Lenham Neighbourhood Plan was subject to examination and the Council received the examiner's final report on 30th June 2020. The examiner recommended that the plan, as modified, should proceed to referendum. A decision was taken by Strategic Planning and Infrastructure Committee in September 2020 to accept the examiner's recommendation and the plan will be subject to referendum. However, guidance provided by the Government on the impact of the Covid-19 pandemic to neighbourhood planning outlines that referendums will be postponed until May 2021. Meanwhile, significant weight is given to the Lenham Neighbourhood Plan when determining planning applications for Lenham parish.

3.9 Neighbourhood plans are subject to two rounds of public consultation. The second consultation stage (known as Regulation 16) has been completed for the Boughton Monchelsea Neighbourhood Plan (August – September 2020), with the Regulation 14 consultation taking place between April and May 2019. The Otham Neighbourhood Plan has reached a similar stage with the Regulation 16 being undertaken between October and November 2020 following Regulation 14 consultation between July and September 2019. Plans for Sutton Valence, Tovil and Yalding are in the early stages of preparation.

3.10 Neighbourhood plans and their production stages are regularly updated on the Council's website.

Community Infrastructure Levy

3.11 The Council adopted its Community Infrastructure Levy (CIL) Charging Schedule in October 2017, and it took effect from 1 October 2018. The CIL Charging Schedule was approved by the Council, together with a list of the types of infrastructure to be funded in whole or part by CIL (known as the Regulation 123 List). An extract of the Infrastructure Funding Statement can be found at Appendix 2 and provides information on CIL matters. The primary purpose of the Council's Infrastructure Delivery Plan (IDP) is to identify the infrastructure schemes considered necessary to support the development proposed in the adopted Local Plan, and to outline how and when these schemes will be delivered. The Council has committed to an annual review of the IDP.

Duty to Cooperate

3.12 The 'duty to cooperate' places a legal duty on local planning authorities to engage constructively, actively and on an ongoing basis with certain organisations, in order to maximise the effectiveness of local plan preparation in the context of strategic cross boundary matters. It is not a duty to agree, but every effort should be made to resolve any outstanding strategic cross boundary matters before local plans are submitted for examination. Local planning authorities must demonstrate how they have complied with the duty at the independent examination of their local plans.

3.13 Appendix 3 provides information on how the Council has engaged with relevant authorities during the monitoring year.

Supplementary Planning Documents

3.14 Supplementary Planning Documents (SPD) provide further detail to a policy or group of policies set out in a local plan. Although SPDs are not part of the

Development Plan, once adopted, they are a material consideration in development decisions and should be considered alongside the policies in the Local Plan. An SPD is governed by regulations that require public consultation, but they are not subject to examination.

3.15 The adopted Maidstone Borough Local Plan includes a commitment to produce an Affordable and Local Needs Housing SPD. Its purpose is to provide advice on how the Council's Local Plan housing policies are to be implemented. This includes guidance on the range of approaches, standards and mechanisms required to deliver a range of housing to meet identified needs. The SPD is intended to facilitate negotiations and provide certainty for landowners, lenders, housebuilders and Registered Providers regarding the Council's expectations for affordable and local needs housing provision in specific schemes.

3.16 Public consultation on the Affordable and Local Needs Housing SPD commenced on 7 October 2019, and closed on 18 November 2019. Following consideration of the representations made on the document, the SPD was appropriately amended and adopted by the Council on 7th July 2020.

4. Local Plan Performance: Maidstone Borough Local Plan – Monitoring Indicators

4.1 Key monitoring indicators (KMI) enable the Council to understand the progress being made towards its local plan objectives and targets. The KMIs focus on the quantitative and qualitative delivery of homes and economic development, including supporting infrastructure, provision of recreational open space, and the protection and enhancement of the built and natural environment. The indicators are carried forward from the adopted Maidstone Borough Local Plan (October 2017) and the Sustainability Appraisal Statement (August 2017).

General/Whole Plan

Indicator M1: Number and nature of departures from the Local Plan granted consent per year

4.2 There is no specific target for the indicator but during the reporting year there were two reported departures from the Local Plan. The details of the applications and the nature of the departure are outlined below:

- 18/506657/FULL, Land West of Loder Close and Westwood Close Ham Lane – the site is within the countryside outside the settlement boundary of Lenham. Therefore the site is initially covered by Policy SP17 The Countryside which seeks to ensure development does not result in harm to the character and appearance of the area, unless development accords with other policies in the plan. As a rural service centre, Lenham is amongst the second most sustainable settlements in the hierarchy to accommodate growth (Policy SP8 Lenham Rural Service Centre). Therefore, SP8 has taken precedence over SP17 in the determining this case. As such, there is no requirement to review the implementation of Policy SP17.
- 18/504921/REM, Russell and Russell Roofing Ltd The Farmhouse Business Centre, Headcorn Road – the site is within the countryside outside the settlement boundary of Lenham. The outline permission (14/500219/OUT) was granted at appeal prior to the adoption of the Maidstone Borough Local Plan. As such the site was assessed against Policy ENV28 from the previous Local Plan. The 2000 Local Plan predates the NPPF, therefore the inspector afforded little weight to the policy. As such, there is no requirement to review the implementation of Policy SP17.

Indicator M2: Appeals lost against Local Plan policy per year

4.3 There is no specific target for this indicator. Between 2017/18 and 2019/20 there has been an increase in the number of appeals lodged against the Council's planning decisions (Table 4.1). In total 4% of appeals were withdrawn, a decline from the previous year. There has been a rise in the number of appeals allowed since 2017/18 from 23% of the total appeals, to 31% of the total appeals lodged in 2019/20. The main reasons given by the planning inspectors were because of disagreements with the Council's planning decisions on character and landscape matters.

Appeal decision	2017/2018	2018/2019	2019/2020
Allowed	22	28	31
Dismissed	64	42	64
Withdrawn	6	7	4
Disqualified	3	0	0
Part allowed/part dismissed	0	1	0
Total	95	78	99

Table 4.1: Planning appeal decisions (Source: MBC 2020)

Indicator M3: Successful delivery of the schemes in the Infrastructure Delivery Plan

4.4 The Council maintains an Infrastructure Delivery Roadmap that tracks the progress of all infrastructure projects listed in the infrastructure Delivery Plan (IDP). All projects were reviewed and an updated IDP was published on the Council's website in 2019. A total of 41 schemes have been delivered since the first iteration of the IDP in 2016. Schemes delivered include highways and transportation, education, health and green and blue infrastructure.

4.5 For the reporting year, all critical short term projects remain on track to be delivered within the time frames identified in the IDP. However, two highways schemes: HTNW4 - 'capacity improvements at the junction of Fountain Lane and the A26/Tonbridge Road' and HTC1 - 'Linton crossroads junction improvements' are categorised as having a high risk to delivery. In both cases, this is due to a significant shortfall in funding as a result of the currently agreed scheme design. MBC continues to work with KCC to progress the delivery of these critical schemes.

4.6 The delivery of planned development has not been affected by the non-delivery of infrastructure.

Housing

Indicator M4: Progress on allocated housing sites per annum

4.7 Sites allocated in the Local Plan 2017 have continued to make excellent progress in gaining planning permissions over the plan period to 2031 (Figure 4.1). Broad locations are not included in Figure 4.1, only allocations.

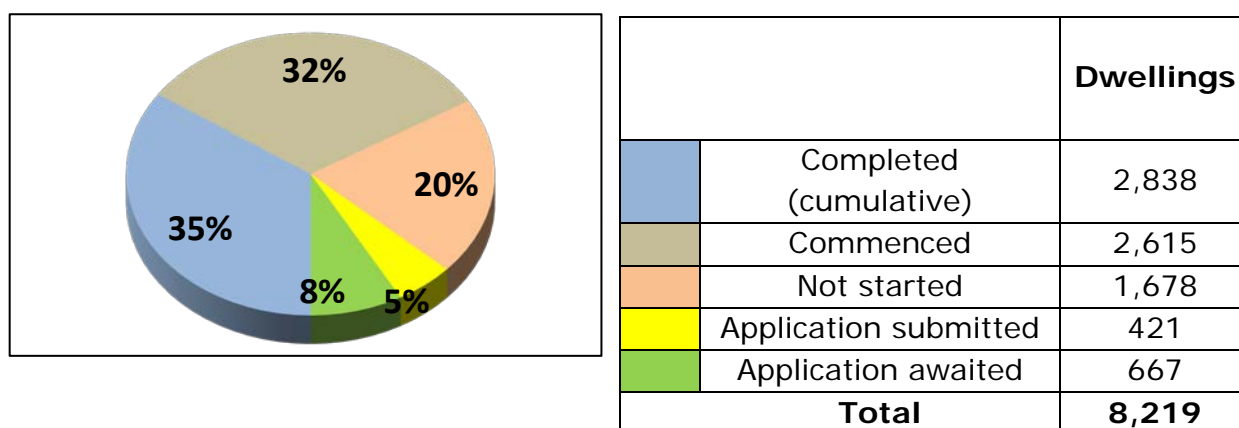


Figure 4.1: Progress on allocated housing sites (Source: MBC 2020)

Indicator M5: Predicted housing delivery in the next 5 years

4.8 Since 2011, the base date of the Maidstone Borough Local Plan, a total of 7,741 dwellings have been completed which represents a shortfall of 206 against the nine year target of 7,947 dwellings. This shortfall will be delivered over the next six years 2020 to 2027. This is in accordance with the hybrid method proposed to address the backlog over a 10 year period which was endorsed by the inspector at the Local Plan examination. In respect of the Council's five year land supply Table 4.2 demonstrates a surplus of 1,058 dwellings above the target of 4,814. This represents 6.1 years' worth of housing land supply at the base date for calculations of 1 April 2020.

	5 - year housing land supply - 'Maidstone Hybrid' method	Dwellings (net)	Dwellings (net)
1	Objectively Assessed Need (OAN) 2011 - 2031	17,660	
2	Annual need 17,660/20 years	883	
3	Delivery target 01.04.11 to 31.03.20 (883 x 9 years)	7,947	
4	Minus completed dwellings 01.04.11 to 31.03.20	7,741	
5	Shortfall against target 01.04.11 to 31.03.20	206	
6	Annual delivery of shortfall 206/6 ² years (Maidstone Hybrid)	34	
7	Five-year delivery target 01.04.20 to 31.03.25 (883x5)	4,415	
8	Plus shortfall against OAN 34 x 5 years	170	
9	5% buffer (Housing Delivery Test @ November 2019 135%)	229	
10	Total five-year housing land target at 01.04.20		4,814
11	Five-year land supply at 01.04.20		5,873
12	Surplus		1,058
13	No. years' worth of housing land supply (4,814/5 = 963; 5,873/963 = 6.1)		6.1

Table 4.2: 5 year housing land supply at 1st April 2020 (Source: MBC 2020)

Indicator M6: Housing trajectory: Predicted housing delivery to 2031

4.9 Table 4.3 breaks down the various elements of the Council's housing land supply and demonstrates a surplus of 1,566 dwellings. Figure 4.2 illustrates how the target is delivered over the 20-year housing trajectory between 2011 and 2031. The trajectory shows that the Council has a healthy housing land supply. It is important to note that the surplus of 1,566 is against current annual requirement of 883 dwellings (Table 4.3). The housing target for the Borough will increase as the national standard methodology for calculating housing need is brought into effect, and the date of the Local Plan Review is rolled forward to 2037. New housing targets will be considered through the Local Plan Review

² The Local Plan inspector proposed a hybrid method of meeting the shortfall. The shortfall will be met in the first 10 years of the plan. There are six years remaining to deliver the shortfall.

(LPR) which will set out the strategy for meeting new targets and allocate additional land to meet the need. The LPR has a target adoption date of 2022, this is when the new targets will apply.

	Housing trajectory	Dwellings (net)	Dwellings (net)
1	Local Plan housing target		17,660
2	Completed dwellings 1 April 2011 to 31 March 2020	7,741	
3	Extant planning permissions at 1 April 2020 (including a 5% non-implementation discount)	6,571	
4	Local Plan allocated sites (balance of Local Plan allocations not included in line 3 above)	1,088	
5	Local Plan broad locations for future housing development	2,284	
6	Windfall sites contribution	1,542	
7	Total housing land supply		19,226
8	Housing land supply surplus 2011-2031		1,566

Table 4.3: 20 year housing land supply 1st April 2011 to 31st March 2031
(Source: MBC 2020)

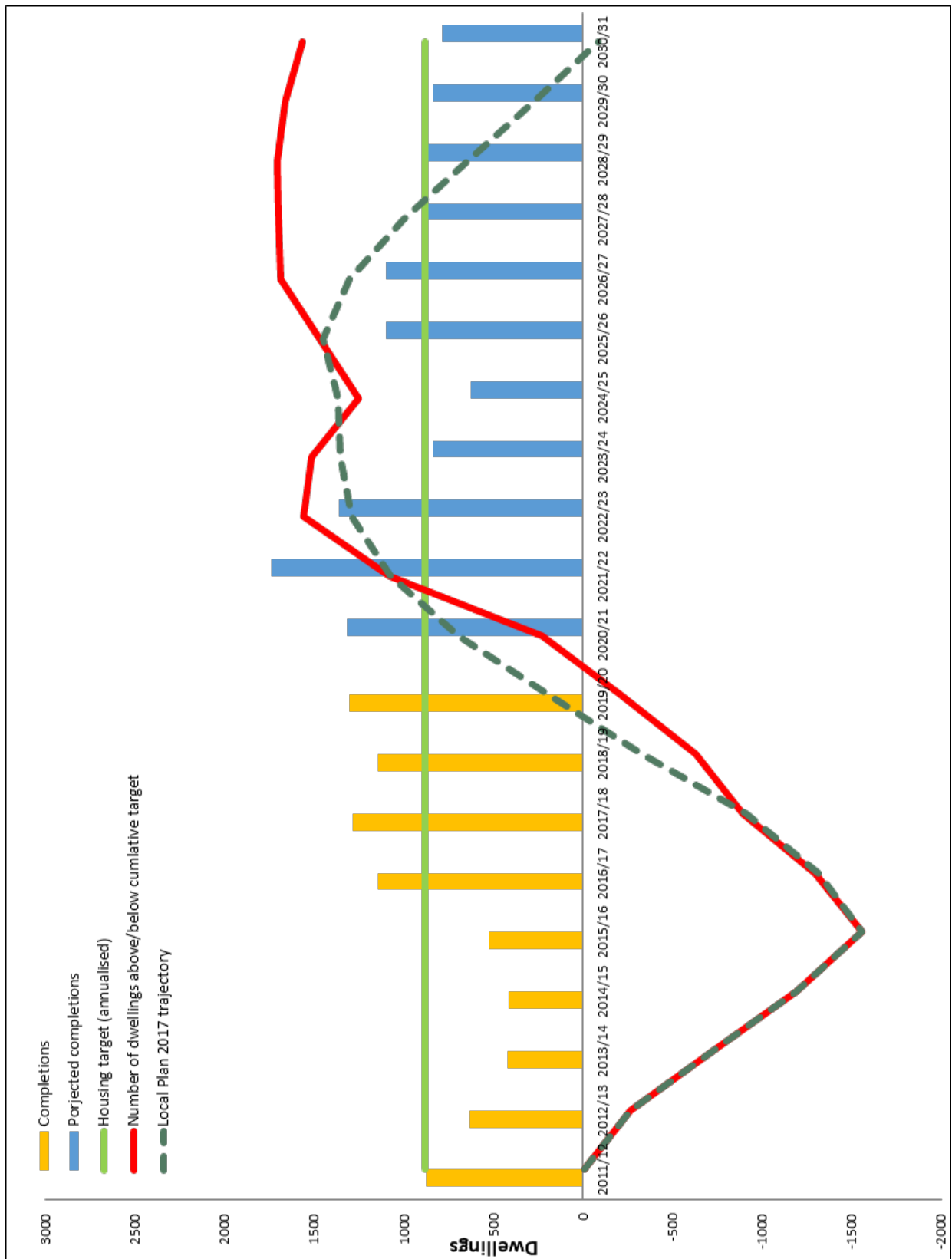


Figure 4.2: Housing Trajectory 2011/31 (Source: MBC 2020)

Indicator M7: Windfalls: delivery of housing on identified sites

4.10 The methodology for calculating a windfall allowance was endorsed by the Inspector at the Local Plan inquiry³. Table 4.4 lists the dwellings completed on large and small windfall sites between 2008/09 and 2019/20, using the 2018 NPPF definition of a windfall site (historical pre-2018 data has been updated to reflect the amended NPPF definition). The updated windfall figure was applied at 1 April 2020 to give an allowance of 1,542 dwellings⁴ against the Local Plan housing target of 17,660 dwellings (9%).

Year	Small	Large	Total
2008/09	89	54	143
2009/10	85	265	350
2010/11	73	214	287
2011/12	115	177	292
2012/13	118	183	301
2013/14	103	137	240
2014/15	61	86	147
2015/16	126	140	266
2016/17	130	304	434
2017/18	146	213	359
2018/19	178	145	323
2019/20	141	246	387
Total	1365	2164	3529
Average over 12 years	114	180	294

Table 4.4: Completed windfall dwellings 2019/20 (Source: MBC 2020)

Indicator M8: Prior notification office to residential conversions in the town centre

4.11 The Local Plan housing trajectory sets out a Town Centre broad location for 350 dwellings from the conversion of identified poor office stock to residential dwellings. In the monitoring year 2019/20 there were no applications permitted on the identified poor office stock. To date, 231 dwellings out of the 350 dwellings have been approved under permitted development rights (66% of target).

4.12 See Indicator M18 for details on the loss of office space as a result of conversions.

³ https://maidstone.gov.uk/data/assets/pdf_file/0014/121118/SUB-005-Housing-Topic-Paper-May-2016.pdf

⁴ Windfall calculation is: $((114 \times 8) + (90 \times 5) + (180 \times 1))$

Indicator M9: Number of entries on the self-build register and number of plots for self-build consented per annum

4.13 The Council is required under the Self-build and Custom Housebuilding Act 2015 (as amended by the Housing and Planning Act 2016) to keep a register of individuals and associations who are seeking serviced plots of land for self-build and custom housebuilding. In addition, the Council has a duty to grant planning permission for enough suitable serviced plots of land to meet the demand for self-build and custom housebuilding. The demand is the number of entries added to the register during a base period. Each base period runs from 31 October to 30 October the following year⁵. At the end of each base period, the Council has 3 years in which to grant permission to meet demand for that base period. In total over the three base periods 203 individuals and 3 associations have been registered (Table 4.5).

4.14 Since the introduction of the self-build register there has been 46 applications for a self-build dwelling permitted. There has been a sustained low delivery of self-build plots. A policy review will be undertaken as part of the Local Plan Review.

Base Period	Individuals Registered	Associations Registered	Number of plots approved
31 October 2016 to 30 October 2017	124	2	0
31 October 2017 to 30 October 2018	49	0	6
31 October 2018 to 30 October 2019	30	1	40
Total ⁶	203	3	46

Table 4.5: Maidstone Self Build Custom House building base dates (Source: MBC 2020)

⁵ For example if someone registered an interest in October 2016 (base period 1), the Council would have until October 2019 (base period 3) in which to grant permission to meet demand

⁶ Total entries per base period includes those individuals who may be editing a submission from a previous base period. Therefore, the total figure for Base Period 2, 3 and 4 is calculated by removing any individuals who are editing entries from a previous base period.

Indicator M10: Number of dwellings of different sizes (measured by number of bedrooms) consented per annum

4.15 Table 4.6 outlines the number of bedrooms per dwelling that have been granted planning permission during 2019/20 against the targets set out within the Strategic Housing Market Assessment (SHMA) 2014. The figures demonstrate general compliance with the targets. However, the table demonstrates that there has been an under delivery of permitted affordable housing for 1 bed dwellings. These targets will be assessed through a new SHMA and the Local Plan Review.

	All Dwelling Types		Market			Affordable		
	2019/20		2019/20	SHMA 2014	Difference	2019/20	SHMA 2014	Difference
1 Bedroom	156	12%	11%	5% to 10%	1% to 6%	21%	30% to 35%	-9% to -14%
2 Bedroom	366	28%	29%	30% to 35%	-1% to -6%	40%	30% to 35%	10% to -15%
3 Bedrooms	487	29%	37%	40% to 45%	-3% to -8%	33%	25% to 30%	3% to 8%
4+ Bedrooms	253	20%	24%	15% to 20%	4% to 9%	6%	5% to 10%	-4% to 1%
Unknown	31	2%						

Table 4.6: Bedroom size of dwellings granted planning permission 2019/20
(Source: MBC 2020)

Indicator M11: Number and tenure of affordable homes delivered (including starter homes)

4.16 The methodology for calculating this has been amended for the monitoring year 2019/20 to better reflect the indicator. When looking at the target for affordable housing as a percentage, more intermediate affordable housing has been delivered during the monitoring year. However, the delivery of affordable housing units does not significantly deviate from the indicative policy target (Table 4.7). The Council will continue to monitor the delivery of affordable homes against current and future indicative policy targets.

Tenure	Total affordable units	Affordable rented, social rented or a mixture of the two	Intermediate affordable housing (shared ownership and/or intermediate rent)
Affordable target percentage		70%	30%
Number of affordable delivered 2019/20	148	80	68
Percentage achieved 2019/20		54%	46%

Table 4.7: Affordable housing by tenure delivered on qualifying sites (Source: MBC 2020)

Indicator M12: Affordable housing as a proportion of overall housing delivery in qualifying geographical areas consented/completed relative to Policy SP20 requirements

4.17 Table 4.8 demonstrates that in the reporting year, the Council has successfully secured affordable homes on qualifying development sites in strong alignment with the requirements of Local Plan Policy SP20. Looking at the cumulative totals from 2015/16 onwards, the percentage of affordable homes secured in qualifying geographical areas remains broadly aligned with the percentage targets as set out in Local Plan policy SP20. The Council will continue to monitor this indicator, particularly in relation to Springfield, Royal Engineers Road geographical location, to ensure it continues to provide appropriate levels of affordable housing on site. For 2019/20 the methodology for monitoring the tenure of affordable housing has changed from monitoring permitted development to monitoring development that has actually been delivered, to better reflect the indicator requirements.

	Maidstone, urban		Policy H1 (11) Springfield, Royal Engineers Road		Countryside, rural service centre and larger villages	
	Total dwellings delivered	Affordable dwellings delivered	Total dwellings delivered	Affordable dwellings delivered	Total dwellings delivered	Affordable dwellings delivered
2019/20	583	177	0	0	436	148
Total %	30%		-		34%	
Target %	30%		20%		40%	
Difference %	0%		-		-6%	
Cumulative totals						
2015/16	996	250	246	49	1070	398
2016/17	605	155	0	0	1517	577
2017/18	1078	250	310	0	1086	381
2018/19	1232	336	295	59	538	191
2019/20	606	177	0	0	436	148
TOTAL	4517	1168	851	108	4647	1695
Total as %	26%		13%		36%	
Target %	30%		20%		40%	
Difference %	-4%		-7%		-4%	

Table 4.8: Affordable dwelling completions as a proportion of total dwelling completions on qualifying sites (Source: MBC 2020)

Indicator M13: Density of housing in Policies DM12, H1

4.18 Between 2016/17 and 2019/20, within the town centre and urban area, planning permissions have been granted for developments of considerably higher densities compared to the targets set out in the adopted Local Plan (Table 4.9). The high density in the town centre and sites within and adjacent to the urban area is accounted for by changes of use of single properties into flatted

developments, which results in an exceedingly high number of dwellings per hectare. It is important however to keep this policy under review as part of the Local Plan Review to ensure that it is being implemented correctly and consistently. Permissions granted on sites adjacent to rural service centres and large villages remain broadly in line with targets.

	Density (dwellings per hectare)					
Area	Target	Average	2016/17	2017/18	2018/19	2019/20
Sites within and adjacent to the town centre	45-170	252	306	220	155	326
Other sites within and adjacent to the urban area	35	82	81	88	70	87
Sites within and adjacent to rural service centres and larger villages	30	27	33	26	23	27
Other rural	No target	36	20	36	31	57

Table 4.9: Average density of permitted large (5+ dwellings) (Source: MBC 2020)

Indicator M14: Number of nursing and care home bedspaces delivered

4.19 The Council has a gross requirement of 980 nursing and care home bedspaces (49 per year) by the end of the plan period to 2031. During the reporting year, no bedspaces were built and since 2011, 23 nursing and care home bedspaces have been lost. Construction of bedspaces was evident during the monitoring year, despite no completions. A new 75 bedspaces care home at Newnham Park has since opened. If care home places were provided at a steady rate throughout the plan period 392 bedspaces should have been provided (built) by 1st April 2019 (8 x 49). It is clear that actual completions have been substantially below this level. The plan requirement is expressed as a total requirement and there is still 11 years of the Local Plan to run during which

supply may uplift. The need for nursing and care home bedspaces has been reviewed in the SHMA.

Indicator M15: Number of applications on the housing register

4.20 There is no specific target for this indicator. It is a contextual indicator to monitor wider changes in social housing demand. Table 4.10 shows the change since 2011 (base date of the Maidstone Borough Local Plan).

Year	Number of households
2011/12	3674
2012/13	3187
2013/14	1339
2014/15	1461
2015/16	758
2016/17	610
2017/18	618
2018/19	776
2019/20	853
2011-2020 % change	-77%

Table 4.10: Number of households on the housing register at 1st April each year (Source: MBC 2020)

Indicator M16: Number of homeless households in the borough

4.21 There is no specific target for this indicator. It is a contextual indicator to monitor wider changes in social housing demand. Since 3rd April 2018 new duties introduced have decreased the number of households accepted as being owed the main housing duty. This is because many households are either prevented from being homeless or relieved of their homelessness, before decisions are made on the main housing duty being owed. Before the decision is made on whether the main housing duty is owed the totals are:

- Number of applicants accepted as being eligible and threatened with homelessness (owed the Prevention Duty) is 483
- Number of applicants accepted as being Eligible and Homeless (owed the Relief Duty) is 643

4.22 The number of applicants who have gone on to be owed the main housing duty, following the Relief duty ending is 80⁷. This is decrease of 9 from the previous year.

Indicator M17: House price: earnings ratio

4.23 There is no specific target for this indicator. It is a contextual indicator to monitor wider changes in local housing market. Figure 4.3 outlines the change since 2011, the base date of the Maidstone Borough Local Plan.

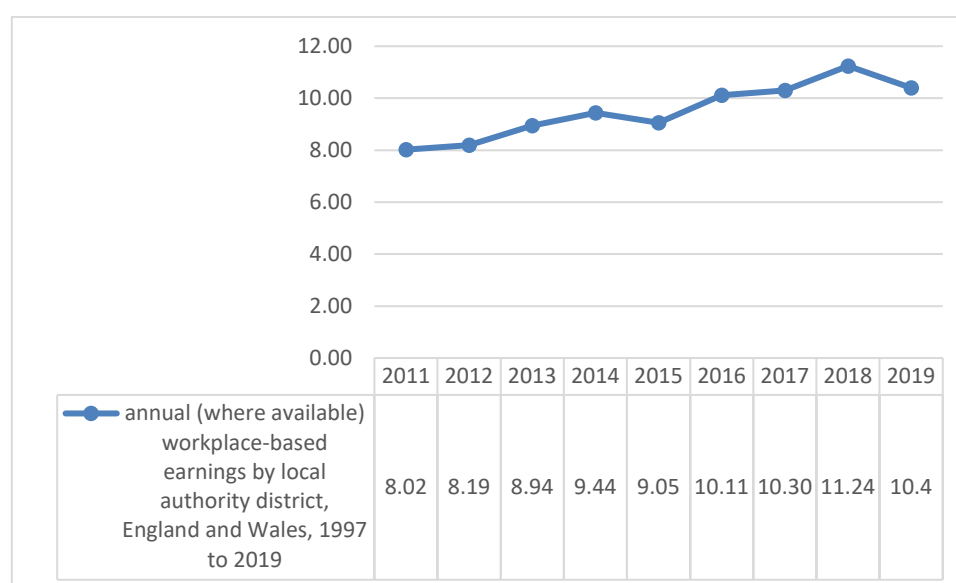


Figure 4.3: Ratio of house price to workplace based earnings (Source: ONS 2020)

Employment

Indicator M18: Total amount of B class employment floorspace consented/completed by type per annum

4.24 The Maidstone Borough Local Plan identifies in Policy SS1 the amount of office, industrial, warehousing and medical use to be delivered over the plan period. In the current reporting year, 6270sqm was lost in the town centre from prior notifications for conversion from office to residential. Based on analysis of office stock which had been vacant and on the market for more than five years at 2014, in order of 18,000sqm of office stock could be lost to other uses⁸. This stock does not form part of the functional supply of office floorspace. Table 4.11

⁷ At 1st April 2020

⁸ https://www.maidstone.gov.uk/data/assets/pdf_file/0009/121140/SUB-003-Employment-and-Retail-Topic-Paper-May-2016.pdf

shows the net gain in completed and consented development during the reporting year.

	B1a	B1b	B1c	B2	B8	Total
Completed	-320	960	1,148	638	4,671	7,097
Consent	21,247	19,777	11,428	2,247	24,112	78,811

Table 4.11: Net gain for completed and consented B class development by type (Source: MBC 2020).

4.25 Since 2016/17 there has been a net total loss of 32,505 sqm (Table 4.12). This therefore results in greater pressure to deliver employment land requirements over the remaining years of the plan. As part of the Local Plan Review, the approach to employment land will be reviewed and in the meantime, the Council has agreed to proceed with an Article 4 Direction to limit the loss of office floorspace to residential uses in future.

	B1a	B1b	B1c	B2	B8	Total
Net requirement (16-31)	24,600			-18,610	7965	13,955
2016/17	-14,472	132	3678	5361	1805	-3496
2017/18	-10,048	28	-1305	-3656	-2734	-17,715
2018/19	-11,085	8	-4359	-4108	1153	-18,391
2019/20	-320	960	1148	638	4671	7,097
Total	-35,925	1,128	-838	-1765	4895	-32,505

Table 4.12: Net gain for completed B class development by type since 2016/17 (Source: MBC 2020).

Indicator M19: Amount of B class floorspace by type consented/completed within Economic Development Areas per annum

4.26 The Maidstone Borough Local Plan includes the designation of Economic Development Areas (EDAs). Policy SP22 Retention of employment sites protects the EDAs for employment use. Table (4.13) indicates that over the monitoring year there has been an increase of 13,292 sqm in B class floorspace from completions within designated Economic Development Areas. This includes over 2400sqm at Pattenden Lane EDA.

	B1a	B1b	B1c	B2	B8	Total
Completed	59	960	2016	438	9820	13,293
Consent	5596	380	2284	1629	2923	12,812

Table 4.13: Net gain for completed and consented B class development by type within Economic Development Areas (Source: MBC 2020).

Indicator M20: Amount of B class floorspace by type consented/completed on allocated sites per annum

4.27 The Maidstone Borough Local Plan includes allocations for employment uses. As of 1st April 2020 development at EMP1 (1) West of Barradale Farm, Maidstone Road, Headcorn is under construction. Table 4.14 outlines the delivery of the allocated sites at 1st April 2020. In addition to the consents outlined in Table 4.14, 4307sqm of B2 floorspaces has been completed at EMP1 (3) West of Wheelbarrow Industrial Estate, Pattenden Lane, Marden in a previous monitoring year. Since the adoption of the Local Plan in 2017, EMP1 (2) and RMX1 (6) have yet to gain planning permission. These allocations will be reviewed through the Local Plan Review.

EMP1 (1) West of Barradale Farm, Maidstone Road, Headcorn					
	B1a	B1b	B1c	B2	B8
Completed	-	-	-	-	-
Consent	-	-	-	968	968
EMP1 (2) South of Claygate, Pattenden Lane, Marden					
	B1a	B1b	B1c	B2	B8
Completed	-	-	-	-	-
Consent	-	-	-	-	-
EMP1 (3) West of Wheelbarrow Industrial Estate, Pattenden Lane, Marden					
	B1a	B1b	B1c	B2	B8
Completed	-	-	-	-	-
Consent	-	-	-	-	-
EMP1 (4) Woodcut Farm, Bearsted Road, Bearsted					
	B1a	B1b	B1c	B2	B8
Completed	-	-	-	-	-
Consent	2906	5182	14,934	-	22,273
RMX1 (1) Newnham Park, Bearsted Road, Maidstone					
	B1a	B1b	B1c	B2	B8
Completed	-	-	-	-	-
Consent	12,375	12,375	-	-	-
RMX1 (2) – Maidstone East and forming Royal Mail sorting office, Maidstone					
	B1a	B1b	B1c	B2	B8
Completed	-	-	-	-	-
Consent	-	-	-	-	-
RMX1 (4) Former Syngenta works, Hampstead Lane, Yalding					
	B1a	B1b	B1c	B2	B8
Completed	-	-	-	-	-
Consent	163	-	-	-	-
RMX1 (5) Powerhub Building and Baltic Wharf, St Peter's Street, Maidstone					
	B1a	B1b	B1c	B2	B8
Completed	-	-	-	-	-
Consent	-	-	-	-	-

RMX1 (6) Mote Road, Maidstone					
	B1a	B1b	B1c	B2	B8
Completed	-	-	-	-	-
Consent	-	-	-	-	-

Table 4.14: Net gain for completed and consented B class development by type for allocated sites at 1st April 2020 (Source: MBC 2020).

Indicator M21: Amount of land/floorspace within Economic Development Areas and allocated sites and elsewhere lost to non B class uses

4.28 As of 1st April 2020, there has been a total loss of B class uses to non B Class uses of 41,290sqm, with a further 34,561sqm anticipated from consents (Table 4.15). The highest loss of B class floorspace is from areas elsewhere in the borough outside the EDAs and allocated sites, with a combined loss of 34,909sqm (completed) and 25,204sqm (consented). A total of 1877sqm was lost in the town centre. The potential loss of 9358sqm of B class uses to non B class uses in the EDAs is a concern.

	B1a	B1b	B1c	B2	B8	Total
Economic Development Area						
Completed	0	0	0	1578	4863	6441
Consent	261	0	0	7250	1847	9358
Allocations						
Completed	0	0	0	0	0	0
Consent	0	0	0	0	0	0
Elsewhere						
Completed	10,933	0	1193	0	22,723	34,909
Consent	10,749	0	6598	1499	635	25,204
Completed total loss						41,350
Consent total loss						34,562

Table 4.15: Land/floorspace within Economic Development Areas and allocated sites lost to non B class uses 2018/19 (Source: MBC 2020)

Indicator M22: Percentage unemployment rate

4.29 There is no specific target for this indicator. It monitors wider changes in the local economy. With the introduction of Universal Credit, which requires a broader span of claimants to look for work than under Jobseeker's Allowance, the number of people recorded as being on the Claimant Count will increase. The number of people recorded as being on the Claimant Count is a proportion of the

resident population. Figure 4.4 shows how the percentage of those who are unemployed has reduced from previous years.

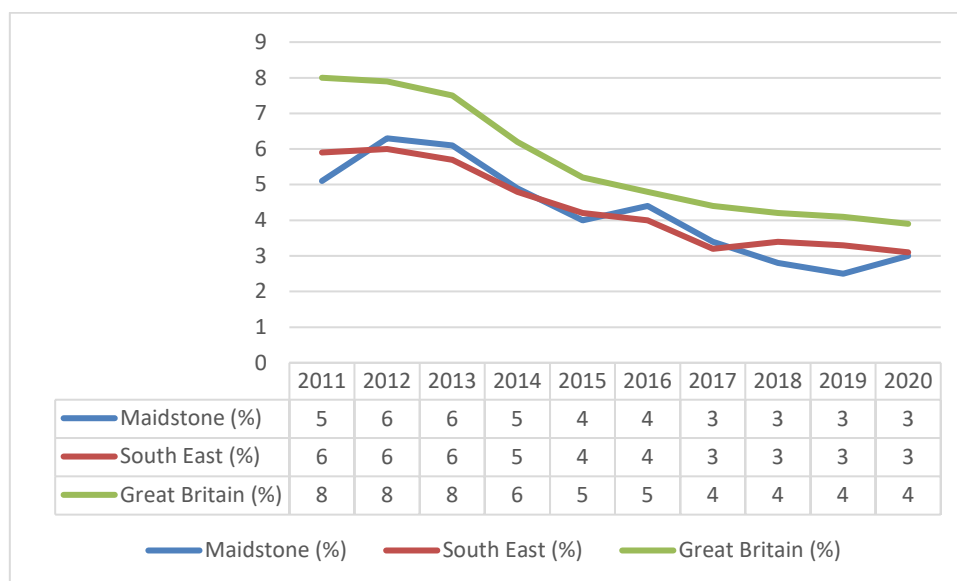


Figure 4.4: Percentage of unemployed 2019/20 (Source: Nomis 2020)

Indicator M23: Number of jobs in the Borough

4.30 This indicator does not have a specific target as it monitors wider changes in the local economy. Figure 4.5 shows the change in the number of jobs between 2011 and 2018 using the latest information available.

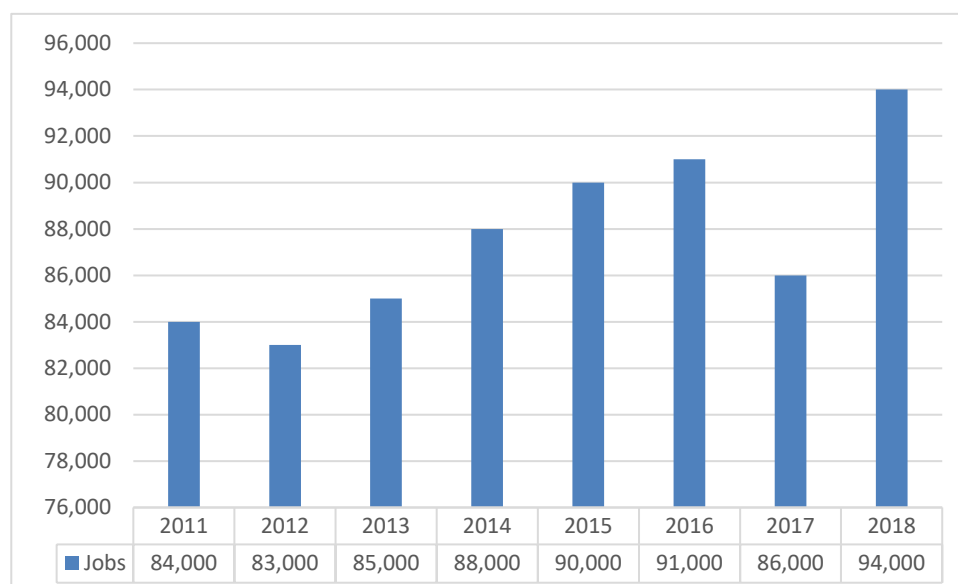


Figure 4.5: Number of jobs in Maidstone Borough (Source: Nomis 2020)

Retail

Indicator M24: Amount of additional comparison and convenience retail floorspace consented/completed per annum

4.31 Local Plan Policy SS1 Maidstone Borough spatial strategy outlines that over the plan period there is a need for 6100sqm of convenience retail floorspace and 23,700sqm of comparison retail floorspace. Table 4.16 shows the change in completed and consented retail floorspace over the monitoring year.

	Convenience (Net sales area)	Comparison (Net sales area)	Unspecified (Net sales area)	Total
Completed	407	-9439	-951	-9983
Consent	361	7439	754	8554

Table 4.16: Net gain for completed and consented retail floor space by type (Source: MBC 2020).

4.32 Since 2016/17 there has been a total overall loss of retail floorspace (Table 4.17). This will increase pressure to deliver retail floorspace requirements over the remaining years of the plan. Retail requirements will be reviewed as part of the Local Plan Review.

	Convenience (Net sales area)	Comparison (Net sales area)	Unspecified (Net sales area)	Total
Net Requirement (16-31)	6100	23,700	0	29,800
2016/17	728	-127	353	954
2017/18	1794	395	-47	2142
2018/19	1593	-897	20	716
2019/20	407	-9439	-951	-9983
Total	4522	-10,068	-625	-6171

Table 4.17: Retail floorspace net gain by type since 2016/17 (Source: MBC 2020).

Indicator M25: Amount of convenience and comparison retail floorspace consented/completed on allocated sites per annum

4.33 The Maidstone Borough Local Plan allocates land for retail development. No planning permissions were granted or completed on retail allocations during the monitoring year. There is an extant permission at RMX1 (1) Newnham Park, Bearsted Road, Maidstone for refurbishment and extension of existing garden centre buildings (including the enclosure of 2570 sqm gross internal area of

existing external retail floor space). Temporary permission was granted previously at RMX1 (2) Maidstone East and former Royal Mail sorting office, Maidstone. There is also an expired permission for a foodstore at RMX1 (5) Powerhub Building and Baltic Wharf, St Peter's Street, Maidstone. All allocations will be reviewed through the Local Plan Review.

Indicator M26: Proportion of non-A1 uses in primary shopping frontages

4.34 There are eight primary frontages in Maidstone Town Centre and the indicator requires primary frontages to contain at or above 85% A1 uses. Overall, in the monitoring year, none of the primary frontages have fallen below the 85% threshold, indicating that the primary frontage is still effective in focusing a core retail provision in Maidstone Town Centre (see figure 4.6).

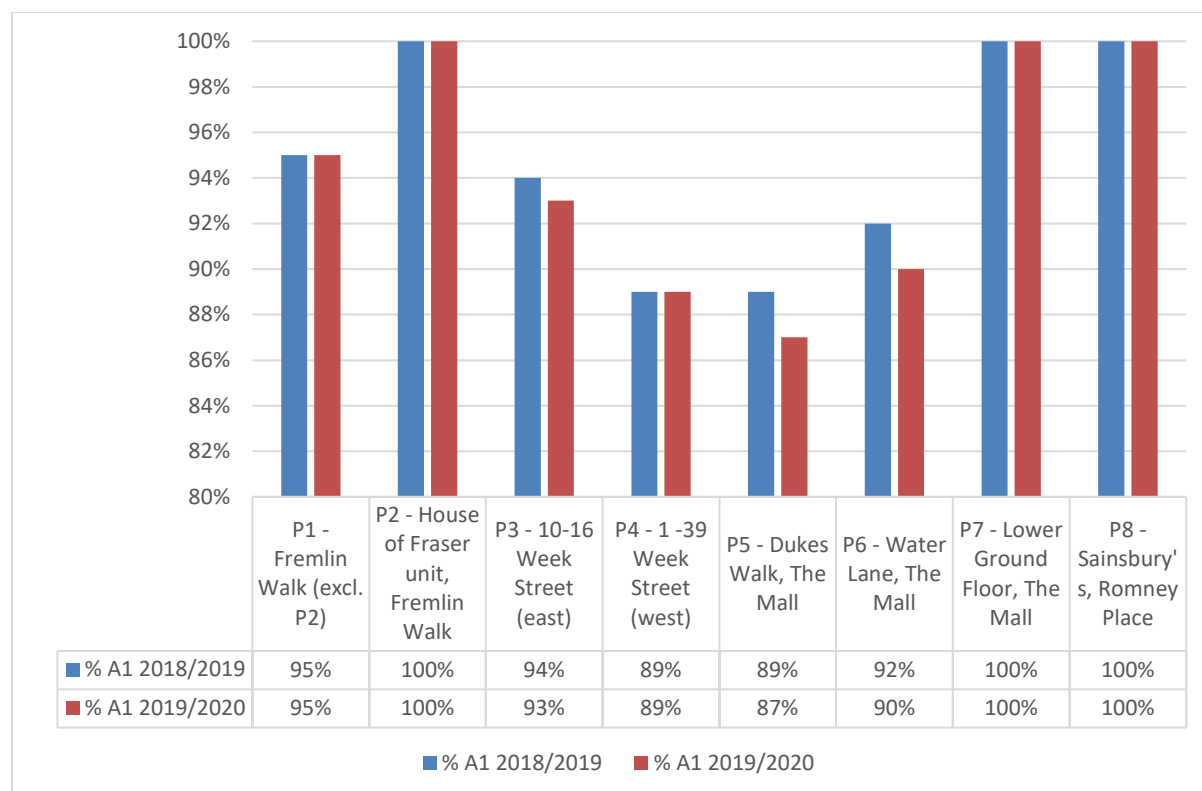


Figure 4.6: Change in the percentage of primary shopping frontage in A1 between 2018/2019 and 2019/2020 (Source: MBC 2020)

Gypsies, Travellers and Travelling Showpeople Accommodation

Indicator M27: Annual delivery of permanent pitches/plots (allocated and unidentified sites)

4.35 The Local Plan outlines a 187 pitch target over the plan period. Since 2011, the base date of the Maidstone Borough Local Plan, a total of 226 pitches have been granted permanent consent (Table 4.19). At the 1st April 2020, the rate at which permanent permissions have been granted exceeds the target. At Strategic Planning and Infrastructure Committee on 9th November 2020 the preferred approach for the LPR was agreed. The preferred approach contained an approach for gypsy and traveller need which will be based on an updated assessment. The preferred approach is to create a separate DPD for gypsy and traveller need.

Permanent non-personal pitches	Permanent personal pitches	Temporary non-personal pitches	Temporary personal pitches
196	30	4	39

Table 4.18: Permitted gypsy and traveller pitches 2011-2020 (Source: MBC 2020)

4.36 Between 1st April 2019 and 31st March 2020 there has been permission for 49 permanent pitches (Table 4.20). This figure is made up of 46 non-personal and 3 personal permanent permissions.

	Permanent non-personal pitches	Permanent personal pitches	Temporary non-personal pitches	Temporary personal pitches	Total
2019/2020	46	3	0	2	51

Table 4.19: Annual permissions of permanent pitches/plots (Source: MBC 2020)

Indicator M28: Delivery of permanent pitches on allocated sites

4.37 All 9 permissions on allocated sites were permanent non-personal consents. Since the adoption of the Local Plan, 13 pitches have been delivered on allocated sites (32% of the 41 pitch requirement).

Indicator M29: Five year supply position

4.38 The Ministry of Housing Communities and Local Government's (MHCLG) 'Planning policy for traveller sites' (PTS) requires local plans to identify 5 years' worth of deliverable Gypsy and Traveller pitches against the Local Plan's pitch

target. At the 1st April 2020 the Council can demonstrate a 7.0 years' worth of deliverable gypsy and traveller pitches. Tables 4.20 and 4.21 below outlines the calculation used.

		Pitches
1	Pitch requirement 1 October 2011 to 31 March 2020 (9 years) (105 + 5 + 5 + 5 + 5)	125
2	No of permanent pitches consented 1 October 2011 to 31 March 2020	226
3	5 year requirement 2019 – 2024 (5 + 5.4 + 5.4 + 5.4 + 5.4 = 26.6)	26.6
4	5% buffer brought forward from later in the Plan period (5% of line 3)	1.3
5	Total requirement 1 April 2020 to 31 March 2025 (line 3 + line 4)	28
6	Total pitch supply 1 April 2020 to 31 March 2025 (from Table 4.22)	39
	5 year supply: $28 \div 5 = 5.6$; $39 \div 5.6 = \mathbf{7.0 \text{ years}}$	

Table 4.20: Five year supply calculation (Source: MBC 2020)

	Pitches
Policy GT1 - allocated pitches (excl. consented and/or occupied pitches)	18
<ul style="list-style-type: none"> • GT1(1) – The Kays, Linton (1) • GT1(2) – Greenacres, Church Hill, Boughton Monchelsea (1) • GT1(6) – Rear of Granada, Lenham Rd, Headcorn (1) • GT1(8) – Kilnwood Farm, Old Ham Lane, Lenham (2) • GT1(10) – The Paddocks, George Street, Staplehurst (2) • GT1(11) – Blue Bell Farm, George Street, Staplehurst (2) • GT1(13) – Flips Hole, South Street Rd, Stockbury (3) • GT1(14) – The Ash, Yelsted Rd, Stockbury (3) • GT1(15) Hawthorn Farm, Ulcombe (2) • GT1(16) – Neverend Lodge, Pye Corner, Ulcombe (1) 	
Pitch turnover on 2 x public sites (5 x 1.1 pitches/annum)	6 ⁹
Windfall sites	15
Total pitch supply 1 April 2020 to 31 March 2025	39

Table 4.21: Components of total pitch supply 1 April 2019 to 31 March 2024 (Source: MBC 2020)

Indicator M30: Number of caravans recorded in the bi-annual caravan count

4.39 There is no specific target for this indicator. It provides a snapshot of Gypsy and Traveller accommodation provision in the Maidstone Borough. As reported in the Traveller Count published by the MHCLG in July 2019 there were 744 caravans and in January 2020 there were 727 caravans recorded. This figure includes both mobiles and tourers. There has been a significant increase in the number of caravans recorded between July 2018 and January 2020 (Table 4.23). The reason for an increase in the number of caravans reported is due to the large gypsy and traveller population in Maidstone Borough. An improved monitoring and identification system has also contributed to the increase in figures.

⁹ 5.5 rounded to 6

Year	Total caravans
January 2020	727
July 2019	744
January 2019	572
July 2018	466

Table 4.22: Number of caravans recorded in the bi-annual caravan count (includes both mobiles and tourers) (Source: MHCLG, 2020).

Heritage

Indicator M31: Number of and nature of cases resulting in a loss of designated heritage assets as a result of development

4.40 There have been no applications permitted for demolition, or for the removal of a heritage asset during the monitoring year, so no action is required.

Indicator M32: Change in the number of entries on Historic England's Heritage at Risk Register

4.41 There has been no change to the Heritage at Risk Register and as of April 2020 there are 13 designated heritage assets at risk.

Natural Environment – Biodiversity

Indicator M33: Loss of designated wildlife sites as a result of development (hectares)

4.42 There has been no loss of designated wildlife sites as a result of development during 2019/20 so no action is required.

Indicator M34: Loss of Ancient Woodland as a result of development (hectares)

4.43 There has been a small loss of 0.16ha of ancient woodland as a result of development permitted during the monitoring year permitted under 18/505455/REM Land East Of Gleamingwood Drive. Outline permission was granted at appeal and the loss is a result of a new access route. Further loss of ancient woodland will be reviewed to ensure the correct application of Local Plan policies.

Agricultural Land

Indicator M35: Loss of the best and most versatile agricultural land as a result of development (hectares)

4.44 Agricultural land is graded into five categories according to versatility and suitability for growing crops. Grade 1 is excellent, Grade 2 very good, Grade 3 good to moderate, Grade 4 poor and Grade 5 as very poor. Grades 1 – 3 are the best and most versatile agricultural land. The target for this indicator is no overall loss of best and most versatile agricultural land as a result of consented development on non-allocated sites (major applications only). In 2019/20 there was 1.98ha loss of grade 3 agricultural land (from Land West of Loder Close and Westwood Close Ham Lane – 18/506657/FULL). This indicator does not take into account reserved matters applications or local plan allocations.

	Grade 1	Grade 2	Grade 3 (includes 3a)
2016/17	0	3.06	0
2017/18	0	0	0
2018/19	0	1.93	0.26
2019/20	0	0	1.98

Table 4.23: Hectares of agricultural land lost due to windfall planning consent on major sites (Source: MBC 2020)

Good Design and Sustainable Design

Indicator M36: Number of qualifying developments failing to provide BREEAM very good standards for water and energy credits

4.45 Of the 132 applications permitted during 2019/2020 that qualify to provide BREEAM very goods standards, only two applications did so. Both applications have conditions which require a final certificate to be submitted to certify that a very good BREEAM rating has been achieved. By adding a condition a commercial application to meet the BREEAM standard the applications meet the policy objective.

Indicator M37: Completed developments performing well in design reviews

4.46 Design quality is monitored through the planning decision and appeal process. There has been an increase in the number of applications allowed on appeal following a refusal on grounds of design quality since 2016/17 (Table 4.25 below). There is no sustained failure in the applications of policy DM1 'Principles of good design' that would trigger an action.

Year	Completed developments performing well in design reviews
2016/17	0
2017/18	0
2018/19	3
2019/20	5

Table 4.24: Completed developments performing well in design reviews (Source: MBC 2020)

Open Space

Indicator M38: Loss of designated open space as a result of development (hectares)

4.47 There has been no loss of designated open space as a result of development during the reporting year 2019/20.

Indicator M39: Delivery of open space allocations

4.48 There are 17 open space (OS) allocations listed under Policy OS1 in the Local Plan. These are directly linked to residential site allocations. Table 4.26 shows all 17 OS1 allocations and the status/progress of the development sites for the 2019/20 monitoring year.

LP17 OS1 allocation	Site name/address	LP17 OS1 description	LP17 OS1 size (hectares)	Development site status 2019/20	OS permitted (description)	Completion year
1	Oakapple Lane Barming	Natural/semi-natural OS	1.5	No application		
2	Langley Park Sutton Road B. Monchelsea	Informal OS (nature conservation area)	7.65	Started		
3	South of Sutton Road, Langley	Natural/semi-natural OS	0.1	Started		
4	Kent Police HQ, Sutton Road, Maidstone	Outdoor sports provision (3-5 sports pitches)	1.6	Not started		
5	Cross Keys Bearsted	Natural/semi-natural OS	2.4	Started		
6	South of Ashford Road Harrietsham	Natural/semi-natural OS Allotments	1.37 0.5	Completed	Contributions towards refurbishment and replacement of offsite outdoor sports facilities and children's and young	2018/19

LP17 OS1 allocation	Site name/address	LP17 OS1 description	LP17 OS1 size (hectares)	Development site status 2019/20	OS permitted (description)	Completion year
					people's equipped play areas at Glebe Fields and improvements of infrastructure and provision of capacity at the existing allotments to the west of the land (due occupation of 35 dwelling)	
7	Church Road Harrietsham	Natural/semi-natural OS	0.91	Completed	Not to complete more than 75% of the dwellings of allow the same until land is made available for use the on site open space	2018/19

LP17 OS1 allocation	Site name/address	LP17 OS1 description	LP17 OS1 size (hectares)	Development site status 2019/20	OS permitted (description)	Completion year
8	The Parsonage Goudhurst Rd Marden	Natural/semi-natural OS	2.1	Started		
9	Land to the North of Henhurst Farm, Pinnock Lane, Staplehurst	Natural/semi-natural OS	1.22	No application		
10	Land at Lenham Road Headcorn	Natural/semi-natural OS	0.1	Completed	£60,480 towards improvements (including equipped play) refurbishment and maintenance to Hoggs Bridge Green Play Area to mitigate the impact of the development (50% prior to commencement and 50% prior to	2017/18

LP17 OS1 allocation	Site name/address	LP17 OS1 description	LP17 OS1 size (hectares)	Development site status 2019/20	OS permitted (description)	Completion year
					occupation of 24th dwelling)	
11	(Gibbs Hill Farm) South of Grigg Lane Headcorn	Natural/semi-natural OS	1.18	Not started		
12	Land North Of, Heath Road (Older's Field), Coxheath, Maidstone, Kent, ME17 4TB	Natural/semi-natural OS	1.12	Started		
13	Heathfield Heath Rd Coxheath	Natural/semi-natural OS	0.5	Completed	£97,924.20 towards the cost of improvements refurbishment and replacement of facilities (including pavilions play equipment and play areas ground works	2017/18

LP17 OS1 allocation	Site name/address	LP17 OS1 description	LP17 OS1 size (hectares)	Development site status 2019/20	OS permitted (description)	Completion year
					and facilities) at Stockett Lane Recreation Ground (prior to occupation of 55th dwelling)	
14	Land at Boughton Mount Boughton Lane	Natural/semi-natural OS	0.15	No application		
15	Lyewood Farm, Green Lane. B. Monchelsea	Natural/semi-natural OS	0.15	Started		
16	West of Church Road Otham	Natural/semi-natural OS	1.4	Appeal decision pending		
17	Tanyard Farm, Old Ashford Rd Lenham (Land North Of Old Ashford Road)	Natural/semi-natural OS	0.34	Not started		

Table 4.25: Local Plan Allocations and open space delivered (Source: MBC 2020)

Indicator M40: Delivery of new or improvements to existing designated open space in association with housing and mixed use developments

4.49 This indicator looks at whether the delivery of new or improvements to existing designated open space has been fulfilled in accordance with Policy DM19 and, where appropriate, Policy H1 over the reporting year. Policy DM19 of the adopted Local Plan 2017 sets out the Council's requirements for open space provision and Policy H1 sets out site specific housing allocation requirements, including for the provision of open space. In the reporting year 2019/20, qualifying residential and mixed-use sites provided over 3 hectares of on-site open space provision, with no payments for off-site open space provision.

Air Quality

Indicator M41: Progress in achieving compliance with EU Directive/national regulatory requirements for air quality within the Air Quality Management Area (AQMA)

4.50 The Air Quality Annual Status Report (June 2020)¹⁰ explains that

"The 2019 monitoring results show that the annual mean NO₂ [...] objective has been met in majority of the monitoring locations. Also, in the vast majority of monitoring locations, NO₂ levels had decreased from the 2018 levels, continuing the general trend of air quality improvements which has been ongoing in Maidstone in the last four or five years. There were six locations within the AQMA where NO₂ levels were observed to exceed the annual mean objective for NO₂ in 2019, when distance corrected to the nearest relevant exposure. Five of these locations were in Upper Stone Street and the other was at the Wheatsheaf Junction.

It is clear that air quality in Maidstone has improved over recent years, to the extent that a number of areas previously identified as air quality 'hotspots,' for example, the High Street and Well Road, no longer appear to exceed the NO₂ annual mean objective. At the Wheatsheaf junction, whilst an exceedance is regularly measured at the Wheatsheaf pub, the pub appears to be the only property where the exceedance is measured. Neighbouring residential properties appear to be below the objective. A similar picture is emerging at the Fountain Lane/Tonbridge Road junction where the area of exceedance barely seems to extend outside the carriageway of the road to the residential properties.

An apparent exceedance of the hourly mean NO₂ objective in Upper Stone Street was thought to be due to an instrument fault. [...]

¹⁰ https://www.maidstone.gov.uk/_data/assets/pdf_file/0004/345181/Maidstone-ASR-2020-Final.pdf

Therefore it is now very clear that Upper Stone Street is now the main area of concern in Maidstone with regards to air quality. Even here, there have been considerable improvements in recent years. [...] Despite the improvements, the levels remain stubbornly in excess of the objective, and it's clearly here that we need to prioritise our efforts in the coming years. That said, it is not hard to envisage a time in the not too distant future, when our relatively new AQMA might be revoked and replaced with a much smaller AQMA, probably only including Upper Stone Street and Loose Road, between Wrens Cross and the Wheatsheaf Junction."

4.51 In conclusion, there has been continued improvements in air quality at the identified exceedance areas.

Indicator M42: Applications accompanied by an Air Quality Impact Assessment (AQIA) which demonstrate that the air quality impacts of development will be mitigated to acceptable levels

4.52 For this indicator, the Council reviewed the permissions granted for residential development in Maidstone urban area during the monitoring year. The Council focused on the 22 permissions granted on large sites (5+ dwellings). Of this number, 7 of the developments were found to have no specific air quality implications when the applications were assessed. A further 2 were 'Prior Notification' proposals and, as such, were exempted from air quality considerations. The remaining 13 proposals made provision for air quality as follows; provision of electric vehicle charging points (12 sites), and a requirement for all windows to be fixed shut, apart from one which can remain open (1 site). There was 1 site where electric vehicle charging points and low NOx boilers were included in the development.

Infrastructure

Indicator M43: Planning obligations – contributions prioritisation (Policy ID1(4))

4.53 There were 7 applications granted planning permission subject to S106 agreements in the 2019/20 reporting year. All 7 provided all contributions sought in accordance with the priorities outlined in Policy ID1(4).

Indicator M44: Planning obligations – number of relevant developments with planning obligations

4.54 There were 7 applications granted planning permission subject to S106 agreements in 2019/20. All 7 provided all contributions sought.

Indicator M45: Delivery of infrastructure through planning obligations/conditions

4.55 Where developer contributions are secured through Section 106 agreements, there are normally prescribed dates by which the funds are required to be spent or risk being returned to the payee. In the reporting year, all contributions due to expire in 2019/20 were either spent or allocated to specific schemes. There are 8 contributions, totalling £268,402.93 that are due to be spent or allocated to specific schemes in 2020/21. The focus will be to ensure these contributions are spent/allocated ahead of their spend by dates.

Indicator M46: Introduction of Community Infrastructure Levy

4.56 The Council formally implemented CIL on 1st October 2018 and requires applicants to submit a CIL Form One (formerly Form Zero pre-September 2019). Form One is the additional CIL information form where an applicant is required to declare if they feel the development will be CIL liable. This gives an indication of the potential CIL liability at the point of submission. Over the monitoring year 1st April 2019 to 31st March 2020, 121 CIL liable applications were received. £573,222.21 received in CIL payments in this period.

Transport

Indicator M47: Identified transport improvements associated with Local Plan site allocations

4.57 The Council maintains an Infrastructure Delivery Roadmap that tracks the progress of all known infrastructure projects. The Council also meets with KCC, as the highways authority, on a quarterly basis to discuss progress of identified highways improvement schemes and ensure their timely delivery – with a particular focus on the schemes identified as part of the Maidstone Integrated Transport Package (MITP). Over the reporting year, all relevant transport improvements associated with Local Plan allocations except for two highways schemes: HTNW4 - 'capacity improvements at the junction of Fountain Lane and the A26/Tonbridge Road' and HTC1 - 'Linton crossroads junction improvements' were on track for a timely delivery. In both cases, this is due to a significant

shortfall in funding as a result of the currently agreed scheme design. MBC continues to work with KCC to progress the delivery of these critical schemes. All highways and transportation schemes will continue to be closely monitored over the course of the year, however, the impact of Covid-19 on the ability to progress projects during 2020 is likely to result in a reported delay to delivery.

Indicator M48: Sustainable transport measures to support the growth identified in the Local Plan and as set out in the Integrated Transport Strategy and the Walking and Cycling Strategy

4.58 Projects remain on track to be delivered within the broad time periods identified within the Infrastructure Delivery Plan. Only 4.5% of the actions within the ITS have been rated as red in terms of delivery, with the remainder being 29.5% amber and 66% green. As part of the Local Plan Review, the Integrated Transport Strategy will be reviewed.

Indicator M49: Provision of Travel Plans for appropriate development

4.59 Travel Plans, Transport Assessments and Statements are all ways of assessing and mitigating the negative transport impacts of development in order to promote sustainable development. They are required for all developments which generate significant amounts of movements. In 2019/20 two travel plans were submitted to the KCC travel plan officer:

- 17/502432 – Springfield Mill
- 20/501773 – Oakapple Lane

Indicator M50: Achievement of modal shift through:

- **No significant worsening of congestion as a result of development**
- **Reduced long stay town centre car park usage**
- **Improved ratio between car parking costs and bus fares**

4.60 There is no specific target for this indicator. It purely monitors modal shift. The three parts of the indicator are discussed in turn below.

4.61 **No significant worsening of congestion as a result of development:** The figures below in Table 4.27 show the average vehicle speeds on five of the main A roads. Since 2017 speeds have reduced on the A20, A26 and A274, whilst the A229 and A249 has seen an increase in average speeds.

Road Name	2017 (mph)	2018 (mph)	2019 (mph)	Change in last year (%)
A20	32.2	31.3	30.7	-1.9
A229	31.5	33.6	34.1	1.5
A249	42.9	47.9	48.4	1.1
A26	24.3	24.0	24.3	1.3
A274	27.4	27.2	26.2	-3.7

Table 4.26: Average vehicle speeds on locally managed 'A' roads (Source: DfT 2020)

4.62 There is no further information regarding average combined journey times for public transport, bicycling and car to key services since 2018 (Figure 4.7).



Figure 4.7: Average journey times to key services 2016 (Source: DfT 2018¹¹)

¹¹ No recent figures have been published.

4.63 Reduced long stay town centre car park usage: In total there were 353,219 transactions in the town centre long stay car parks (Table 4.28) a decrease of 11% from the previous year.

Car Park	Payment Method						Total	
	Pre-pay Unit		RingGo		CiCo (Check In, Check Out)			
	18/19	19/20	18/19	19/20	18/19	19/20	18/19	19/20
Barker Road	24,595	15,970	15,066	17,082	0	0	39,661	33,052
Brooks Place	1698	1056	923	1153	0	0	2621	2,209
Brunswick Street	7111	0	4475	39	0	0	11,586	39
College Road	14,447	11,552	7276	10001	0	0	21,723	21,553
Lockmeadow	138,772	118,574	52,289	71,853	0	0	191,061	190,427
Lucerne Street	5648	2258	3120	3475	0	0	8768	5,733
Sandling Road	39,999	32,032	16,166	18,221	7013	5228	63,178	55,481
Sittingbourne Road	13,726	8,236	8132	9930	0	0	21,858	18,166
Union Street East	10,881	7,094	6352	4685	0	0	17,233	11,779
Union Street West	6126	3832	4304	4185	0	0	10,430	8,017
Well Road	3880	2301	3409	4462	0	0	7289	6,763
Total	266,883	202,905	121,512	145,086	7013	5,228	395,408	353,219

Table 4.27: Town Centre long stay car park transactions 2019/20 (Source: MBC 2020)

4.64 Improved ratio between car parking costs and bus fares: Since last year there has been a change to the cost of long stay parking and the cost of an Arriva day ticket (Table 4.29).

Car Parks	2020		Ratio 2020	Ratio 2019	Ratio 2018	Ratio 2017	Change
	Long stay cost (over 4 hours)	Arriva day ticket					
MBC (up to 5 hours)	£5.50 (mode)	£5.50	0	0	1.38	1.25	0
MBC (over 5 hours)	£7.00 (mode)	£5.50	1.27	1.28			-0.01
Fremlin Walk (4-5 hours)	£5.60	£5.50	0.02	0			0.02
Fremlin Walk (over 5 hours)	£10.50	£5.50	1.91	1.89	1.96	1.83	0.02
The Mall (4-5 hours)	£4.50	£5.50	-0.82	-0.83			-0.01
The Mall	£9.00	£5.50	1.63	1.67	1.8	1.73	-0.04

Table 4.28: Ratio of car parking costs compared to bus fares (Source: MBC 2019 and 2020)

5. Sustainability Appraisal – Significant Effect Indicators

5.1 The Sustainability Appraisal for the adopted Maidstone Local Plan outlines monitoring measures that will be used to monitor the effects of the Maidstone Borough Local Plan. The monitoring of the significant effect indicators allows previously unforeseen effects to be identified early.

Housing

Indicator SA1: Number of households on the Housing Register

5.2 See Local Plan Indicator M15.

Indicator SA2: Number of new dwellings built compared to targets

5.3 There were 1,304 dwellings (net) completed during the monitoring year 2019/20, bringing the total completed dwellings to 7,741 for the plan period 2011/31. This represents a shortfall of 206 against the nine year target of 7,947 dwellings. This shortfall will be delivered over the next six years 2021 to 2027 (see indicator M5 for further information).

Indicator SA3: Net additional Gypsy and Traveller pitches

5.4 See Local Plan Indicators M27 and M29

Flooding

Indicator SA4: New development in the floodplain

5.5 There have been 168 applications permitted within the floodplain, none of which have caused a loss in floodplain as a result of development during 2019/20 due to mitigating conditions were imposed and/or the Environment Agency were satisfied that there was no adverse impact.

Indicator SA5: Development permitted contrary to advice by the Environment Agency on flood risk

5.6 During the monitoring year, no development has been permitted contrary to advice by the environment agency on flood risk.

Indicator SA6: Percentage of developments implementing SUDs

5.7 Data for this monitoring indicator is currently unavailable.

Health

Indicator SA7: Percentage of residents that consider their health to be good

5.8 The 2011 Census data outlines that 48% of people within Maidstone consider their health to be very good, with a further 35% who consider their health to be good¹². These figures are similar to the national averages, whereby a total of 47% consider their health to be very good and 34% consider their health to be good.

Indicator SA8: Distance travelled to services

5.9 Information on access to services has been gathered for the five Rural Service Centres (RSCs) and five larger villages. The survey was undertaken in July 2018¹³ and Table 5.1 shows the percentage of key villages with access to each service. The RSCs are Harrietsham, Headcorn, Lenham, Marden and Staplehurst and the larger villages are Boughton Monchelsea, Coxheath, Eythorne Street (Hollingbourne), Sutton Valence and Yalding.

Service		% of key villages with access to service July 2018
Education	Nursery	100%
	Primary School	100%
	Secondary School	40%
Community	Place of Worship	100%
	Public House	90%
	Village/Community Hall	100%
	Library (including mobile)	100%

¹² No recent figures have been published.

¹³ No recent figures have been produced.

Service		% of key villages with access to service July 2018
Health	Doctor's Surgery	80%
	Other	70%
Leisure	Recreation	100%
	Sport	100%
	Other	80%
Convenience shopping	General Store/Newsagent	100%
	Post Office	100%
	Bank (including mobile)	40%
	ATM	50%
	Other	60%
Comparison shopping	Hairdresser, Florist etc	100%
Eating out	Restaurants	80%
	Take-Away	60%
	Café, Tearooms	60%
Transport	4+ Bus Journeys/Weekday	100%
	Train Service	70%

Table 5.1: Access to services in rural service centres and larger villages (Source: MBC 2018)

Poverty

Indicator SA9: Difference in levels of deprivation between the most and least deprived areas

5.10 The Index of Multiple Deprivation¹⁴ ranks each Lower-layer Super Output Area (LSOA) in the country from 1 being the most deprived and 32,844 being the least deprived. As of 2019, according to the Index of Multiple Deprivation, the least deprived LSOA in Maidstone Borough is located in Bearsted¹⁵ ward and is ranked as 32,648. The LSOA is amongst the 10% least deprived areas in the country. The most deprived LSOA in the Borough is located in Parkwood¹⁶ ward and is ranked as 2914 in 2019 and 1979 in 2015, a change of 935 rankings. The LSOA remains amongst the 10% most deprived areas in the country.

¹⁴ <https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019>

¹⁵ Whilst the least deprived LSOA in Maidstone Borough in both 2015 and 2019 is in Bearsted, it is a different LSOA identified as the least deprived. E01024330 in 2015 and E01024329 in 2019.

¹⁶ The LSOA in Parkwood is E01024389

Indicator SA10: Levels of unemployment

5.11 See Local Plan Indicator M22.

Education

Indicator SA11: Number of schools that are at capacity/surplus

5.12 The Department for Education's School Capacities return, shown in Figure 5.1, shows that capacity at both primary and secondary schools in the Borough has changed between 2019 and 2020.

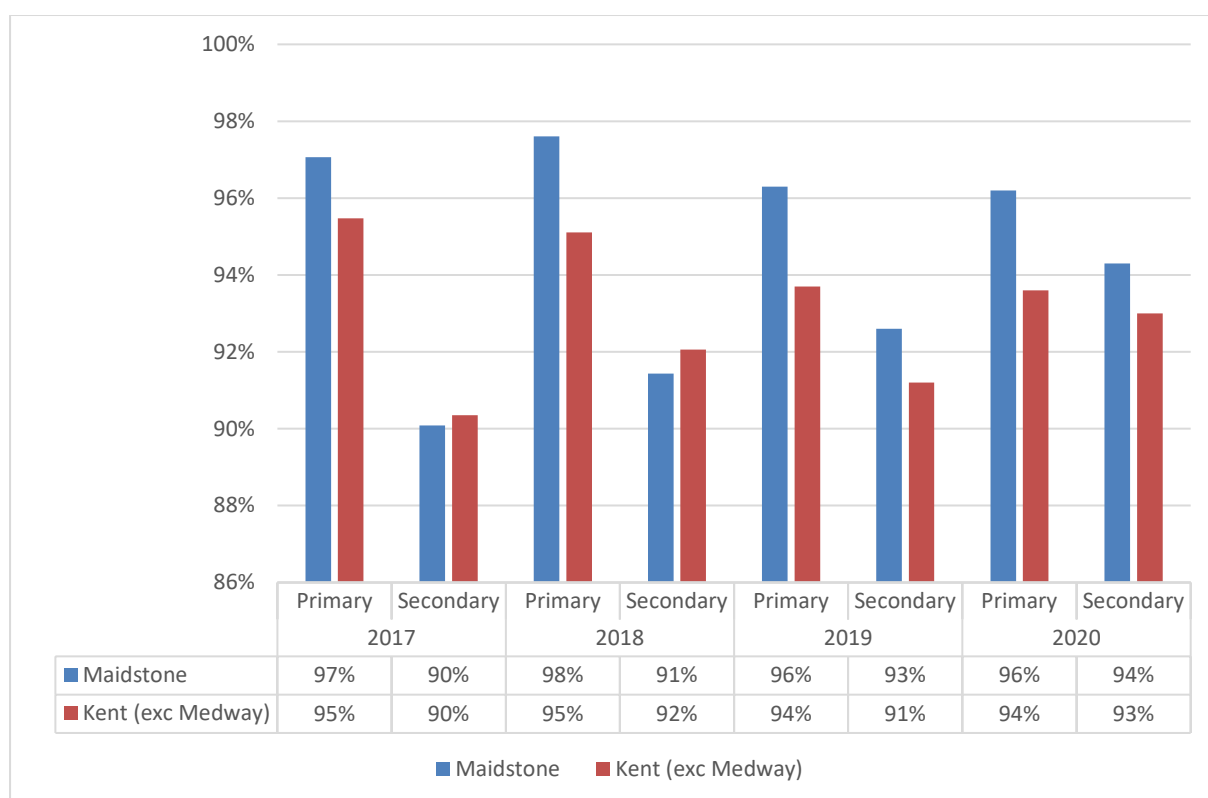


Figure 5.1 School capacities from 2017-2020 (Source: KELSI 2020, 2019, 2018 and 2017).

Indicator SA12: Pupils achieving grades A-C

5.13 NVQ Level 2 equates to 4-5 GCSE grades A*-C (grades 4-9 under the new grading system). In 2018 (January to December), 70.9% of pupils in Maidstone achieved NVQ 2 or above. In comparison to 79.1% in the South East. Since 2011, the base date of the Maidstone Borough Local Plan, there has been a

decrease in the number of pupils achieving NVQ 2 or above of 4.3%, and this is in contrast to the rest of the south east (7.9%) and nationally (8.8%)¹⁷.

Crime

Indicator SA13: Levels of crime in town centres

5.14 The town centre is located in the High Street ward. Figures provided by Kent Police show that between July-September 2017 and January-March 2020 there has been a decline in crime in the High Street ward from 1109 to 947 reported crimes (Figure 5.2).

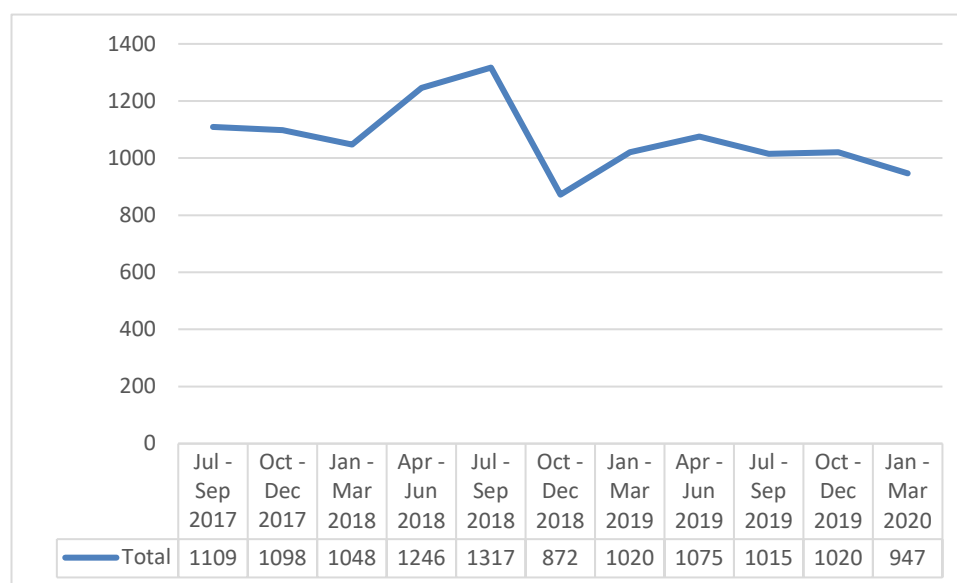


Figure 5.2: Crimes reported between July 2017 and March 2020 (Source: Kent Policy 2020)

Indicator SA14: Crime rates per 1000 population

5.15 There has been a general increase in all reported crime both within Maidstone and county wide between 2017/18 and 2019/20. For the Borough as a whole, crime rate per 1,000 population has risen from 90 in 2017/18 to 95 in 2019/20 an increase of 6% (Table 5.2).

¹⁷ Further details can be accessed at:

<https://www.nomisweb.co.uk/reports/lmp/la/1946157316/report.aspx?town=maidstone#tabquals>

		Crime rate per 1,000 population
2017/18	Maidstone	90
	Kent	114
2018/19	Maidstone	104
	Kent	127
2019/20	Maidstone	95
	Kent	120
% Change	Maidstone	6%
	Kent	5%

Table 5.2: Crime rates per 1,000 population (Source: Home Office 2020)

Vibrant community

Indicator SA15: Loss/gain of community facilities

5.16 The Maidstone Borough Local Plan seeks to resist the net loss of community facilities. During 2019/20, there was a total gain of 11 community facilities. This includes two education and training establishments; four leisure facilities; two medical/community care centres; one place of worship and two other public/community buildings/facilities.

5.17 During 2019/20 there has also been a total loss of 3 community facilities, consisting of one medical/community care centres and two education and training establishment. Overall, this equates to a net gain of eight community facility in 2019/20.

Accessibility

Indicator SA16: Percentage of relevant applications where a Travel Plan is secured

5.18 See Local Plan Indicator M49

Indicator SA17: Percentage of trips to work, school, leisure using public transport, walking and cycling

5.19 Information produced by Public Health England¹⁸ shows that in 2017/18 18% of adults in the Borough walk as their mode of travel at least three days per week, compared to 13% of adults in 2016/17. A further 1 % of adults cycle

¹⁸ <https://fingertips.phe.org.uk/profile/wider-determinants/data#page/1/gid/1938133043/pat/6/par/E12000008/ati/101/are/E07000110>

for travel at least three days per week. There has been no change in the number of adults who cycle for travel since 2016/17.

5.20 Walking to school statistics published¹⁹ indicate that over the monitoring year a total of 16,092 cars were taken off the road as a result of walking to school, a decrease from last year.

Indicator SA18: Develop indicators to look at access issues in rural areas

5.21 The Council will develop indicators to look at access issues in rural areas. Table 5.1 for Indicator SA8 provides information on the level of access to services within the Rural Service Centres (RSCs) and five larger villages.

Culture

Indicator SA19: Number of visits to the Borough

5.22 In a report on Economic Impact of Tourism Maidstone – 2017 Results²⁰ published in November 2018, there were 371,000 staying visits to Maidstone Borough (Figure 5.3). This is a small decrease of 0.5% from 2015 when there were 373,000 staying trips²¹.

¹⁹ <https://kmcharityteam.secure.force.com/localauthority/walkingtoschoolstats>

²⁰ [https://www.visitkentbusiness.co.uk/library/Cambridge Model 2018/1. Economic Impact of Tourism - Maidstone 2017.pdf](https://www.visitkentbusiness.co.uk/library/Cambridge%20Model%202018/1.%20Economic%20Impact%20of%20Tourism%20-%20Maidstone%202017.pdf)

²¹ No recent figures have been published

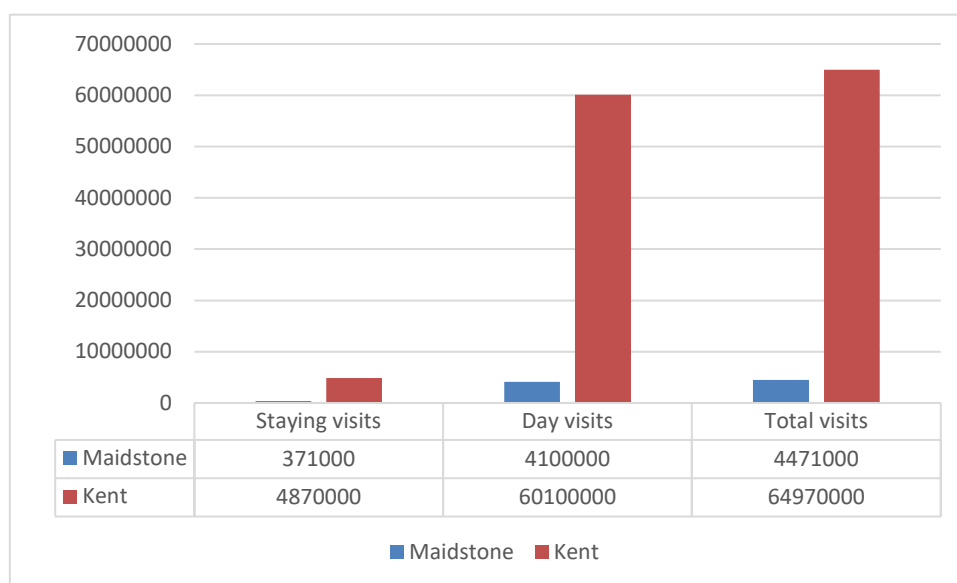


Figure 5.3: Number of visitors to the Borough (Source: Destination Research, 2018)

Land use

Indicator SA20: Percentage of development on previously developed land

5.23 Out of the 1,304 dwellings (net) completed during 2019/20 a total of 351 dwellings were completed on previously developed land. This equates to 27%. Table 5.3 shows that there has been a decline in the percentage of completions on previously developed land, which is to be expected as greenfield sites allocated in the adopted Local Plan are delivered.

Year	Percentage of completions on previously developed land
2011/12	92%
2012/13	84%
2013/14	77%
2014/15	77%
2015/16	69%
2016/17	60%
2017/18	47%
2018/19	51%
2019/20	27%

Table 5.3: Percentage of housing completions on previously developed land (Source: MBC 2020)

Indicator SA21: Net loss of agricultural land

5.24 See Local Plan Indicator M35.

Indicator SA22: Number of new allotment pitches provided through development contributions

5.25 Over the monitoring year no new allotment pitches have been provided through development contributions.

Congestion

Indicator SA23: Peak traffic flow

5.26 See Local Plan Indicator M50.

Indicator SA24: Travel times

5.27 See Local Plan Indicator M50.

Indicator SA25: Investment in road infrastructure

5.28 A total of 24 highways and transportation schemes from the Infrastructure Delivery Plan have been completed since the adoption of the Local Plan in 2017. These schemes include works to reduce traffic congestion; improve sustainable transport options through the provision of bus lanes and cycle parking; footpath provision; and the enhancement of the public realm. All of these measures contribute to reducing congestion in the borough.

Climate change

Indicator SA26: CO₂ emissions per capita

5.29 Between 2011 and 2018, CO₂ emissions per capita in Maidstone has declined, a trend which is reflected in the Kent average (Table 5.4).

Per Capita Emissions (t)	2011	2012	2013	2014	2015	2016	2017	2018
Maidstone	6.3	6.5	6.5	5.7	5.5	5.2	4.9	4.7
Kent	6.9	6.8	6.5	5.9	5.6	5.4	5.1	5.0
England	6.6	6.8	6.6	6.0	5.7	5.3	5.1	5.0

Table 5.4: Per Capita CO₂ Emissions (t) between 2011 and 2018 (Source: DEBIS 2020)

Indicator SA27: Number of new residential developments where the energy/emissions standards in the Building Regulations Part L have been exceeded

5.30 The Council assesses new residential developments to see if they meet Building Regulations Part L. What is not monitored, is to what extent developments exceed energy and emission standards.

Indicator SA28: Number of developments where 'adaptation statements' have been produced

5.31 Data for this monitoring indicator is currently unavailable.

Biodiversity

Indicator SA29: Net loss/gain of designated wildlife habitats

5.32 There has been no net change in designated wildlife habitats.

Indicator SA30: Condition of wildlife sites

5.33 Data for this monitoring indicator is currently unavailable.

Countryside and heritage

Indicator SA31: Landscape character appraisals and impacts

5.34 The Maidstone Landscape Character Assessment and Maidstone Landscape Character Assessment Supplement were produced in 2012. The Landscape Character Assessment identifies 58 borough wide landscape character areas.

Each landscape area has been assessed against condition and sensitivity. The Council also commissioned the Maidstone Landscape Capacity Study: Sensitivity Assessment and the Maidstone Landscape Capacity Study: Site Assessments which assessed the sensitivity of the landscape character areas in more detail. The documents form part of the evidence base for the Local Plan and inform planning application decisions.

Indicator SA32: Number of heritage restoration projects completed

5.35 Data for this monitoring indicator is currently unavailable.

Waste

Indicator SA33: Number of complaints to the Council related to waste storage and collection at new developments

5.36 Data for the number of complaints received by the Council relating to waste storage and collection at new developments is unavailable. In previous years, the Council changed the standard collection service by providing additional collections on a weekly basis, rather than the standard alternative week system in a number of new build locations to accommodate for a lack of storage space.

Indicator SA34: Amount of construction and demolition waste

5.37 Across Kent there has been a reduction in the amount of non-household waste collected between 2014/15 to 2018/19 of 14%, with 35,406 tonnes in 2018/19. In Maidstone there has been a decrease of 55% with 252 tonnes of non-household waste collected in 2018/19 (Table 5.5).

Financial Year	Maidstone (collected)	Kent (disposal)
2014/15	558	41,091
2015/16	523	40,266
2016/17	202	41,779
2017/18	357	39,119
2018/19	252	35,406

Table 5.5: Amount of non-household waste collected (tonnes) (Source: DEFRA 2020)

Indicator SA35: Waste generate per capita

5.38 As demonstrated in the graph below there has been a decrease in the amount of household waste collected in Maidstone of 2%. When comparing the amount of waste collected per person for Maidstone against Kent figures, less waste per capita is collected in the Borough (Figure 5.4 below).

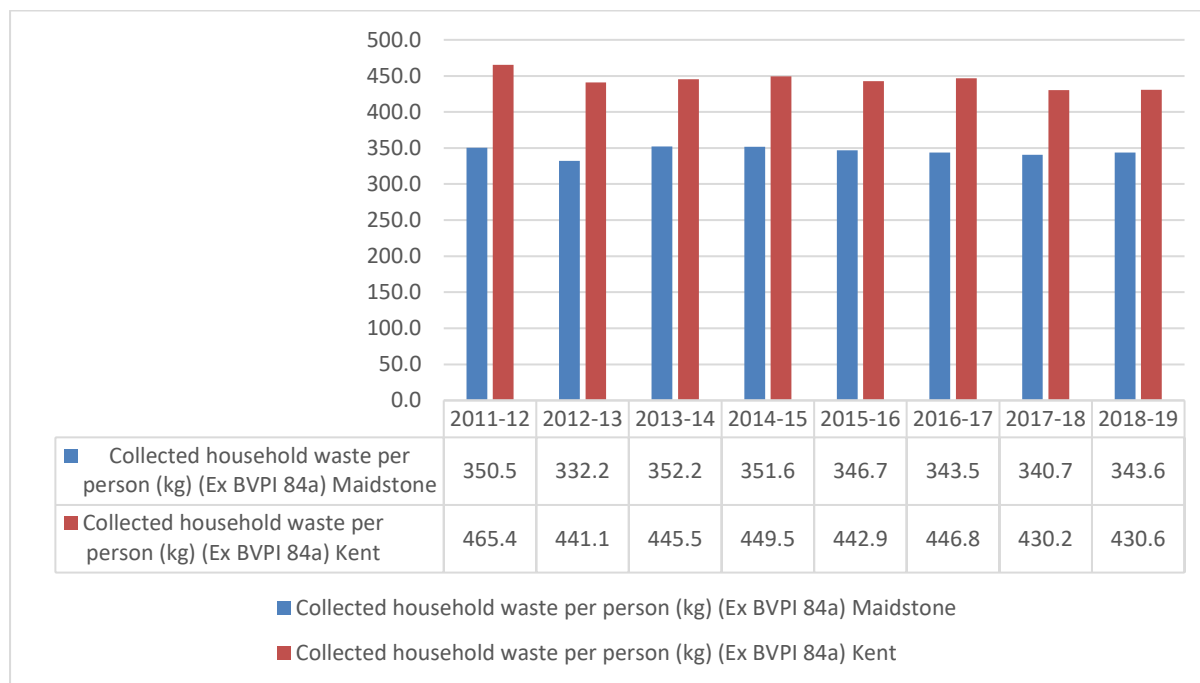


Figure 5.4: Collected household waste per person (kg) (Source: DEFRA 2020)

Water management

Indicator SA36: Water availability/consumption ratios

5.39 The Southern Water 'Water Resources Management Plan 2019' outlines the future forecasts for demand and supply across Southern England. The Southern Water Management Plan includes four scenarios. Table 5.6 outlines that over the management plan period, across all four scenarios there will be an increase in water demand.

Planning scenario	2019-20 demand (MI/d)	2069-70 demand (MI/d)	Net change (MI/d)	Net change (%)
Normal Year	535.1	594.9	59.8	11%
Dry Year	571.0	636.0	65.0	11%
Peak Demand	643.9	720.0	76.1	12%
Minimum DO	561.0	624.1	63.2	11%

Table 5.6 Increase in the demand over the 50 year planning period for each scenario (Source: Southern Water, 2019²²).

5.40 The Southern Water Management Plan, has three areas of supply. Kent falls under the eastern area. At the start of the planning period (2020/21) in a 1 in 200 year drought, the water available for use is calculated as 165.05 MI/d (million litres per day). At the end of the planning period (2070) the water available for use is estimated at 143.32 MI/d. It is anticipated that in 2027-28, during a 1 in 200 year drought the supply demand balance for the eastern area will move from surplus to deficit as a result of potential sustainability reductions and water exported to South East Water.

5.41 The South East Water Resource Management Plan 2020 to 2080 also outlines that supply demand balance for Kent will move from surplus to deficit. Table 5.7 indicates that by 2024/25 there will be a deficit of 2.8 MI/d.

Kent	Average (MI/d)	Summer (MI/d)
2020/21	0.5	4.2
2024/25	-2.8	0.1
2029/30	-8.2	-6.6
2033/34	-11.8	-11.3
2039/40	-39.8	-41.3
2044/45	-45.4	-48.7
2049/50	-48.9	-54.0
2054/55	-51.6	-58.1
2059/60	-54.9	-62.6
2064/65	-58.5	-67.3
2069/70	-62.6	-72.1
2074/75	-67.3	-78.0
2079/80	-71.1	-83.9

Table 5.7 Baseline supply demand balance for Kent (Source: South East Water, 2019²³)

²² No recent figures have been published

²³ No recent figures have been published

Indicator SA37: Ecological/chemical status of water bodies

5.42 Information gathered by the Environment Agency in Table 5.8 shows the ecological and chemical status of water bodies in and around Maidstone. In total, 73% of water bodies have been classified as moderate in terms of ecological status or potential (this figure excludes groundwater bodies). 85% of water bodies have a chemical status of good.

5.43 Stodmarsh is a nationally and internationally important wildlife site and is located along the Stour river to the south of Canterbury. Recent condition assessments have established that parts of this site are being adversely impacted by high levels of nitrates and phosphates which are deteriorating habitats. In July 2020 Natural England issued an advice note to Local Authorities informing them that all new development proposals within the Stour catchment, or that connect to a Waste Water Treatment Works linked to the Stour catchment, will need to consider the impact that they would have on the nitrate and phosphate nutrient levels of the Stour via an appropriate assessment. The advice note was accompanied by a methodology which sets out how applicants and local planning authorities will need to undertake an Appropriate Assessment. Lenham parish falls within the catchment of the Upper Stour, therefore the local plan will need to take its impact on nutrient levels in the Stour into account, and any potential mitigation will need to be included in the plan viability assessment.

Water Body Name	Water Body Category	Ecological status or potential	Chemical status
Alder Stream and Hammer Dyke	River	Moderate	Good
Aylesford Stream	River	Poor	Good
Bartley Mill Stream	River	Moderate	Good
Beult	River	Moderate	Good
Beult at Yalding	River	Moderate	Good
Bewl	River	Moderate	Good
Bewl Water	Lake	Moderate	Good
Bourne (Medway)	River	Moderate	Fail
Cliffe Pools North Lake	Lake	Good	Good
Cliffe Pools South Lake	Lake	Good	Good
Ditton Stream	River	Moderate	Good
East Kent Chalk - Stour	Groundwater Body		Poor
East Kent Tertiaries	Groundwater Body		Good
East Stour	River	Moderate	Good

Water Body Name	Water Body Category	Ecological status or potential	Chemical status
Great Stour between Ashford and Wye	River	Moderate	Good
Hammer Stream	River	Moderate	Good
Hilden Brook	River	Poor	Good
Kent Greensand Eastern	Groundwater Body		Poor
Kent Greensand Middle	Groundwater Body		Poor
Kent Greensand Western	Groundwater Body		Good
Kent Isle of Thanet Chalk	Groundwater Body		Poor
Len	River	Moderate	Good
Leybourne Stream	River	Moderate	Good
Little Hawden Stream	River	Moderate	Good
Loose Stream	River	Moderate	Good
Lower Teise	River	Moderate	Good
Marden Meadow Ponds	Lake	Good	Good
Marden Mill Stream	River	Moderate	Good
MEDWAY	Transitional	Moderate	Fail
Medway at Maidstone	River	Moderate	Good
Mereworth Stream	River	Moderate	Good
Mid Medway from Eden Confluence to Yalding	River	Moderate	Good
Murston Lakes	Transitional	Good	Good
Murston Lakes, angling lakes	Lake	Moderate	Good
North Kent Medway Chalk	Groundwater Body		Poor
North Kent Swale Chalk	Groundwater Body		Poor
North Kent Tertiaries	Groundwater Body		Good
Sherway	River	Moderate	Good
Snodland Reservoir	Lake	Moderate	Good
Somerhill Stream	River	Bad	Good
SWALE	Transitional	Moderate	Good
Teise and Lesser Teise	River	Moderate	Good
Teise at Lamberhurst	River	Poor	Good

Water Body Name	Water Body Category	Ecological status or potential	Chemical status
Tributary of Beult at Frittenden	River	Moderate	Good
Tributary of Beult at Sutton Valance	River	Moderate	Good
Tributary of Teise	River	Moderate	Good
Tudeley Brook	River	Moderate	Good
Ulcombe Stream	River	Moderate	Good
Upper Beult	River	Poor	Good
Upper Beult - High Halden and Bethersden Stream	River	Bad	Good
Upper Great Stour	River	Poor	Good
Upper Teise	River	Moderate	Good
White Drain	River	Poor	Good

Table 5.8 Water bodies classification status (Source: Environment Agency, 2016²⁴)

Energy

Indicator SA38: New installed renewable energy capacity

5.43 Information published by Department for Business, Energy and Industrial Strategy states that between the end of 2014 and end of 2019 there has been an increase in the number of renewable energy installations from 1,484 installations to 2,225. The largest contributor being photovoltaics. The installed capacity has increased from 56.3 MW to 65.8 MW at the end of 2019.

Indicator SA39: Total energy consumption

5.44 Total energy consumption has fluctuated between 2011 and 2018. Table 5.9 below shows the total energy consumption over the time period. There has been an overall increase of 0.11% in energy consumption.

²⁴ No recent figures have been published

	Coal Total (GWh)	Manufactured Fuels Total (GWh)	Petroleum products Total (GWh)	Gas Total (GWh)	Electricity Total (GWh)	Bioenergy & wastes Total (GWh)	All fuels Total (GWh)
2011	99.2	9.7	1,648.5	1,033.1	697.4	63.0	3,550.8
2012	91.2	10.7	1,638.3	1,023.7	684.8	84.6	3,533.4
2013	152.4	11.2	1,594.5	1,004.1	755.5	104.6	3,622.4
2014	158.2	13.4	1,621.4	964.8	668.8	100.6	3,527.3
2015	126.1	11.6	1,683.1	988.7	670.6	109.6	3,589.7
2016	85.7	10.3	1,693.1	987.8	642.9	118.1	3,537.7
2017	69.7	11.2	1,689.2	1,062.5	653.0	114.4	3,599.9
2018	76.0	11.4	1,672.7	1,034.5	649.2	111.1	3,554.9
	-23.42%	17.96%	1.47%	0.13%	-6.91%	76.43%	0.11%

Table 5.9: Total energy consumption in Maidstone (Source: Department for Business, Energy and Industrial Strategy (DBEIS, 2020)).

Economy

Indicator SA40: Total amount of additional floorspace by type

5.45 During 2019/20 there has been an increase of 111,054 sqm of commercial floorspace (Table 5.10). This figure excludes C1 and C2 uses which are measured in number of bedspaces (see indicator M14 for the number of C2 bedspaces) and is based on completed and permissions.

Use class	Net sqm			
	2016/17	2017/18	2018/19	2019/20
A1	-1,665	-5,189	-2,998	-1,428
A2	611	-1,351	-655	70
A3	1,930	1626	2,314	1,467
A4	-1,078	-1,418	-619	-2,191
A5	1,078	572	698	2,982
B1a	-17,166	-8,564	-195	22,170
B1b	13,228	14,156	19,004	20,737
B1c	-5,377	-5,775	8,914	12,576
B2	-12,386	-13,613	-10,200	2,885
B8	-2,683	-6,714	23,829	28,783
D1	27,090	30,009	32,674	54,029
D2	-1,181	-608	-38,874	-40,411
Sui Generis	3,292	3,657	17,331	9,385
TOTAL	5,693	6,788	51,223	111,054

Table 5.10: Net additional floorspace by type 2019/20 (completed and consent permissions combined) (Source: MBC 2020)

Indicator SA41: Unemployment rate

5.46 See Local Plan Indicator M22.

6. Appendices

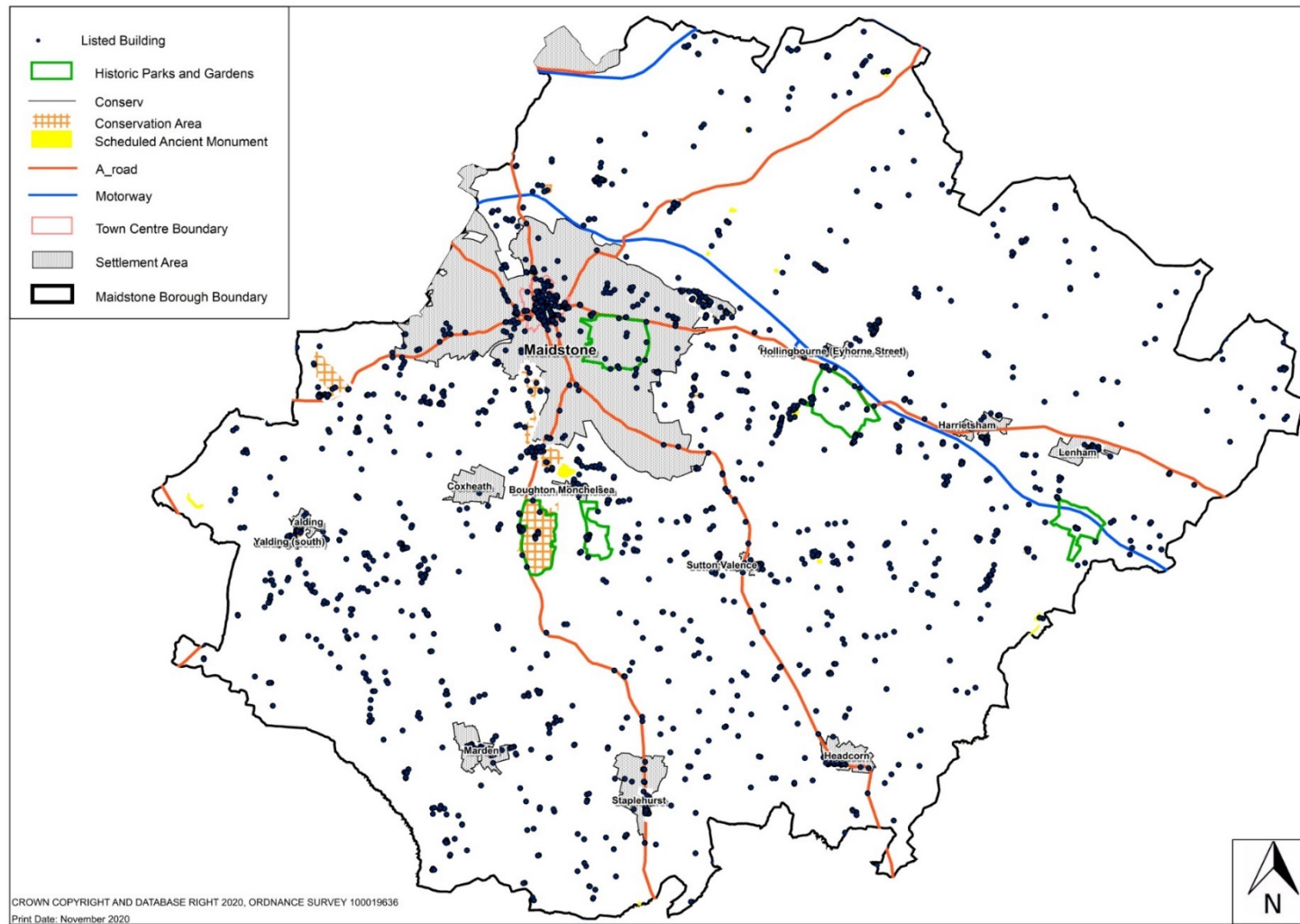
Appendix 1 – Built and Natural Environment Assets and Constraints

Built Environment Assets	2019	2020
Conservation areas	41	41
Listed Buildings	2,024	2,023
Grade I	42	42
Grade II*	105	105
Grade II	1,877	1,876
Scheduled Ancient Monuments	26	26
Parks and Gardens of Special Historic Interest	5	5
Gardens of County Level historic importance	9	9

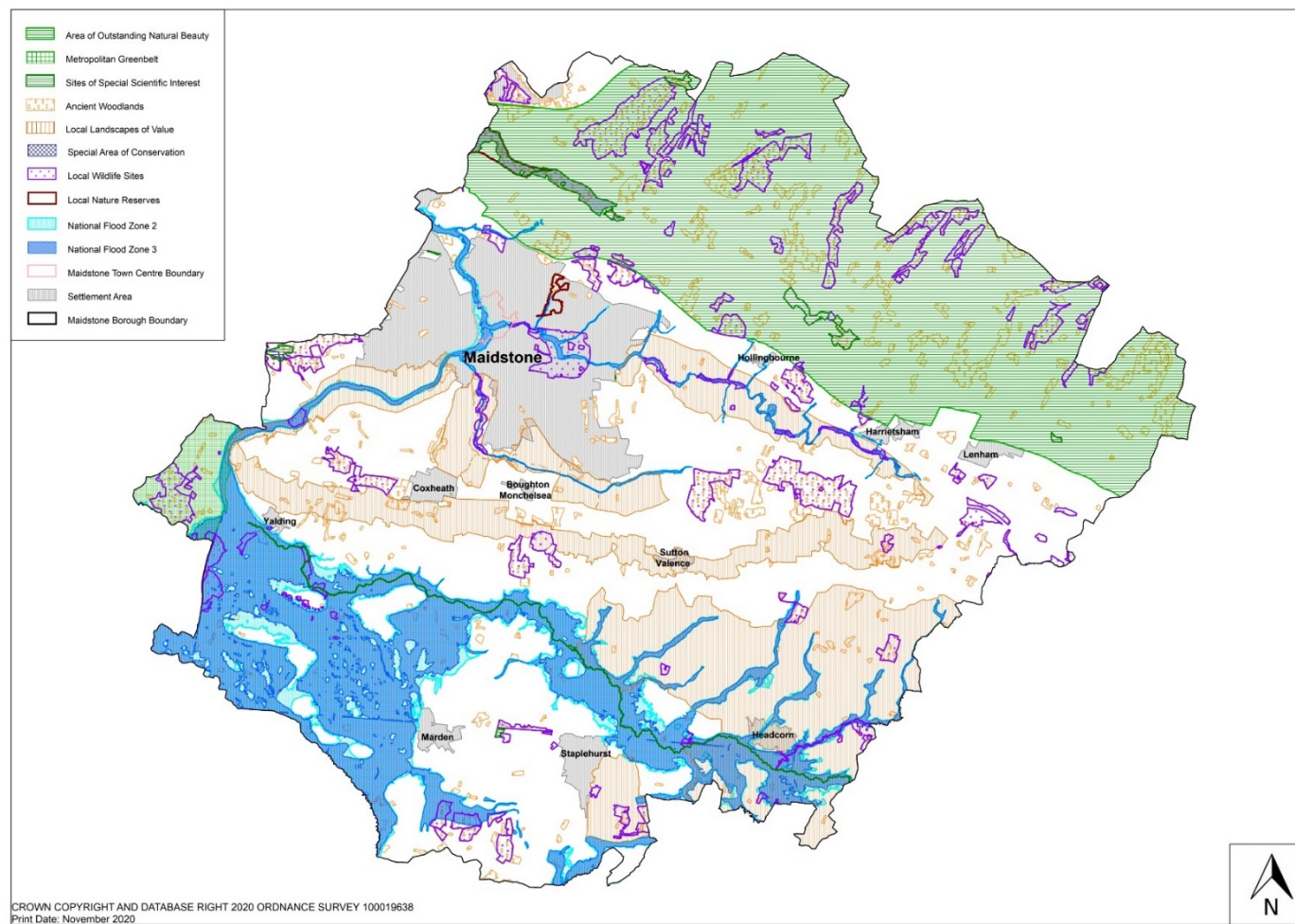
Table 6.1: Key assets of the built environment (Source: Historic England 2020)

Natural Environment Assets and Constraints	2019			2020		
	KM²	% of Borough	Number	KM²	% of Borough	Number
Total area of the Borough	391.88			391.88		
Metropolitan Green Belt	5.27	1.34%		5.27	1.34%	
Area of Outstanding Natural Beauty	106.8	27.25%		106.8	27.25%	
National Flood Zone 3	41.39	10.56%		41.39	10.56%	
National Flood Zone 2	25.05	6.39%		25.05	6.39%	
Landscape of Local Value	75.58	19.29%		75.58	19.29%	
Ancient Woodland (semi-natural and replanted)	28.29	7.22%		23.13	7.18%	
Special Area of Conservation	1.42	0.36%		1.42	0.36%	
Sites of Special Scientific Interest	4.92	1.25%	9	4.92	1.25%	9
Local Wildlife Sites	23.85	6.09%	62	23.85	6.09%	62
Roadside Verges of Nature Conservation Interest			34			34
Local Nature Reserves	0.33	0.08%	3	0.33	0.08%	3

Table 6.2: Key assets and constraints of the natural environment (Source: MBC 2020).



Map: 6.1: Key assets and constraints of the built environment (Source: MBC 2020)



Map 6.2: Key assets and constraints of the natural environment (Source: MBC 2020)

Maidstone Borough Council

Annual Infrastructure Funding Statement

For

Community Infrastructure Levy and Section 106

Reporting Period:

From 01 April 2019 to 31 March 2020

Community Infrastructure Levy Matters

Community Infrastructure Levy Regulations (2019 Amendment) Regulation 121A Schedule 2 Section 1

- a) The total value of demand notices issued in the reported period is £803,807.04.

Of total value the amount from Liability Notices (liable floorspace after any relief that has been granted) is £796,940.61. The total value is from surcharges imposed due to breaches of the Community Infrastructure Levy Regulations is £6,866.43 and the total value of the late payment interest accrued is £0.00.

- b) The total amount of CIL collected within the reported period totals £573,222.21.
- c) The amount of CIL collected prior to the reported period totals £0.00. Of this total the following amount was collected in Cash and as Land Transactions (including payments in kind and infrastructure payments) and the following amounts remain unallocated:

Type	Received	Unallocated
Cash	£0.00	£0.00
Land Payment	£0.00	£0.00

- d) The total amount of CIL collected prior to the reported period allocated in the reported period in relation to cash received is £0.00 and in relation to land payments (including payments in kind and infrastructure payments) is £0.00.
- e) The total CIL expenditure recorded for the reported period is as follows:

Type	Expenditure
Admin CIL	£1,433.05
Neighbourhood CIL	£5,895.98
CIL Land Payments	£0.00
Other CIL Cash	£0.00
Total Value	£7,329.03

- f) The total amount of CIL allocated and not spent during the reported period is as follows, this does not include allocations made within the reported year that have been fully spent:

Type	Allocated	Spent	Remaining
Admin CIL	£1,433.05	£1,433.05	£0.00
Neighbourhood CIL	£5,895.98	£5,895.98	£0.00
CIL Land Payments	£0.00	£0.00	£0.00
Other CIL Cash	£0.00	£0.00	£0.00

- g) i) Within the reported year, £0.00 CIL (including land payments) has been spent on items of infrastructure.
- ii) The amount of CIL spent on repaying money borrowed, including any interest, was £0.00 in the reported year.
- iii) The amount of CIL collected towards administration expenses is £28,661.12. This was 5% of the total CIL receipts collected (£573,222.21) in the reported period.
- Maidstone Borough Council has set a collection percentage of 5%. The percentage taken may differ due to Land payments (including payments in kind and infrastructure payments) not being allocated to administration expenses, surcharges and late payment interest not being split with Neighbourhood Areas.
- The amount of CIL spent on administration expenses during the reported year was £1,433.05. This was 0.25% of the total CIL collected within the reported year.
- h) Of the CIL collected within the reported year, £0.00 has been allocated.
- i) i) The total amount of CIL passed to a neighbourhood zone under Regulation 59A (collected on behalf of the neighbourhood zone in cash), cash collected and allocated towards Neighbourhood CIL, and 59B (cash provided by the Charging Authority to Neighbourhood Zones equivalent to what they would have received on a payment in kind), are as follows:

Zone	Date	Amount Passed
Boughton Monchelsea	15 October 2019	£1,549.32
Bredhurst	28 October 2019	£2,594.36
Lenham	15 October 2019	£668.25
Loose	15 October 2019	£1,084.05
TOTAL		£5,895.98

£0.00 was allocated towards neighbourhood zones under Regulation 59B, cash provided by the Charging Authority to Neighbourhood Zones equivalent to what they would have received on a payment in kind, during the reported year:

- ii) The following spends within the reported year have been passed to a third party to spend on the provision, improvement, replacement, operation or maintenance of infrastructure under Regulation 59(4):

Infrastructure	Amount	Date	Spend Description
CIL LENHAM PC 18/504947/MLN/15	£668.25	28 October 2019	No spend yet
CIL LOOSE PC 18/504169/MLO/15	£1,084.05	29 October 2019	Repairs to basket swing in the recreation ground King George V Playing Field, Loose

Infrastructure	Amount	Date	Spend Description
CIL BREDHURST PC 19/500682/MBT/15	£2,594.36	28 October 2019	Gates for car park at new community building, Blacksmiths Barn, in Blacksmiths Court. Hedge cutting throughout the village - Kemsley Street, Hurstwood Road, Forge Lane, The Street and Dunn Street.
CIL BOUGHTON MONCHELSEA PC 18/506172/MBC/15	£1,549.32	28 October 2019	Highway Consultants design fees for village 20mph zone (£720 + £829.32)

- j) i) The total collected by Maidstone Borough Council for the reported year under Regulation 59E (CIL returned to the Charging Authority after 5 years if not spent) was £0.00 and under Regulation 59F, CIL collected and retained by the Charging Authority for areas that are not designated Neighbourhood Zones, was £0.00.

ii) The amount of CIL allocated during the reported year under Regulation 59E, CIL returned to the Charging Authority that had been passed to a Neighbourhood Zone and had not been applied to infrastructure after a 5 year period, during the reported year was £0.00.

The amount of CIL spent under Regulation 59E during the reported year was £0.00.

The amount of CIL allocated during the reported year under Regulation 59F during the reported year was £0.00.

The amount of CIL spent under Regulation 59F during the reported year was £0.00.

- k) i) The amount of CIL requested under Regulation 59E for the reported year was £0.00.
- ii) The amount of CIL still outstanding for recovery under Regulation 59E at the end of the reported year for all years is £0.00.
- l) i) The amount of CIL collected, not assigned for Neighbourhood CIL or CIL Administration, for the reported year and that had not been spent is £454,924.30.
- ii) The amount of CIL collected, not assigned for Neighbourhood CIL or CIL Administration, from 01 October 2018 to the end of the reported year that had not been spent is £454,924.30.
- iii) The amount CIL collected and that had not been spent under Regulations 59E and 59F during the reported year are as follows:

Type	Retained
Regulation 59E	£0.00
Regulation 59F	£0.00

iv) The amount of CIL collected from 01 October 2018 to the end of the reported year under Regulations 59E and 59F that has not been spent is as follows:

Type	Retained
Regulation 59E	£0.00
Regulation 59F	£0.00

Appendix 3 – Duty to Cooperate

Who was the meeting with?	Topic area/What was discussed?	When was the meeting?
KCC (Minerals and Waste)	Draft Statement of Common Ground concerning soft sand demand/supply	May 2019
KCC	Integrated Transport Strategy actions with a focus on health	May 2019
Canterbury City Council	Discussion on retail on leisure and invitation to Duty to Cooperate meeting	June 2019
KCC (Minerals and Waste)	Draft Statement of Common Ground concerning minerals and waste safeguarding and site allocation	June 2019
Tunbridge Wells Borough Council	Tunbridge Wells Local Plan progress – main issue in Paddock Wood Maidstone call for sites release in Autumn 2019	July 2019
Tunbridge Wells Borough Council; Ashford Borough Council; Medway; Swale Borough Council and Tonbridge and Malling Borough Council	Iceni analysis of Housing Market Area shared with adjoining authorities and invited to feedback	July 2019
Swale Borough Council	Swale's forthcoming Green and Blue Infrastructure and evidence base. Also cross boundary issues	July 2019
Tonbridge and Malling Borough Council	Update on respective plans	July 2019
Ashford, Medway, Tonbridge and Malling, Tunbridge Wells and Swale	Lichfields analysis of Functional Economic Market Area shared with adjoining	July 2019

Who was the meeting with?	Topic area/What was discussed?	When was the meeting?
	authorities and invited to feedback	
Ashford Borough Council	Update on respective plans	July 2019
Medway	Update on respective plans	July 2019
Swale Borough Council	Update on respective plans	August 2019
Tunbridge Wells Borough Council	Update on respective plans	September 2019
KCC	Update on Local Plan Review (update Regulation 18a and Call for Sites); update on the transport modelling; integrated transport strategy update; Leeds Langley Relief Road	October 2019
Ashford Borough Council	Update on respective plans	November 2019
KCC	Local Plan Review update (working towards Regulation 19b); evidence required for transport modelling	January 2020
Highways England	Local Plan Review and Infrastructure Delivery Plan	February 2020

Table 6.3: Summary of duty to cooperate engagement with neighbouring authorities.

Appendix 4 – Glossary

Acronym	Term	Description
	Affordable Housing	<p>The NPPF defines affordable housing as: housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions:</p> <p>a) Affordable housing for rent: meets all of the following conditions: (a) the rent is set in accordance with the Government’s rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).</p> <p>b) Starter homes: is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household’s eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.</p> <p>c) Discounted market sales housing: is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices.</p>

Acronym	Term	Description
		<p>Provisions should be in place to ensure housing remains at a discount for future eligible households.</p> <p>d) Other affordable routes to home ownership: is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.</p>
AMR	Authority Monitoring Report	The Monitoring Report provides a framework with which to monitor and review the effectiveness of local plans and policies.
	Ancient woodland	An area that has been wooded continuously since at least 1600 AD. It includes ancient semi-natural woodland and plantations on ancient woodland sites (PAWS).
AQMA	Air Quality Management Area	Areas designated by local authorities because they are not likely to achieve national air quality objectives by the relevant deadlines.
AQIA	Air Quality Impact Assessment	AQIA considers the potential impacts of pollution from individual and cumulative development, and to demonstrate how air quality impacts of the development will be mitigated to acceptable levels.
	Best and most versatile agricultural land	Land in grades 1, 2 and 3a of the Agricultural Land Use Classification.
CIL	Community Infrastructure Levy	The levy will help pay for the infrastructure required to support new development. This includes development that does not require planning permission. The levy should not be

Acronym	Term	Description
		used to remedy pre-existing deficiencies unless the new development makes the deficiency more severe.
	Comparison shopping	Retail items not bought on a frequent basis, for example televisions and white goods (fridges, dishwashers etc.)
	Convenience shopping	The provision of everyday essential items, such as food
DEFRA	Department for Environment, Food and Rural Affairs	UK government department responsible for safeguarding the natural environment, supporting the world-leading food and farming industry, and sustaining a thriving rural economy. The department's broad remit means they play a major role in people's day-to-day life, from the food people eat, and the air people breathe, to the water people drink.
	Designated heritage asset	A World Heritage Site, Scheduled Monument, Listed Building, Protected Wreck Site, Registered Park and Garden, Registered Battlefield or Conservation Area designated under the relevant legislation.
	Development Plan	Is defined in section 38 of the Planning and Compulsory Purchase Act 2004, and includes adopted local plans, neighbourhood plans that have been made and published spatial development strategies, together with any regional strategy policies that remain in force. Neighbourhood plans that have been approved at referendum are also part of the development plan, unless the local planning authority decides that the neighbourhood plan should not be made.
DPD	Development Plan Document	A DPD is a spatial planning document that is subject to independent examination. Under new regulations, DPDs are now known as local plans.
DfE	Department for Education	The Department for Education is responsible for children's services and education, including early years, schools, higher and further education policy, apprenticeships and wider skills in England.
DfT	Department for Transport	The DfT works with its agencies and partners to support the transport network that helps the UK's businesses and gets people and goods

Acronym	Term	Description
		travelling around the country. They plan and invest in transport infrastructure to keep the UK on the move.
	Environment Agency	The Environment is the leading public body for protecting and improving the environment in England and Wales, with particular responsibilities for river, flooding and pollution. (www.environment-agency.gov.uk)
	Historic England	Historic England is the government's expert advisor on the country's heritage. Historic England gives advice to local planning authorities, government departments, developers and owners on development proposals affecting the historic environment.
	Housing Delivery Test	Measures net additional dwellings provided in a local authority area against the homes required, using national statistics and local authority data. The Secretary of State will publish the Housing Delivery Test results for each local authority in England every November.
IDP	Infrastructure Delivery Plan	The Infrastructure Delivery Plan identifies the infrastructure schemes necessary to support the development proposed in the Local Plan and outlines how and when these will be delivered.
IMD	Index of Multiple Deprivation	The Index of Multiple Deprivation provides a relative measure of deprivation at small area level across England. Areas are ranked from least deprived to most deprived on seven different dimensions of deprivation and an overall composite measure of multiple deprivation. The domains are used are: income deprivation; employment deprivation; education, skills and training deprivation; health deprivation and disability; crime; barriers to housing and services; and living environment deprivation.
ITS	Integrated Transport Strategy	The Integrated Transport Strategy 2011-2031 assesses the principal existing and future challenges affecting the transport network, including taking account of jobs and housing growth, the recognises that the population of the urban area and dispersed villages bring different challenges and solutions.

Acronym	Term	Description
JSA	Jobseeker's Allowance	Jobseeker's Allowance is an unemployment benefit people can claim while looking for work.
KCC	Kent County Council	The county planning authority, responsible for producing the Kent Minerals and Waste Local Plans. Kent County Council is also responsible for roads, schools, libraries and social services in the county.
LDS	Local Development Scheme	A Local Development Scheme is required under section 15 of the Planning and Compulsory Purchase Act 2004 (as amended). This must specify (among other matters) the development plan documents (i.e. local plans) which, when prepared, will comprise part of the development plan for the area. Local planning authorities are encouraged to include details of other documents which form (or will form) part of the development plan for the area, such as Neighbourhood Plans.
LNR	Local Nature Reserves	Local nature reserves are formally designated areas. They are places with wildlife or geological features that are of special interest locally. They offer people special opportunities to study or learn about nature or simply to enjoy it. (www.naturalengland.org.uk)
	Maidstone Borough Local Plan	The Maidstone Borough Local Plan is the key document that sets the framework to guide the future development of the borough. It plans for homes, jobs, shopping, leisure and the environment, as well as the associated infrastructure to support new development. It explains the 'why, what, where, when and how' development will be delivered through a strategy that plans for growth and regeneration whilst at the same time protects and enhances the borough's natural and built assets. The plan covers the period from 2011 and 2031.
MBC	Maidstone Borough Council	The local planning authority responsible for producing the local plan and supplementary planning documents.
MHCLG	The Ministry of Housing Communities	The Ministry of Housing, Communities and Local Government's (formerly the Department for Communities and Local Government) job is to create great places to live and work, and to give

Acronym	Term	Description
	and Local Government's	more power to local people to shape what happens in their area.
	Neighbourhood Plan	A plan prepared by a parish council or neighbourhood forum for a designated neighbourhood area. In law this is described as a neighbourhood development plan in the Planning and Compulsory Purchase Act 2004.
NOMIS		Nomis is a service provided by the Office for National Statistics, ONS, providing the most detailed and up-to-date UK labour market statistics from official sources.
ONS	Office for National Statistics	The Office for National Statistics (ONS) is the executive office of the UK Statistics Authority, a non-ministerial department which reports directly to Parliament. ONS is the UK Government's single largest statistical producer and is responsible for the production of a wide range of economic and social statistics.
	Previously developed land	Land which is or was occupied by a permanent structure, including the curtilage of the developed land (although it should not be assumed that the whole of the curtilage should be developed) and any associated fixed surface infrastructure. This excludes: land that is or was last occupied by agricultural or forestry buildings; land that has been developed for minerals extraction or waste disposal by landfill, where provision for restoration has been made through development management procedures; land in built-up areas such as residential gardens, parks, recreation grounds and allotments; and land that was previously developed but where the remains of the permanent structure or fixed surface structure have blended into the landscape.
	Primary Frontage	Primary frontages are likely to include a high proportion of retail uses which may include food, drinks, clothing and household goods.
	Self-build and custom-build housing	Housing built by an individual, a group of individuals, or persons working with or for them, to be occupied by that individual. Such housing can be either market or affordable housing.

Acronym	Term	Description
SCAP	Schools Capacity Survey	The school capacity survey is a statutory data collection that all local authorities must complete every year. Local authorities must submit data about: school capacity (the number of places and pupils in a school), pupil forecasts (an estimation of how many pupils there will be in future), capital spend (the money schools and local authorities spend on their buildings and facilities).
SCI	Statement of Community Involvement	The SCI specifies how the community and stakeholders will be involved in the process of preparing local planning policy documents.
SHMA	Strategic Housing Market Assessment	A Strategic Housing Market Assessment assessed the local planning authority/s full objectively assessed need for new homes. This is expressed as the number of new homes needed over the time period the local plan covers. The SHMA also considers affordable housing needs and the need for additional care home places. The National Planning Practice Guidance advises that local planning authorities work with neighbouring authorities where housing market areas cross administrative boundaries.
SPD	Supplementary planning documents	An SPD provides further detail to a policy or a group of policies set out in a local plan. A SPD can provide additional detail about how a policy should be applied in practice. SPDs are a material consideration in planning decisions but are not part of the development plan.
	Sustainability Appraisal	The SA is a tool for appraising policies to ensure they reflect sustainable development objectives, including social, economic and environmental objectives.
	Travel Plan	A long-term management strategy for an organisation or site that seeks to deliver sustainable transport objectives and is regularly reviewed.
	Windfall sites	Sites not specifically identified in the development plan

Table 6.4: Glossary of terms

Agenda Item 17

Strategic Planning and Infrastructure Committee

8 December 2020

Infrastructure Funding Statement

Final Decision-Maker	Strategic Planning and Infrastructure Committee
Lead Head of Service	<i>Rob Jarman</i>
Lead Officer and Report Author	Rob Jarman and Carole Williams
Classification	Public
Wards affected	<i>All</i>

Executive Summary

It is a statutory requirement for the Council to produce an Infrastructure Funding Statement (IFS) annually before 31 December each year. In compliance with this requirement, this report produces the Council's Infrastructure Funding Statement for the financial period 2019/20.

Purpose of Report

For noting and endorsement so that the Infrastructure Funding Statement can be published

This report makes the following recommendations to this Committee:

The Report is for noting

Timetable

Meeting	Date
Strategic Planning and Infrastructure	8 December

Infrastructure Funding Statement

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	<p>The four Strategic Plan objectives are:</p> <ul style="list-style-type: none"> • Embracing Growth and Enabling Infrastructure • Safe, Clean and Green • Homes and Communities • A Thriving Place <p>• We do not expect the recommendations will by themselves materially affect achievement of corporate priorities. However, they will support the Council's overall achievement of its aim of enabling infrastructure by providing a position statement.</p>	Rob Jarman
Cross Cutting Objectives	NA	Rob Jarman
Risk Management	This reduces risk by being transparent on the latest position in relation to CIL and s106 monitoring	Rob Jarman
Financial	The proposals set out in the recommendation are all within already approved budgetary headings and so need no new funding for implementation.	[Section 151 Officer & Finance Team]
Staffing	We will deliver the recommendations with our current staffing.	Rob Jarman
Legal	Pursuant to Regulation 121A (read with Schedule 2) of the Community Infrastructure Levy Regulations 2010 (as amended) the Council is required to produce an Infrastructure Funding Statement (IFS), which replaces the	Russell Fitzpatrick (MKLS (Planning))

	'123 lists'. This must be provided at least annually by no later than 31 December each year and report on CIL and s.106 receipts (financial and non-financial) and the allocation/expenditure thereof during the previous financial year. The IFS must be published on the Council's website. Accepting the recommendation will allow the Council to fulfil its statutory obligations.	
Privacy and Data Protection	Accepting the recommendations will increase the volume of data held by the Council. We will hold that data in line with our retention schedules.	Rob Jarman
Equalities	The recommendations do not propose a change in service therefore will not require an equalities impact assessment	Rob Jarman
Public Health	NA	Rob Jarman
Crime and Disorder	NA	Rob Jarman
Procurement	NA	Rob Jarman

2. INTRODUCTION AND BACKGROUND

- 2.1 Pursuant to the Community Infrastructure Levy Regulations 2010 (as amended) (the 2010 Regulations), the Council, as the contribution receiving authority, is required to produce and publish at least annually (and by no later than 31 December) an Infrastructure Funding Statement (IFS) for the previous financial year. Although the content of the IFS is set out in the 2010 Regulations, in broad terms the IFS sets out:
- 2.1.1 a statement of the infrastructure projects or types of infrastructure which the charging authority intends will be, or may be, wholly or partly funded by CIL,
 - 2.1.2 reports on the CIL and s.106 (planning obligations) contributions (financial and non-financial) it has collected, and
 - 2.1.3 the allocation and any expenditure (including distribution) of the receipts received.
- 2.2 The IFS replaces the CIL Regulation '123 lists'.

- 2.3 In compliance with this statutory requirement, the Council has produced at Appendix 1 to this report its IFS for the financial period 1 April 2019 to 31 March 2020.
- 2.4 This IFS sets out the 2019/20 income and expenditure relating to CIL and s106 legal agreements (also referred to as planning obligations). This annual report provides a summary of all financial and non-financial developer contributions received by the Council for the previous financial year.
- 2.5 The IFS is a key document which seeks to communicate how developer contributions are achieving the infrastructure required by the Council's Strategic Plan, Local Plan and Infrastructure Delivery Plan with the latter containing a 'long list' of infrastructure projects with prioritisation of these. This Committee will allocate CIL monies following a bidding process and the IDP informs the prioritisation of these projects. Within the "critical" list in the IDP it is suggested that Linton Crossroads, the junction of Fountain Lane with the A26 and improvements to Junction 7 of the M20 motorway are perhaps the biggest priorities but a detailed report will be brought to this Committee in the future once greater levels of overall funding have been collected.
- 2.6 S106 monies have to be spent on the projects set out in the s106 agreement. They also cover non-financial matters such as obligating a developer to provide for affordable housing provision and the creation of *in situ* public open space.
- 2.7 The Council also collects funds on behalf of third parties. As this Council is non-unitary much of the funds received through CIL and s.106 receipts are transferred to Kent County Council. Some of the CIL receipts are also to be distributed to parish councils and neighbourhood forums. This Council also collects funds for the Clinical Commissioning Group under s.106 agreements. A summary of the funds held/collected on behalf of third parties, the allocation of those funds and what they have been (or are due to be) spent on by these third parties is also reported on in the IFS.
- 2.8 This report is for noting only and the Council's IFS at Appendix 1 will be published on the Council's website in accordance with the 2010 Regulations.
-

3. AVAILABLE OPTIONS

- 3.1 This report is for noting only and endorsement so that the IFS can be published.
-

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 NA
-

5. RISK

5.1 Whilst this report is presented for information only and has no risk management implications it is a statutory requirement to produce an IFS at least annually by 31 December in each calendar year. It is also a requirement that the IFS be published on the Council's website.

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

6.1 The IFS at Appendix 1 will be uploaded onto this Council's web site.

7. REPORT APPENDICES

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

- Appendix 1: Infrastructure Funding Statement December 2020
-

INFRASTRUCTURE FUNDING STATEMENT: 2019/2020

MAIDSTONE'S APPROACH TO SECURING CONTRIBUTIONS FROM DEVELOPMENT

DECEMBER 2020

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1. Introduction

Maidstone Infrastructure Funding Statement (IFS)

This sets out the 2019/2020 income and expenditure relating to the Community Infrastructure Levy (CIL) and Section 106 (S106) agreements as required under the *2019 CIL Regulations 121A*. This is an annual report (typically published in December) providing a summary of all financial and non-financial developer contributions for the last financial year.

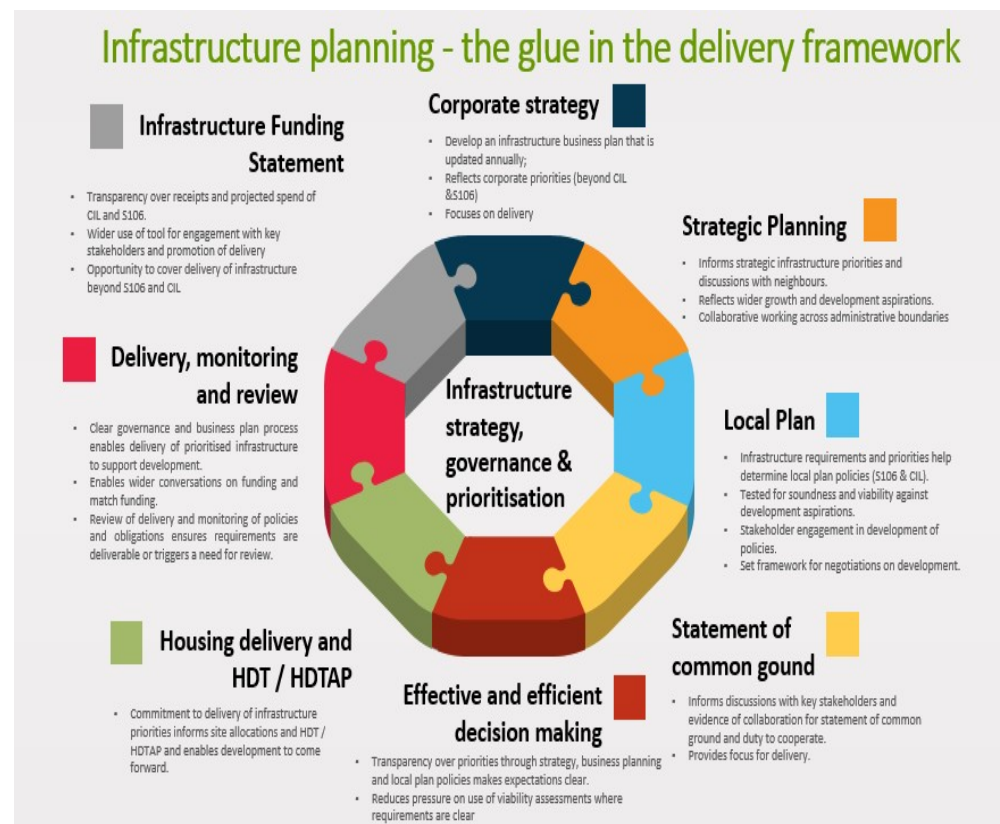
The purpose of the developer contributions is to provide a funding source which will help to deliver necessary infrastructure to accommodate new development across the borough. This necessary infrastructure is identified within the Maidstone Borough Local Plan (2011 - 2031) and the associated Infrastructure Delivery Plan (IDP), also the Council's published CIL regulation 123 List setting out which types of infrastructure not in order of priority, which Maidstone intends may be partly or wholly funded by CIL.

CIL: is a non-negotiable financial levy fixed rate charging schedule collected from development but there is no site/spend relationship, and it must be paid once the development commences. CIL is used for strategic borough wide infrastructure.

S106 Planning Agreements: are legal agreements which provide for on/off site infrastructure that is required to make a development acceptable, otherwise it is CIL. Contributions collected from a site must be spent in accordance with the legal agreement normally paid at a staggered period over the build out of the development.

Section 278 Highway Agreements: are additional legal agreements that can fund infrastructure are Section 278 Agreements (S278). These are legally binding agreements made under the Highways Act 1990 between Local Highways Authorities and Developers. S278 agreements are required to secure alterations or improvements to the highway. The Council will look at the possibility of including information for S278 agreements within future versions of the IFS.

This IFS includes statements of infrastructure projects which Maidstone Borough Council intends to wholly or partially fund from CIL. This in effect replaces the current Maidstone CIL Regulation 123 List of relevant infrastructure which CIL could be used to fund. It also sets out CIL governance arrangements and a CIL spending protocol establishing the process for allocating CIL receipts.



Strategic importance of Infrastructure Funding Statement

The key overarching long-term vision and corporate priorities are set out within the Maidstone's Strategic Plan 2019-2045. One of those key priorities, Embracing Growth and Enabling Infrastructure is about focusing on infrastructure planning and delivery across the Borough.

The IFS is an important document linking to our corporate strategy by identifying our critical infrastructure priorities through the Maidstone Infrastructure

Development Plan (IDP), and identify funding sources from CIL and S106 to enable the delivery of infrastructure now and plan ahead into the future.

2. Maidstone Borough Council Infrastructure Priorities

Maidstone Borough Council is not a unitary council and so works closely with partners such as Kent County Council to plan, co-ordinate and deliver infrastructure. Kent County Council will be producing it's own IFS. Similarly, parishes are required to report their own CIL expenditure on local infrastructure.

The Local Plan and IDP supported the development of the CIL Regulation 123 List in identifying infrastructure types and/or projects intended to be funded wholly or partly by the CIL.

The IFS is intended to improve monitoring practices and closer monitoring of CIL/S106 through the link with housing monitoring together can improve transparency and accountability. It is the narrative 'behind the numbers' and unites monitoring and strategy.

The Maidstone IDP identifies the Borough's infrastructure requirements considered necessary to support the development proposed in the adopted 2017 Maidstone Borough Local Plan and outlines how and when these will be delivered. The IDP therefore plays a key role in demonstrating that planned growth can be accommodated in a sustainable manner, through the timely and coordinated delivery of critical and strategic infrastructure. It is a vital tool in helping to deliver the priorities identified in the Council's Strategic Plan 2019-2045. Whilst it contributes to the delivery of all four priorities, it is particularly relevant to 'embracing growth and enabling infrastructure'.

Infrastructure projects identified in the IDP will be kept under review as new planning permissions are granted as developer contributions are secured and subsequently paid towards infrastructure delivery; and as strategic CIL funds are allocated to infrastructure schemes.

3. Developer Contributions

a. Overview

The 2017 Maidstone Local Plan ID1 sets out our priorities on planning obligations in the context of negotiations on planning applications and identifies clear funding for our priorities by way of S106 planning agreements and the more recent adoption of the Community Infrastructure Levy. Both funding mechanisms provide a means of collecting money to provide funding sources which will help to deliver necessary infrastructure to accommodate new development across the borough.

When specific on-site infrastructure is needed to make a site acceptable in planning terms or there is a policy requirement for example for open space that cannot be accommodated on the site, this would be provided by S106 agreement.

b. Community Infrastructure Levy (CIL)

CIL is a tariff-based charge on the development of new floor space levied on each square metre of new floorspace and is measured by the gross internal area (GIA). CIL was introduced in the borough on 1st October 2018. The money from new development can be used to fund a wide range of infrastructure (e.g. highways and transportation, education, health, social and community infrastructure, public services, open spaces and flood defences) that is needed to meet the future growth needs of the borough. Exemptions to this charge include social housing, charitable development and self-build housing.

The amount of CIL payable depends on where the development is located within the borough and the type of development

Development Type / Location	CIL Charge (£ per sqm)
Residential (Within the Urban Boundary)	£93
Residential (Outside the Urban Boundary)	£99
Site H1 (11) Springfield, Royal Engineers Road Maidstone	£77
Retirement and extra care housing	£45
Retail - wholly or mainly convenience	£150
Retail - wholly or mainly comparison (Outside the Town Centre Boundary)	£75
All other forms of CIL liable floorspace	£ 0

In Maidstone, CIL is charged for residential development including agricultural buildings and offices converted to new dwellings as well as new build dwellings, additional residential floorspace over 100sqm and some retail development.

CIL rates are based on a financial viability study of the Local Plan and have been tested at an independent examination as part of the Charging Schedule setting exercise. The Maidstone CIL Charging Schedule and map of the charging zones were approved in October 2017 and are available to view from our website at: <http://services.maidstone.gov.uk/docs/October%202017%20Approved%20Community%20Infrastructure%20Levy%20Charging%20Schedule.pdf>. Unlike section 106 agreements, the rate of CIL payable is both mandatory and non-negotiable.

CIL receipts collected are allocated towards; Administrative costs (5%); Neighbourhood CIL for Parish Council and non parished areas towards local infrastructure and community projects; Strategic CIL for borough wide infrastructure as identified within Maidstone's IDP and the IFS list of infrastructure

CIL Spending Protocol

- a) The Council and its members are responsible for making the final decision on the allocation of funding raised through CIL. The aim of this Protocol is to ensure that the decision-making process is transparent. Through it the Council will identify and agree priorities for the use of CIL and the allocation of funds on an annual basis.

Strategic CIL monies

- b) The Council will invite funding bids for the strategic CIL funds from a range of infrastructure delivery organisations and stakeholders. Projects submitted will be assessed against the infrastructure types or projects contained in our Infrastructure List within this IFS and will also be aligned with the priority schemes identified in our current Infrastructure Development Plan.
- c) CIL collected will be used to provide infrastructure to support growth within the Borough. Of this:
- d) 5% will be used to provide a dedicated resource for the annual monitoring and management required by the CIL regulations

- e) Either 15% or 25% of receipts accruing from development within their Parish will be allocated to the relevant Parish Council
- f) Remaining CIL monies (70% or 80%) will be allocated by the Council for investment in infrastructure for the Borough, in accordance with this Spending Protocol

Neighbourhood CIL monies

- g) Parishes that have a 'made' (adopted) Neighbourhood Development Plan will receive 25% of receipts accruing from development within their parish. Parishes without a 'made' plan including those where a plan is in preparation will receive 15%, capped at £100 per dwelling in accordance with CIL Regulations. It will be for individual parish councils to determine how their portion of CIL receipts is spent.
- h) In accordance with the CIL regulation 59, the Council as the charging authority will make payments to the relevant Parish or Town Council on an annual basis as follows:
 - i) Payment by 28 October in respect of CIL receipts between 1 April and 30 September
 - j) Payment by 28 April in respect of CIL receipts 1 October and 31 March
 - k) Parish are able to spend their portion of CIL receipts on a wider range of things (other than infrastructure) than the rest of the levy, provided that it meets the requirement to 'support the development of the area'.
- l) Each year when they have received CIL funds, Parish Councils must publish the required information on its website and send a copy to the Council no later than 31 December following the reported year. Where a Parish Council has not received money, they do not have to publish a report but may want to publish some information to this effect in the interests of transparency.
- m) Not all of Maidstone is parished, and in such non-parished areas, the Borough Council will act as spending authority on behalf of the community. It will engage with the local community and agree with them, via the Ward Councillor, how the funds should be best spent.
- n) Some Parish Councils may wish for the Council to hold and spend its CIL funds on its behalf. In such cases, the Council should report this separately.
- o) Monies must be spent by parish councils within 5 years of receipt or the Council can claw back the money and spend it on behalf of the parish.

c. Section 106 Agreements

S106 agreements are used to mitigate the impacts of development and ensure that Maidstone's strategic planning local policy requirements (as set out in the Local Plan ID1 Infrastructure Delivery priorities on Section 106) are fully met. S106 can either be provided on or off-site and include:

- Site-specific financial contributions - these are secured and must be used for defined purposes; for instance, the provision of education facilities, traffic and transport/highways related works, open space provision, health and affordable housing contributions (where accepted in lieu of on-site provision).
- Non-financial obligations, including the provision of on-site affordable housing, open space and bio-diversity offsetting.

S106 developer contributions are paid over a staggered period or 'trigger points' during the build out of the development. This means there will be intervals in receiving the S106 monies which reflects in a fluctuation of the balance of monies collected. Likewise, the expenditure balances will also be impacted by the timing of the delivery of projects. These are regulated within a S106 clause which allows time for the key infrastructure delivery partners in receipt of S106 money to plan and account for project delivery complexities. The clawback periods are between 5 and 10 years.

Detail of the monetary and non-monetary receipts from s.106 agreements is reflected in the S.106 Report at Appendix 1. The monetary figures are considered in greater detail below. It will be noted that 62 affordable housing units were secured during the report period.

d. Other Funding Sources

If funding gaps remain for infrastructure projects, infrastructure providers will need to identify other funding sources to address the gap. Alternative sources of funding from other council sources (i.e. new homes bonus) may be considered where appropriate.

e. Who are the main infrastructure partners for what types of infrastructure?

- Kent County Council, Highways England, Network Rail, Arriva for highways and transportation
- Kent County Council and Valley Invicta Academy Trust for education, adult and youth services, libraries and community learning
- West Kent CCG and NHS England for health facilities, GP surgeries and outreach services
- Southern Water, South East Water and Southern Gas Networks for utilities
- Maidstone Borough Council for green open spaces and the Environment Agency for river restoration and biodiversity improvements
- Environment Agency, Medway Flood Partnership and Southern Water for Flood prevention and mitigation

4. Developer contributions collected in 2019/2020 including opening balance

a. CIL Collected

In 2019/20, a total of £573,222 was collected from Maidstone's CIL. This figure is broken down as follows: Admin £28,661; Neighbourhood CIL £89,636; and Strategic CIL £454,924. The opening balance was nil as this was the first year CIL was implemented in October 2018. The largest sums of Maidstone CIL were received from the following developments:

- Bentletts Scrap Yard, Yalding, **£227,904**
- Lower Danes, Ashford Road, Harrietsham, **£74,952**
- 9 Sittingbourne Road, Maidstone, **£40,658**
- Land at Fishers Farm, Staplehurst, **£36,534**
- 34A Gabriel's Hill, Maidstone, **£26,049**
- La Rochelle, Church Lane Harrietsham, **£22,931**
- Land Adjacent To 28 Fant Lane, Maidstone, **£19,902**
- Green Court, The Street, Bredhurst, **£17,295**
- Springfield, Roundwell, Bearsted, **£17,245.**

b. S106 Contributions Collected

In 2019/2020, a total of £7 million was collected in S106 contributions by Maidstone Borough Council. The S106 opening balance at the 1st April 2019 was £5.7 million held for allocated future spending projects. Developments with the largest total contributions received in 2019/20:

- Land North of Bicknor Wood, Sutton Road, **£1.7m**
- Hen and Duckhurst Farm, Marden Road, Staplehurst, **£946,370**
- Land at Fishers Farm, Fishers Road, Staplehurst, **£912,945**
- (Hermitage Park), Land to the east of, Hermitage Lane, **£713,106**
- The Parsonage, Land east of Goudhurst Road, Marden, **£713, 532**
- Land south of Sutton Road, Langley, **£ 459,916**
- Grafty Green Garden Centre, Headcorn Road, Grafty Green, **£383,217**
- Bell Farm, North Street, Barming, **£283,389**
- Land north of Headcorn Road, Staplehurst, **£265,862**
- Land south of Vicarage Road, Yalding, **£248,009**
- Land at Stanley Farms, Plain Road, Marden, **£246,379**
- Mayfield Nursery, Ashford Road, Harrietsham, **£171,500**
- Land south of Redwall Lane, Linton, **£128,141**
- Former Horticultural Unit Hadlow College, Tonbridge Road, **£80,556**
- Land at Church Street and Heath Road, Boughton Monchelsea, **£80,060**
- 5 Tonbridge Road, Maidstone, **£69,036**
- Land east of Eythorne Street, Hollingbourne, **£64,569**
- Land at Langley Park, Sutton Road, **£45,757**
- Land east of Chance Holding, (The Hardwicks), Grigg Lane, **£43,085**

c. Totals

CIL	RECEIPTS
Admin	£ 28, 661
Neighbourhood CIL for Parish Councils	£ 69, 435
Neighbourhood CIL for Non Parished Areas	£ 20, 201
Strategic CIL	£ 454,924
TOTAL COLLECTED	£ 544,561

S106 INFRASTRUCTURE	S106 RECEIPTS
Education (KCC)	£ 4.3 m
Highways/Transport (KCC)	£ 1 million
Healthcare (NHS/CCG)	£ 699,188
Open Space/Facilities (MBC)	£ 535,664
Communities (KCC)	£ 177,744
Affordable Housing (MBC)	£ 326,836
Public Art (MBC)	£ 25,188
TOTAL COLLECTED (on behalf of KCC and NHS England/CCGs)	£ 7 million

CIL TYPES	CIL RECEIVED	CIL PASSED	CIL BALANCE
Neighbourhood CIL	£89,636.79	£5,895.98	£83, 740.81
Strategic CIL	£454,924.30	NIL	£454,924.30

5. Developer contributions spent in 2019/2020 including closing balances

a. Neighbourhood CIL

Councils have a duty to pass on a proportion of CIL receipts to local neighbourhoods (this is known as the neighbourhood portion) and will be spent in the local area to 'support the development of the area'. In 2019/2020, £5,898 was passed to parish councils for the first neighbourhood CIL payment. Some of the projects that Parish Councils have spent their CIL funds on in 2019/2020:

- Loose, **£1,084** Repairs to open space recreation equipment
- Boughton Monchelsea, **£1,549** Designing a village 20 mph zone
- Bredhurst, **£2,594** Gates for a car park & Maintenance of hedgerows
- Lenham, **£668** Unallocated

b. Strategic CIL

In 2019/20, £454,924 was collected for Strategic CIL. This funding will contribute either wholly or partly with S106 funding and/or other sources of funding towards delivering infrastructure projects across Maidstone Borough.

c. S106

In 2019/20, £2 million was spent towards infrastructure. As a result of the income and expenditure, there is a balance of £10.7 million as of 31st March 2020. Of this balance, the majority is formally committed to specific projects identified within the individual S106 agreements (see d. Table 3).

d. Totals and Balance

Table 1

Table 2

S106 INFRASTRUCTURE	S106 SPEND	TOWARDS
Adult Social Services (KCC)	£ 1,300	provision of Adult Social Services
Community Learning (KCC)	£ 2,341	provision of Community Learning Facilities
Libraries (KCC)	£ 8,966	Provision of additional book stock and facilities
Highway and Transportation (KCC)	£ 618,382	A20 scheme; Linton Crossroads; Hermitage Lane/Heath Road Junction
Primary and Secondary Schools (KCC)	£ 837,256	Schools within Maidstone
Youth Services	£ 296	the provision by Infozone Youth Hub
Healthcare Facilities	£ 96,383	Upgrade facilities at Shepway Medical Centre; Wallis Avenue Surgery; Vine Medical Centre. Grove Park Surgery. Greensands Surgery
Parks and Recreation Facilities	£ 365,304	Skate park/open space in Harrietsham; Millenium Green; Gatland Lane Rec; Church Street play area; Mote Park; Marden Playing Field
Town Centre	£ 100,000	Town Centre public realm phase 3
TOTAL	£ 2,030,228	

Table 3

INFRASTRUCTURE TYPE	S106 BALANCE AMOUNT
Affordable Housing	£962,899.29
Community Learning (KCC)	£51,378.45
Cycle Parking at Marden Station	£35,811.34
Education (KCC)	£3,471,136.44
Healthcare (NHS)	£2,061,871.34
Highways and Transportation (KCC)	£1,411,571.08
Libraries (KCC)	£27,263.47
Open Spaces	£1,747,227.74
Public Art	£25,188.54
Public Rights of Way (KCC)	£32,126.48
Public Transport (KCC)	£821,620.25
Social Care (KCC)	£13,313.83
Town Centre	£21,453.67
Youth Services (KCC)	£36,936.34
TOTAL	£10,719,798.26

The balance contains a mix of contributions which were collected at different periods and may have differing spend by dates on each contribution to allow time for the key infrastructure delivery partners to account and plan for project delivery complexities.

For those projects with a spend by date, the developer can clawback any unspent S106 contributions not allocated after the period for unspent contributions which are generally 5 or 10 years after receipt of the money depending on the complexity of the project. Maidstone Borough Council holds the contributions until the projects have been identified and funds are requested to be drawn down. The spend by dates are monitored by the council to safeguard from developer clawback.

6. Infrastructure planned or prioritised for delivery in 2020/2021

This section sets out a forward look to the next year how CIL and S106 income will be spent and prioritised over the next reporting period (as per the requirements set out in relevant planning practice guidance and the CIL regulations).

The level and timing of CIL funding will depend on factors such as the nature and scale of the development, the number of implemented planning permissions, build-out rates, and the phasing of development. Due to the uncertainty over forecasting, the amount of CIL funding will be based on the total receipts collected from the previous financial year and any unspent receipts from previous financial years.

Longer term forecasting will be dependent on the work in progress of the future review of the Maidstone CIL Charging Schedule. The charging rates set out in the schedule may need to be reviewed in the future to take account of changing market conditions (e.g. rising house prices and land values) and the infrastructure needs arising from the borough's future growth set out in the Local Plan 2013 viability assessment.

Any changes to the charging schedule will need to be subject to one round of public consultation in line with the current CIL regulations.

S106 funding must be spent in accordance with the terms of the legal agreement (as part of the planning application process). The heads of terms can include a clause to spend the S106 contribution between five and ten years of the agreement. S106 funding is more closely tied to the phasing of development set out in the terms of the legal agreement.

S106 income varies on a site-by-site basis depending on a range of factors, such as the viability of development and site-specific considerations. This makes it difficult to forecast future S106 income and expenditure.

a. Maidstone CIL

Strategic CIL

In 2020/2021, the strategic CIL receipts collected are expected to reach more than £2 million. This funding will be used to help fund the delivery of our local development plan priorities against our infrastructure list. As a result of the recent changes to the regulations, CIL is no longer restricted to strategic infrastructure projects identified in the Regulation 123 List (2019 CIL Regulations 121A).

The list below of infrastructure projects that Maidstone Borough Council intends will be, or may be, wholly or partly funded by Community Infrastructure Levy (CIL) funds are set out below. Inclusion of a project on the Infrastructure List does in no way guarantee that the project will receive any CIL funding as projects will be subject to allocation criteria as set out within the CIL Spending Protocol.

Highways and Transportation	Public Services Infrastructure
Transport infrastructure including highway improvement schemes, walking and cycling (including public realm) and public transport infrastructure and improvements.	Public services infrastructure including police, fire and ambulance service infrastructure and strategic waste management infrastructure
Education Provision	Green and blue infrastructure
Education infrastructure including primary and secondary education infrastructure and improvements.	Strategic green and blue infrastructure measures and improvements
Health Provision	Flood prevention and mitigation
Health infrastructure including primary healthcare infrastructure and improvements.	Strategic flood prevention and mitigation infrastructure measures and improvements.
Social and Community infrastructure	
Social and community infrastructure including social care infrastructure, libraries and community facilities.	

Neighbourhood CIL

In 2020/2021, over £200,000 of Neighbourhood funding is expected to become available to spend on local community projects.

b. Section 106 Agreements

Details of planned S106 expenditure across each main spend area are set out below. Much of our planned spending is focussed on smaller-scale improvement works to directly mitigate the impact of development, for example:

- **£512,106** towards 14 affordable houses at the Brunswick Street development
- **£360,042** towards affordable housing at the King Street Car Park development
- **£90,000** Staplehurst Health Centre capacity improvement scheme; and school expansion schemes that will serve borough-wide needs including Headcorn, Harrietsham and Platts Heath primary schools, The Cornwallis Academy, and The Maplesden Noakes secondary schools
- **£15,500** sports facilities improvements at Barming Heath and Gatland Lane
- **£10,000** heritage restoration around Rocky Hill allotments and Scrubbs Lane
- **£2,758.41** on additional book stock at Headcorn Library
- **£2,125.54** book stock at Allington library
- **£1763.46** on Adult Education classes and equipment in Headcorn village
- **£ 168,600** Barming Heath Play facilities
- **£ 5,000** -Refurbishment of Play facilities at Clare Park
- **£37,000**-Shaw Close Play Area new equipment
- **£350,000**-Springfield and Ringlestone Community Centre
- **£22,301** Midley Close Play Area
- **£62,000** Construction of a footpath network around Oakwood Cemetery

Maidstone is undergoing significant growth and physical changes. CIL and S106 receipts are expected to increase over the coming years in response to rising levels of development. Spending levels will need to be closely monitored to take account of changing priorities and the phasing requirements of development.

In response, Maidstone Borough Council has introduced a new governance and decision making structure and a CIL spending protocol to ensure funding from CIL and S106 can facilitate the delivery of infrastructure and associated community benefits.

Other infrastructure projects identified within our IDP that will be prioritised over the next financial year (2020/2021) include:

- Traffic signalisation of the M20 J7 roundabout, widening of the coast bound off-slip and creation of a new signal-controlled pedestrian route through the junction
- Capacity improvements at the junction of Fountain Lane and the A26/Tonbridge Road; and
- Linton Crossroads junction improvements

In terms of the unallocated remaining balance, careful consideration will be given as to how to allocate monies according to the legal definition within the corresponding S106 agreements as well as the wider funding and policy context.

7. Conclusion

Maidstone Borough Council is committed to working with the local community and other stakeholders to ensure that planning contributions are used in a fair and transparent way to maximise the benefits and opportunities arising from development, and aims to work with infrastructure providers to deliver infrastructure such as new affordable homes, community infrastructure, and highway and environmental improvements needed to support planned growth across the borough of Maidstone.

If you have any further queries or comments about this statement, please do not hesitate to contact us via email (CIL@maidstone.gov.uk)

APPENDIX: Community Infrastructure Levy Matters 2019/2020

Community Infrastructure Levy Regulations (2019 Amendment) Regulation 121A
Schedule 2 Section 1

- a) The total value of demand notices issued in the reported period is £803,807.04.

Of total value the amount from Liability Notices (liable floorspace after any relief that has been granted) is £796,940.61. The total value is from surcharges imposed due to breaches of the Community Infrastructure Levy Regulations is £6,866.43 and the total value of the late payment interest accrued is £0.00.

- b) The total amount of CIL collected within the reported period totals £573,222.21.

- c) The amount of CIL collected prior to the reported period totals £0.00. Of this total the following amount was collected in Cash and as Land Transactions (including payments in kind and infrastructure payments) and the following amounts remain unallocated:

Type	Received	Unallocated
Cash	£0.00	£0.00
Land Payment	£0.00	£0.00

- d) The total amount of CIL collected prior to the reported period allocated in the reported period in relation to cash received is £0.00 and in relation to land payments (including payments in kind and infrastructure payments) is £0.00.

- e) The total CIL expenditure recorded for the reported period is as follows:

Type	Expenditure
Admin CIL	£0.00
Neighbourhood CIL	£5,895.98
CIL Land Payments	£0.00
Other CIL Cash	£0.00
Total Value	£5,895.98

- f) The total amount of CIL allocated and not spent during the reported period is as follows, this does not include allocations made within the reported year that have been fully spent:

Type	Allocated	Spent	Remaining
Admin CIL	£0.00	£0.00	£28,661.12
Neighbourhood CIL	£5,895.98	£5,895.98	£83,740.81
CIL Land Payments	£0.00	£0.00	£0.00
Other CIL Cash	£0.00	£0.00	£0.00

- g) i) The items of infrastructure on which CIL (including land payments) has been spent within the reported year, and the amount of CIL spent on each item is as follows:

Infrastructure	Date	Amount	Description
NIL			

- ii) The amount of CIL spent on repaying money borrowed, including any interest, and details of the items of infrastructure which that money was used to provide (wholly or in part) is as follows:

Date	Amount Used	Loan/Interest	Infrastructure Funded
NIL			

- iii) The amount of CIL collected towards administration expenses is £28,661.12. This was 5% of the total CIL receipts collected (£573,222.21) in the reported period.

Maidstone Borough Council has set a collection percentage of 5.00%. The percentage taken may differ due to Land payments (including payments in kind and infrastructure payments) not being allocated to administration expenses, Surcharges and Late Payment Interest not being split with Neighbourhood Areas.

The amount of CIL spent on administration expenses during the reported year was £0.00.

- h) Regarding CIL collected and allocated within the reported year that has not been spent, summary details of what has been allocated, is remaining to be spent and what it has been allocated towards is as follows:

Infrastructure	Amount Allocated	Amount Unspent	Allocation Dated
NIL			

- i) i) The total amount of CIL passed to a neighbourhood zone under Regulation 59A (collected on behalf of the neighbourhood zone in cash), cash collected and allocated towards Neighbourhood CIL, and 59B (cash provided by the Charging Authority to Neighbourhood Zones equivalent to what they would have received on a payment in kind), are as follows:

Zone	Date	Amount Passed
BOUGHTON MONCHELSEA	15 October 2019	£1,549.32
BREDHURST	28 October 2019	£2,594.36
LENHAM	15 October 2019	£668.25
LOOSE	15 October 2019	£1,084.05

The following amounts were allocated towards neighbourhood zones under Regulation 59B, cash provided by the Charging Authority to Neighbourhood Zones equivalent to what they would have received on a payment in kind, during the reported year:

Zone	Amount	Date	Re-allocated from
NIL			

ii) The following spends within the reported year have been passed to a third party to spend on the provision, improvement, replacement, operation or maintenance of infrastructure under Regulation 59(4):

Infrastructure	Amount	Date	Spend Description
CIL LENHAM PC 18/504947/MLN/1 5	£668.25	28 October 2019	No spend yet
CIL LOOSE PC 18/504169/MLO/ 15	£1,084.05	29 October 2019	Repairs to basket swing in the recreation ground King George V Playing Field, Loose
CIL BREDHURST PC 19/500682/MBT/1 5	£2,594.36	28 October 2019	Gates for car park: we have a new community building called Blacksmiths Barn in Blacksmiths Court. It has a small private car park - Hedge cutting throughout the village - Kemsley Street, Hurstwood Road, Forge Lane, The Street and Dunn Street
CIL BOUGHTON MONCHELSEA PC 18/506172/MBC/ 15	£1,549.32	28 October 2019	Highway Consultants design fees for village 20mph zone £720 + £829.32

j) i) The total collected by Maidstone Borough Council for the reported year under Regulation 59E (CIL returned to the Charging Authority after 5 years if not spent) was £0.00 and under Regulation 59F, CIL collected and retained by the Charging Authority for areas that are not designated Neighbourhood Zones, was £0.00.

ii) The amount of CIL allocated during the reported year under Regulation 59E, CIL returned to the Charging Authority that had been passed to a Neighbourhood Zone and had not been applied to infrastructure after a 5 year period, during the reported year is as follows:

Infrastructure	Neighbourhood Zone	Amount	Date
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Infrastructure	Neighbourhood Zone	Amount	Date
NIL			

The amount of CIL spent under Regulation 59E during the reported year is as follows:

Infrastructure	Amount	Date	Spend Description
NIL			

The amount of CIL allocated during the reported year under Regulation 59F during the reported year is as follows:

Infrastructure	Neighbourhood Zone	Amount	Date
NIL			

The amount of CIL spent under Regulation 59F during the reported year is as follows:

Infrastructure	Amount	Date	Spend Description
NIL			

- k) i) The amount of CIL requested under Regulation 59E for the reported year is as follows per neighbourhood zone: £0.00
- ii) The amount of CIL still outstanding for recovery under Regulation 59E at the end of the reported year for all years is as follows for each neighbourhood zone: £0.00
- l) i) The amount of CIL collected, not assigned for Neighbourhood CIL or CIL Administration, for the reported year and that had not been spent is £454,924.30.
- ii) The amount of CIL collected, not assigned for Neighbourhood CIL or CIL Administration, from 01 October 2018 to the end of the reported year that had not been spent is £454,924.30.
- iii) The amount CIL collected and that had not been spent under Regulations 59E and 59F during the reported year are as follows:

Type	Retained
Regulation 59E	£0.00
Regulation 59F	£0.00

- iv) The amount of CIL collected from 01 October 2018 to the end of the reported year under Regulations 59E and 59F that has not been spent is as follows:

Type	Retained
Regulation 59E	£0.00
Regulation 59F	£0.00

Section 106 Matters 2019/2020

Community Infrastructure Levy Regulations (2019 Amendment) Regulation 121A Schedule 2 Section 3

- a) The total amount of money to be provided under any planning obligations S106 agreements which were entered into during the reported year is £369,924.82. This figure does not consider indexation (inflation/deflation) that may be applied when the money becomes due.
- b) The total amount of money received from planning obligations during the reported year was £7,064,620
- c) The total amount of money received prior to the reported year that has not been allocated is £4,932,043.
- d) During the reported year the following non-monetary contributions have been agreed under planning obligations:
- i) The total number of affordable housing units to be provided is 62.

The affordable housing units were secured as follows:

Covenant Type/Service	Dwelling Numbers	Deed Signed	Planning Application
Affordable Housing	21	30/08/2019	18/506657/FULL
Affordable Housing	4	09/10/2019	18/504207/FULL
Affordable Housing	20	05/12/2019	13/1823
Affordable Housing	6	12/12/2019	19/503652/FULL
Affordable Housing/	6	17/02/2020	18/506389/FULL
Affordable Housing	5	18/02/2020	17/506541

- ii) This report does not report on educational facilities, the number of school places for pupils which will be provided, and the category of school at which they will be provided as this is a County Council competence. The monetary contributions that have been secured for the report period by s.106 agreements for primary and secondary schools is set out below.
- e) The total amount of money from planning obligations allocated towards infrastructure during the reported year was £5,034,392.
- f) The total amount of money from planning obligations spent during the reported year was £2,030,228. Of this amount £1,564,924 was spent by a third party on behalf of Maidstone Borough Council.
- g) The following items have had money allocated towards them during the reported year with unspent allocations:

Infrastructure	Allocated	Date Allocated	Unspent
Youth Services	£33,341.62	28 May 2019	£33,341.62
Travel Plan Monitoring Cost	£14,412.96	12 April 2019	£14,412.96
KCC Services	£268,461.52	08 May 2019 to 01 July 2019	£268,461.52
Open Space & Healthcare	£25,680.98	21 June 2019	£25,680.98
Healthcare	£7,009.62	16 August 2019	£7,009.62

Infrastructure	Allocated	Date Allocated	Unspent
Open Space & Healthcare	£34,722.93	08 November 2019	£34,722.93
Community Learning	£1,982.49	09 August 2019	£1,982.49
KCC Services	£94,402.23	12 April 2019	£94,402.23
KCC Highways	£30,621.71	10 June 2019	£30,621.71
Healthcare	£79,404.16	24 May 2019 to 28 June 2019	£79,404.16
KCC Services Open Space & Healthcare	£43,085.90	10 July 2019 to 11 September 2019	£43,085.90
Open Space & Healthcare	£77,964.12	02 September 2019	£68,236.82
Public Art	£25,188.54	02 October 2019	£25,188.54
KCC Services	£11,154.55	10 October 2019	£11,154.55
KCC Services	£8,741.32	16 September 2019	£8,741.32

h) In relation to money which was spent by Maidstone Borough Council during the reported year:

i) The items of infrastructure that planning obligation money has been spent on and the amount spent are as follows:

Infrastructure	Spent	Date Spent	Spend Description
Adult Social Services (KCC)	£ 1,300	01 April 2019-31 March 2020	provision of Adult Social Services
Community Learning (KCC)	£ 2,341	01 April 2019-31 March 2020	provision of Community Learning Facilities
Libraries (KCC)	£ 8,966	01 April 2019-31 March 2020	Provision of additional book stock and facilities
Highway and Transportation (KCC)	£ 618,382	01 April 2019-31 March 2020	A20 scheme; Linton Crossroads; Hermitage Lane/Heath Road Junction
Primary and Secondary Schools (KCC)	£ 837,256	01 April 2019-31 March 2020	Schools within Maidstone
Youth Services	£ 296	01 April 2019-31 March 2020	the provision by Infozone Youth Hub
Healthcare Facilities	£ 96,383	01 April 2019-31 March 2020	Upgrade facilities at Shepway Medical Centre; Wallis Avenue Surgery; Vine Medical Centre. Grove Park Surgery. Greensands Surgery

Infrastructure	Spent	Date Spent	Spend Description
Parks and Recreation Facilities	£ 365,304	01 April 2019-31 March 2020	Skate park/open space in Harrietsham; Millenium Green; Gatland Lane Rec; Church Street play area; Mote Park; Marden Playing Field
Town Centre	£ 100,000	01 April 2019-31 March 2020	Town Centre public realm phase 3

ii) The amount of planning obligation money spent on repaying money borrowed, including any interest, with details of the items of infrastructure which that money was used to provide are as follows:

Date	Amount Used	Loan/Interest	Infrastructure Funded
NIL			

iii) The amount of planning obligation money spent in respect of administration of planning obligations and monitoring in relation to the delivery of planning obligations during the reported year was £0.00.

i) The total amount of money retained at the end of the reported year is £10,700,000. Of this amount retained an amount of £0.00 has been retained for long term maintenance. Please see the below table for a breakdown of the retained maintenance amount.

Description	Amount
Total collected for long term maintenance	£0.00
Total allocated towards maintenance	£0.00
Total spent on maintenance	£0.00

STRATEGIC PLANNING AND INFRASTRUCTURE COMMITTEE

8 December 2020

Local Plan Review Update

Final Decision-Maker	Strategic Planning and Infrastructure Committee
Lead Head of Service	Rob Jarman, Head of Planning and Development
Lead Officer and Report Author	Tom Gilbert, Principal Planning Officer
Classification	Public
Wards affected	All wards.

Executive Summary

At the 10th March 2020 meeting of this committee, Members resolved that officers provide a short, written update at each meeting of this committee, concerning any slippage and/or progress on delivering the Local Plan Review on the timescale agreed. This report provides the requested update.

Purpose of Report

Noting

This report makes the following recommendations to this Committee:

1. That the report be noted.

Timetable

Meeting	Date
Strategic Planning and Infrastructure Committee	8 December 2020

Local Plan Review Update

1. INTRODUCTION AND BACKGROUND

- 1.1 At the 10th March 2020 meeting of the Strategic Planning and Infrastructure (SPI) committee, Members resolved that officers provide a short-written update at each meeting of this committee, concerning any slippage and/or progress on delivering the plan on the timescale agreed. This report provides the requested update.
- 1.2 At its meeting on 9 November 2020, the Committee considered the Local Plan Review (Regulation 18¹) Preferred Approaches document and this, together with a sustainability appraisal, were approved for consultation. Consultation and pre-consultation arrangements were also agreed, so that public consultation on the plan would be undertaken between 1 and 22 December 2020. The Committee authorised the Head of Planning and Development, in conjunction with the Chair and Vice-Chair of the Committee, to make subsequent minor amendments and factual alterations to the consultation document.
- 1.3 At the time of writing the Council has undertaken a comprehensive pre-consultation programme. This has included briefings with key stakeholders (infrastructure providers & regulatory bodies), Parish Councils, relevant Kent County Council members with wards in Maidstone Borough, the Kent Association of Local Councils, a private developers' forum, as well as meetings with Kent County Council and neighbouring local planning authorities.
- 1.4 The aim of the pre-consultation meetings has been to inform the groups named above of the consultation, its purpose, and the nature of the proposals. This is to enable these parties to submit comprehensive and informed responses to the council for consideration as part of the formal consultation.
- 1.5 At the time of writing, preparatory work for the consultation was progressing satisfactorily, meaning that the consultation itself could take place as scheduled and in accordance with relevant requirements, including the published Statement of Community Involvement.
- 1.6 Officers also wanted to use this report to provide Members with an update on the proposed Government changes to the local housing need figures. On 22 September 2020, a report was presented to this committee relating to the Government consultation on 'Changes to the current planning system' (6 August to 1 October 2020). Part of that consultation proposed changes to the standard methodology for assessing housing need. Under the proposed changes, the annual housing need for Maidstone Borough would increase from 1,214 to 1,569 per year.

¹ Regulation 18 of The Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended)

- 1.7 At present there has been no official response from the government to the representations made by this authority and other respondents to the consultation. However, it has been reported widely that the Ministry of Housing, Communities and Local Government (MHCLG) is considering adjusting the proposals to rebalance the housing need more evenly across England. At the time of writing, there has been nothing published by the government to indicate what revisions will be made and how they will affect boroughs such as Maidstone.
- 1.8 Officers continue to engage with officials at MHCLG on this issue as part of wider discussions on the Local Plan Review and will report back to Members with any material updates to the situation.
- 1.9 Lastly, Members attention is also drawn to the fact that Maidstone Officers are monitoring key risks to the Local Plan Review process. These risks comprise a range of operational and technical matters and these include -
- proposed changes to the current national planning system being introduced within the Local Plan Review timeline. Officers are closely monitoring the situation and maintaining dialogue with central government and will appraise Members regularly
 - the implications of the current Covid-19 pandemic on the Local Plan Review process. Officers will manage this through close working with Members, other stakeholders and providers of commissioned services to minimise impact on the timeline for the review
 - the shortening of the Local Plan Review production process and potential implications for the associated evidence base. Officers have undertaken a full review of the evidence base timescales and are seeking to prepare relevant information within the revised timescales and this process will be continually risk assessed going forward.
 - The potential for there to be a lack of feedback and cooperation by statutory bodies, neighbouring authorities, and other stakeholders. Officers are continuing to engage with these bodies and a full report will be presented to this committee in January.
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2. RISK

- 2.1 This report is presented for information only and has no direct risk management implications. Risks associated with the Local Plan Review are dealt with through the usual operational framework, as detailed above in the report.
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3. REPORT APPENDICES

- 3.1 None.
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4. BACKGROUND PAPERS

- Background Paper 1: Report to SPI Committee 22.09.20 on Council Response to the Government's Proposed Planning Reforms: 'Changes to the current planning system' and 'White Paper: Planning for the Future': https://maidstone.gov.uk/home/primary-services/council-and-democracy/primary-areas/your-councillors?sq_content_src=%2BdXJsPWh0dHBzJTNBJTJGJTJGbWVldGluZ3MubWFpZHN0b25lLmdvdi51ayUyRmRvY3VtZW50cyUyRnM3MjQ5NCUyRkNvdW5jaWwIMjBSZXNwb25zZSUyMHRvJTIwdGhlJTIwR292ZXJubWVudHMIMjBQcm9wb3NiZCUyMFBsYW5uaW5nJTIwUmVmb3JtcyUyMENoYW5nZXMIMjB0byUyMHRoZSUyMGN1cnJlbnQIMjBwbGFubmluZyUyMHN5cy5wZGYmYWxsPTE%3D