

05 November 2020 at 7.00 pm

This meeting will be held virtually via Zoom,  
and livestreamed here:

[https://www.youtube.com/channel/UCIT1f\\_F5OfvTzxjZk6Zqn6g](https://www.youtube.com/channel/UCIT1f_F5OfvTzxjZk6Zqn6g)

Despatched: 28.10.20



# Cabinet

## Membership:

Chairman, Cllr. Fleming; Vice-Chairman, Cllr. Dickins  
Cllrs. McArthur, Dyball, Maskell and Thornton

## Agenda

There are no fire drills planned. If the fire alarm is activated, which is a continuous siren with a flashing red light, please leave the building immediately, following the fire exit signs.

	Pages	Contact
Apologies for Absence		
1. <b>Minutes</b> To agree the Minutes of the meetings of the Committee held on 15 October and 27 October 2020 (to follow), as a correct record.	(Pages 1 - 8)	
2. <b>Declarations of interest</b> Any interests not already registered		
3. <b>Questions from Members (maximum 15 minutes)</b>		
4. <b>Matters referred from Council, Audit Committee, Scrutiny Committee, CIL Spending Board or Cabinet Advisory Committees</b>		
5. <b>Report on Special Urgency Decisions</b>	(Pages 9 - 26)	Vanessa Etheridge Tel: 01732 227199
6. <b>Budget Setting 2021/22</b>	(Pages 27 - 134)	Adrian Rowbotham Tel: 01732 227153



REPORTS ALSO CONSIDERED BY THE CABINET ADVISORY COMMITTEES

7. <b>Infrastructure Funding Statement Priorities</b>	(Pages 135 - 188)	Claire Pamberi Tel: 01732227221
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8. **Financial Results 2020/21 To the end of August 2020**

(Pages 189 - 220)

Alan Mitchell  
Tel: 01732227483



Indicates a Key Decision



indicates a matter to be referred to Council

#### EXEMPT INFORMATION

At the time of preparing this agenda there were no exempt items. During any such items which may arise the meeting is likely NOT to be open to the public.

If you wish to obtain further factual information on any of the agenda items listed above, please contact the named officer prior to the day of the meeting.

Should you need this agenda or any of the reports in a different format, or have any other queries concerning this agenda or the meeting please contact Democratic Services on 01732 227000 or [democratic.services@sevenoaks.gov.uk](mailto:democratic.services@sevenoaks.gov.uk).

CABINET

Minutes of the meeting held on 15 October 2020 commencing at 7.00 pm

Present: Cllr. Fleming (Chairman)

Cllr. Dickins (Vice Chairman)

Cllrs. McArthur, Dyball, Maskell and Thornton

Cllrs. Griffiths, Grint and Purves were also present.

119. Minutes

Resolved: That the Minutes of Cabinet held on 17 September be agreed and signed as a correct record.

120. Declarations of interest

There were no additional declarations of interest.

121. Questions from Members

Cllr Purves asked a question about the kerbside collection of food waste, to make compost. The Chairman responded that very little of the District's waste went to landfill and that the Council was very proud of its weekly collections, which would be affected by the introduction of a new form of collection. He outlined that the waste collected in black sacks had been audited across Kent and that the District disposed of a similar amount of food waste as other authorities.

122. Matters referred from Council, Audit Committee, Scrutiny Committee, CIL Spending Board or Cabinet Advisory Committees

There were none.

123. Budget Update 2021/22

The Deputy Chief Executive and Chief Officer for Finance & Trading presented the report which set out the progress made in preparing the 2021/22 budget. It was proposed that the Council continued to set a revenue budget that assumed no direct funding from Government through the Revenue Support Grant or New Homes Bonus. This would result in the Council continuing to be financially self-sufficient.

To achieve this aim and to ensure a balanced budget position over the next 10-year period would be more challenging this year due to the financial impact of the Covid-19 pandemic.

At Cabinet on 17 September 2020 a budget gap of £826,000 was reported which was largely due to Covid-19. The report included the proposals to remove the gap.

Many of the proposals are currently being presented to the Advisory Committees, and Cabinet would consider their comments on 5 November 2020.

Resolved: That Officers should continue with the budget process as planned and as set out in the calendar of meetings.

124. Caravan Site Licencing Fees

The Housing & Health Portfolio Holder presented the report which advised Members that with the introduction of the Mobile Homes Act 2013, the Council was now able to charge a fee to license residential caravan sites.

The Private Sector Housing Manager set out that charging a fee would enable the Council to monitor site licence compliance more effectively which would ensure residents' health and safety was better protected and the value of their homes safeguarded. The Council would then be able to take enforcement action where site owners were not managing and maintaining their sites and services adequately.

The Portfolio Holder advised that Advisory Committee had considered the same report and had recommended it for approval.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That

- a) the Fees Policy for Relevant Protected Sites as set out in the Appendix to the report, be adopted from 1 September 2020; and
- b) a charge for licensing fees for Relevant Protected Sites in accordance with the Mobile Homes Act 2013, be adopted to apply as from 1 September 2020.

125. The future of the 'Sevenoaks Switch and Save' Scheme

The Housing & Health Portfolio Holder presented the report which set out options for the future delivery of energy comparison services. This included continuing to provide the Sevenoaks Switch and Save Scheme or supporting residents in accessing other existing nationally recognised services, set out as Options A or B at paragraph 21 of the report.

The Portfolio Holder advised that Advisory Committee had considered the same report.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

## Cabinet - 15 October 2020

Resolved: That Option B be the chosen option, to no longer fund or provide the Council's dedicated 'Sevenoaks Switch and Save' Scheme and instead promote existing nationally recognised energy switching comparison services and support local residents to access them at no cost to the Council.

126. Rough Sleepers - Covid-19 response update report

The Housing & Health Portfolio Holder presented the report which provided Members with an update on the homelessness work to place rough sleepers into accommodation as part of this Council's response to COVID19. The Council continued to support homelessness people at risk of rough sleeping in temporary accommodation, as part of this Council's response to the COVID-19 pandemic. The aim was to support everyone in hotels, who wanted more permanent housing, to move-on and provide them with the required support to secure and succeed a tenancy moving forward.

The Portfolio Holder advised that Advisory Committee had considered the same report and recommended it for approval.

Members received an informative [presentation](#) from the Head of Housing & Health. Members expressed their thanks to the Housing Advice Service and the wider Housing team for their hard work during the response to the Covid-19 pandemic.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That the work to place rough sleepers and those displaced by the pandemic into hotel accommodation as part of the Council's COVID-19 response, be noted.

127. Community Plan 2019-20 Annual Report

The People & Places Portfolio Holder presented the report which set out the annual report for the first year of the Sevenoaks District Community Plan 2019-22 which had been completed and progressed against key success measures for each priority within the plan.

The Deputy Chief Executive and Chief Officer for People & Places indicated that Officers had circulated information on the progression of the Bradbourne Lakes landscape improvements commencement date. There would be a reassessment of a bid for funding for the improvements during the 2021-22 financial year.

The Portfolio Holder advised that Advisory Committee had noted the same report.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That the Community Plan 2019-20 Annual report be noted.

128. Sencio Community Leisure - Supporting the recovery of leisure in the District

The People & Places Portfolio Holder presented the report which set out a request from Sencio Community Leisure for financial assistance to mitigate current financial difficulties related to the impact of the Coronavirus outbreak and subsequent recovery period.

The Deputy Chief Executive and Chief Officer for People & Places informed Members of her understanding of the financial constraints and challenges facing Sencio Community Leisure, particularly following the Covid-19 pandemic. Members discussed the report and expressed concerns as to the cashflow difficulties understood to be presenting themselves to the leisure trust. Members also noted that they had not yet been provided with a full cashflow analysis.

The Portfolio Holder advised that Advisory Committee had considered the same report.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That

- a) Sencio's request for an extension to the current payment holiday on their loan repayments to the Council by a further 6 months to March 2021, be supported; and
- b) Officers be requested to explore the financial implications of COVID-19 for the delivery of leisure services in the Sevenoaks District to both Sencio and the Council.

129. 27-37 High Street, Swanley redevelopment

The Improvement & Innovation Portfolio Holder presented the report which sought approval: to redevelop 27-37 High Street, Swanley, to provide a new business hub and 17 residential units; for the project to be established within the Capital Programme; and for the project to proceed. The Strategic Head of Property & Commercial outlined the proposals once more for the benefit of Members.

The Portfolio Holder advised that Advisory Committee had considered the same report and recommended it for approval.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That it be recommended to Council that

## Cabinet - 15 October 2020

- a) the redevelopment of 27-37 High Street, Swanley, as outlined in the report, to provide a new business hub and 17 residential units at an estimated total project cost of £5,624,039 as set out in Table 1 to the report, be approved;
- b) the project be funded by
  - i. capital receipts from the sale of units in the scheme, estimated to be c. £4,134,039;
  - ii. £1,490,000 from the Getting Building Fund (GBF) administered by the South East Local Enterprise Partnership (SELEP), noting that the SELEP Accountability Board will only make a decision on this match funding on the 20 November 2020 and thus approval to proceed with the project is conditional on SELEP finally awarding the GBF grant; and
  - iii. the £375,000 vired in August 2020 be transferred back to the Property Investment Strategy from this project.
- c) authority be delegated to the Strategic Head of Property and Commercial in consultation with the Head of Legal and Democratic Services and the Chief Officer Finance and Trading, to enter into necessary contracts to facilitate the development and construction of the proposed scheme in accordance with the Council's Contracts Procedure Rules.

130. Annual Review of Parking Management 2021/22

The Cleaner & Greener Portfolio Holder presented the report which sought approval to a freeze on all parking charges across the district, in light of the impact that the Covid-19 pandemic has had on parking supply and demand for parking across the district. The Parking Manager set out that a freeze would help support local businesses and economies, stabilising services over the next 12 months. Members agreed as to the importance of effective and positive communication in relation to the management of parking in the District.

Members discussed the management of Bradbourne Car Park in particular and agreed that to monitor usage over the next month would be beneficial.

The Portfolio Holder advised that Advisory Committee had considered the same report.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That

- a) the parking management proposals for a freeze on all parking charges for 2021/22, be agreed; and
- b) Bradbourne Car Park be monitored over the next month to assess whether a charge reduction would be supported.

131. Christmas Parking 2020

The Cleaner & Greener Portfolio Holder presented the report which proposed free parking in Sevenoaks town and Westerham on the two weekends leading up to Christmas in December 2020.

The Parking Manager set out that vehicles would still be required to observe a maximum parking time and regular monitoring would take place to ensure this is complied with. The maximum stay in Blighs Car Park on the two weekends would also be reduced from 4 hours to 3 hours. The cost in terms of the loss of income would be met from supplementary estimates.

There would be no additional parking need for a Christmas lights switch-on this year.

The Portfolio Holder advised that Advisory Committee had considered the same report and recommended it for approval.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That

- a) the proposal for free parking in Sevenoaks town and Westerham on Saturday 12 December 2020, Sunday 13 December 2020, Saturday 19 December 2020 and Sunday 20 December 2020 be agreed; and
- b) it be recommended to Council that the cost of in terms of loss of income for free parking be met from Supplementary Estimates.

132. Sevenoaks Parking Review

The Cleaner & Greener Portfolio Holder presented the report which informed Members of the findings of the Sevenoaks parking review carried out between October 2019 and January 2020. The review recommended that where parking issues had been identified, that reasonable and proportionate measures be taken to improve parking management arrangements.

The Parking Manager further set out that the review also recommended that no further action at this stage be taken in locations where feedback indicated that no significant parking issues exist. It was acknowledged that some areas had more complex parking issues which could need further investigation. It was also



## Cabinet - 15 October 2020

proposed that new measures to help support low paid local workers and improve the benefits that existing zones provided to residents.

The Portfolio Holder advised that Advisory Committee had considered the same report and recommended it for approval.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That

- a) the ratio of resident and non-resident permits be adjusted to reduce non-resident permits over time and ensure that parking availability is maximised throughout the day, this will be done through permit surrenders and making non-resident permits not road specific;
- b) the period of no return in all parking bays in zone A be increased from 1 hour to 4 hours;
- c) “no return” to all roads in Zone A, until the 4-hour no return period has passed;
- d) rationalising boundaries and eligibility to maximise convenience and accessibility for residents be reviewed;
- e) Non-resident on-street parking permits to low paid workers at a reduced rate, where spare capacity exists, be offered; and
- f) Areas falling out of the scope of changes mentioned in these recommendations should be considered for inclusion in other future schemes.

## IMPLEMENTATION OF DECISIONS

This notice was published on 19 October 2020. The decisions contained in Minutes 123, 124, 125, 126, 127, 131 and 132 take effect immediately. The decisions contained in Minutes 128 and 130 take effect on 27 October 2020. The decision contained in Minute 129 and 131 is a reference to Council.

THE MEETING WAS CONCLUDED AT 8.48 PM

CHAIRMAN



## REPORT ON SPECIAL URGENCY DECISIONS

Cabinet - 5 November 2020

**Report of:** Chief Executive

**Status:** For Decision

**Key Decision:** No

**Portfolio Holder:** Cllr. Peter Fleming

**Contact Officer:** Vanessa Etheridge, Ext. 7199

**Recommendation:** That the report be noted.

**Reason for recommendation:** To comply with the Council's governance arrangements.

### Introduction

- 1 This report complies with Part 13, paragraph 12 (d) of the Council's Constitution which states that the Chief Executive has the delegated authority  
  
'In cases of urgency, after consultation with the Leader and Deputy Leader of the Council [and, where possible, the Leader(s) of the Opposition], to take any decision which could be taken by the Cabinet or by a Committee and to report such actions to Cabinet or Committee as appropriate.
- 2 The urgent decisions were also classified as 'Key Decisions' and as such, usually subject to a notice period of 28 days. Regulation 11 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, allows for cases of 'special urgency' to be taken with the agreement of the Chairman of the Scrutiny Committee that the decision is 'urgent and cannot be reasonably deferred and notice is given as soon as reasonably practicable after the agreement is given.' (See also paragraph 17, Appendix A -Access to Information Procedure Rules, of the Council's Constitution.) The Chairman of Scrutiny Committee's consent was given and notices were published of the decision as soon as it was made.
- 3 In addition to the above, key decisions are subject to a call-in period and would not usually come into force until the 'expiry of five clear working days after their publication. Appendix C, paragraphs 18.3 to 18.18 of the Council's Constitution sets out call-in and urgency procedures. In these cases the Chairman of the Council agreed that that the decision proposed

## Agenda Item 5

was reasonable in all the circumstances and were to be treated as matters of urgency, and not be subject to call-in.

### Decisions

- 4 Since it was last reported the following decisions have been taken, attached as Appendices A and B:
  - Officer Decision 06 (2019/20) - Sencio Community Leisure - request for grant funding
  - Officer Decision 07 (2019/20) - Test and Trace isolation payments schemes
- 5 The decisions set out their reasons for urgency.

### Key Implications

#### Financial

The financial implications of these decisions are included in a separate report which complies with the reporting procedures set out in Appendix D (Financial Procedure Rules) 2(d) paragraphs 2.32 and 2.33 of the Council's Constitution.

#### Legal Implications and Risk Assessment Statement

All relevant legislation and constitutional requirements were adhered to. Each decision sets out its reason for urgency.

#### Equality Assessment

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

### Conclusions

The decision to use the urgency provisions as set out in the report were taken in view of the pressing need for an immediate response to the crisis.

Members are asked to note this report.

**Appendices**

Appendix A: Officer Decision 06 (2019/20)

Appendix B: Officer Decision 07 (2019/20)

**Background Papers**

Council's Constitution

**Dr. Pav Ramewal**

**Chief Executive**

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## Officer Decision Statement

### Openness of Local Government Bodies Regulations 2014/2095

<b>Subject:</b>	Sencio Community Leisure - request for grant funding
<b>Key Decision</b>	Yes
<b>Notice of the Key Decision</b>	Notice has been given as per Regulation 11 of The Local Authorities (Executive Arrangements)(Meetings and Access to Information)(England) Regulations 2012
<b>Details of Decision taken</b>	Approval of £35,000 grant funding to support the Council's leisure provider, Sencio Community Leisure, to settle an outstanding electricity utility debt (for the three Council-owned leisure centres) accumulated during the Government closure of all leisure and gym facilities. Approval will enable the reopening of the centres and welcome customers back through the doors.
<b>Reason for Decision</b>	If financial support is not granted, Sencio will be unable to re-open the leisure centres on 3 August 2020, as per its Recovery Plan and as a result, the Council is likely to incur significant financial liabilities and potential reputational risks as people will be unable to return to their local leisure provision.
<b>Reason for Urgency</b>	On 20 July 2020, Sencio Community Leisure formally approached the Council to advise that they had been served 7 working days notice to pay an outstanding electricity debt (£35,000), accumulated during the enforced closure. If unpaid within the given timeframe, the power supply to the three leisure centres operated by Sencio on behalf of the Council, will be disconnected at the end of the 7 day period.
	If financial support is not granted, the consequences are: <ul style="list-style-type: none"> <li>• Sencio unable to re-open the leisure centres on 3 August 2020, as per its Recovery Plan.</li> <li>• Significant financial liabilities to the Council if Sencio is unable to reopen the centres.</li> <li>• Significant property maintenance costs incurred by the Council for the building fabric and plant, including the swimming pools, located within the three centres.</li> <li>• Reputational risk to the Council if local people are unable to return to their local leisure provision.</li> </ul>

Leisure and sport will be critical to improving the health of people from all ages and backgrounds as we emerge from this crisis. As destinations in themselves, the leisure centres will also draw people in to town centres creating community spaces and support for local businesses.

Pursuant to Appendix C, paragraph 18 of the Council's Constitution, it is deemed that the decision proposed is reasonable in these circumstances to be treated as a matter of urgency and the call-in procedure does not apply.

#### **All Documents considered:**

Background information attached.

#### **Details of any alternative options considered and rejected by the Officer when making the Decision: None.**

#### **Financial implications**

Council investment of £35,000, from existing budgets, is being sought to cover the grant payment.

It should be noted that UK Active and Sport England have submitted an application to Government for a financial package of support for local authority leisure. A Government decision is expected imminently. Therefore, there could be the potential to deduct £35,000 from any forthcoming funding, which would make the impact cost neutral.

#### **Legal Implications and Risk Assessment Statement**

This decision is taken by the Chief Executive acting in accordance with Paragraph 12 (d) of Part 13 of the Constitution, which authorises him as follows:

(d) In cases of urgency, after consultation with the Leader and Deputy Leader of the Council [and, where possible, the Leader(s) of the Opposition], to take any decision which could be taken by the Cabinet or by a Committee and to report such actions to Cabinet or Committee as appropriate.

Furthermore, this being an urgent Key Decision, Notice has been duly given and the agreement of the Chairman of the Scrutiny Committee has been sought to enable the decision to proceed as per Regulation 11(1)(a) of The Local Authorities (Executive Arrangements)(Meetings and Access to Information)(England) Regulations 2012.

Furthermore, this being an urgent Key Decision, the agreement of the Chairman of the Council has been sought to disapply the call-in procedure set out in



Paragraph 18 of Appendix C of the Constitution, for the reasons set out in Paragraphs 18.13 - 18.18.

**Equality Assessment**

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

**Local Member(s), Portfolio Holders and/or Chief Officer/Heads of Service Consulted**

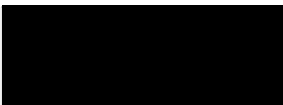
Cllr Dyball, Cabinet Member - People and Places  
 Chief Officer - People and Places  
 Chief Officer - Finance and Trading

**Agreement of Chairman of Scrutiny Committee pursuant to 11 (1)(a) of The Local Authorities (Executive Arrangements)(Meetings and Access to Information)(England) Regulations 2012, obtained on:** On 24 July 2020

**Agreement of the Chairman of the Council pursuant to Appendix C, para. 18.16 of the Council’s Constitution, obtained on:**  
 On 24 July 2020

**Details of any conflicts of interest**  
 a) declared by any member who was consulted or was part of the body giving specific express authorisation  
  
 b) and any details of dispensations granted by the Chief Executive in respect of any declared conflict

<b>Decision taken by:</b>	Dr Pav Ramewal, Chief Executive
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<b>Signed by Officer</b>	
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<b>Date of Decision</b>	27 July 2020
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<b>Record made by:</b>	Charlie Sinclair
<b>Date of record:</b>	27 July 2020

**This decision takes immediate effect**

## Background Information for Emergency Expenditure Request

Emergency: Sencio Community Leisure - outstanding utility payment  
Subject: Sencio Community Leisure - request for grant funding  
Date: 24 July 2020  
Chief Officer: Sarah Robson

### Council Constitution

#### Appendix D - Financial Procedure Rules

#### 2d. Emergency Expenditure

##### Why is this important?

The Council needs to have in place a procedure for meeting immediate needs in the case of an emergency situation arising in the District.

##### General

**2.32** The Chief Executive and s.151 Officer/Chief Finance Officer shall have the authority to approve expenditure on any item which is essential to meet any immediate needs created by an emergency or which is referable to Section 138 of the Local Government Act 1972, subject to a subsequent report to Cabinet and/or Full Council depending on whether or not the expenditure can be met from within the current budget framework.

**2.33** The Chairman or Vice-Chairman of the Council together with the Leader or Deputy Leader of Council, having received a report from the Chief Executive and the Chief Executive and s.151 Officer/Chief Finance Officer, shall have power to incur expenditure which is essential to meet any immediate needs created by an emergency or which is referable to Section 138 of the Local Government Act 1972 (or other subsequent legislation) which is not otherwise authorised or where it is necessary in the Council's interest to settle legal proceedings which have been commenced against the Council. A subsequent report shall be submitted to Cabinet and/or the full Council depending on whether or not the expenditure can be met from within the current budget framework.

### Detail

Sencio Community Leisure is a community benefit society set up in 2003 to run three leisure centres and a golf course on behalf of Sevenoaks District Council.

On 20 March 2020, the Government ordered all gyms and leisure centres across the UK to close due to the spread of COVID-19, leaving companies such as Sencio Community Leisure with significant ongoing costs, but no income.

Leisure providers have been exempt from COVID-19 emergency support funding, including Sport England's emergency response fund, the Government's £750 million for frontline charities and the retail, hospitality and leisure grants.

On 20 July 2020, Sencio Community Leisure formally approached the Council to advise that they had been served 7 working days notice to pay an outstanding electricity debt (£35,000), accumulated during the enforced closure. If unpaid within the given timeframe, the power supply to the three leisure centres operated by Sencio on behalf of the Council, will be disconnected at the end of the 7 day period.

Therefore, Sencio has formally requested for urgent financial assistance from the Council, asking for a grant of £35,000 to cover the outstanding payment and enable the reopening of the centres and welcome customers back through the doors.

If financial support is not granted, the consequences are:

- Sencio unable to re-open the leisure centres on 3 August 2020, as per its Recovery Plan.
- Significant financial liabilities to the Council if Sencio is unable to reopen the centres.
- Significant property maintenance costs incurred by the Council for the building fabric and plant, including the swimming pools, located within the three centres.
- Reputational risk to the Council if local people are unable to return to their local leisure provision.

Leisure and sport will be critical to improving the health of people from all ages and backgrounds as we emerge from this crisis. As destinations in themselves, the leisure centres will also draw people in to town centres creating community spaces and support for local businesses.

### **Financial Impact**

The Chief Officer - People and Places is requesting emergency grant funding of £35,000 to be made available from existing Council budgets to Sencio Community Leisure.

It should be noted that UK Active and Sport England have submitted an application to Government for a financial package of support for local authority leisure. A Government decision is expected imminently. Therefore, there could be the potential to deduct £35,000 from any forthcoming funding, which would make the impact cost neutral.

Requesting Chief Officer: Sarah Robson, Chief Officer, People and Places.

Approval

Chief Executive:



Chief Officer - Finance and Trading:



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## Officer Decision Statement

### Openness of Local Government Bodies Regulations 2014/2095

<b>Subject:</b>	<b>Test and Trace isolation payments schemes</b>
<b>Key Decision</b>	Yes
<b>Notice of the Key Decision</b>	Notice has been given as per Regulation 11 of The Local Authorities (Executive Arrangements)(Meetings and Access to Information)(England) Regulations 2012
<b>Details of Decision taken</b>	
<p>The endorsement of the Test and Trace isolation payments schemes providing payments to those members of the public within the District who meet the eligibility criteria set out within the relevant policies.</p> <p>The new Test and Trace isolation payments schemes have been developed in response to an announcement made by Government on 20 September 2020 which sets out circumstances whereby a payment may be made by the Council to an individual who has met the criteria in the accompanying guidance and relevant policies.</p>	
<b>Reason for Decision</b>	
<p>With the special circumstances surrounding the impact on individuals as a result of self-isolating due to coronavirus (Covid 19), the Council must deliver on the Government direction quickly in line with Government guidance and legislation.</p>	
<b>Reason for Urgency</b>	
<p>In order to have a positive and immediate impact it is not possible to wait until the next meeting of Cabinet and following government advice, prudent to avoid unnecessary meetings of groups of people.</p> <p>An urgent decision is required on the adoption of the Test and Trace isolation payments schemes. It is imperative that we are ready to take applications for payments from 12 October 2020 as mandated by Government.</p> <p>Pursuant to Appendix C, paragraph 18 of the Council's Constitution, it is deemed that the decision proposed is reasonable in these circumstances to be treated as a matter of urgency and the call-in procedure does not apply.</p>	
<b>All Documents considered:</b>	
Report and appendices attached	

**Details of any alternative options considered and rejected by the Officer when making the Decision:** None.

**Financial implications**

Central government will provide funding of initially £40k for the main scheme and £24k for the discretionary element, by way of a grant under section 31 of the Local Government Act 2003.

**Legal Implications and Risk Assessment Statement**

This decision is taken by the Chief Executive acting in accordance with Paragraph 12 (d) of Part 13 of the Constitution, which authorises him as follows:

(d) In cases of urgency, after consultation with the Leader and Deputy Leader of the Council [and, where possible, the Leader(s) of the Opposition], to take any decision which could be taken by the Cabinet or by a Committee and to report such actions to Cabinet or Committee as appropriate.

Furthermore, this being an urgent Key Decision, Notice has been duly given and the agreement of the Chairman of the Scrutiny Committee has been sought to enable the decision to proceed as per Regulation 11(1)(a) of The Local Authorities (Executive Arrangements)(Meetings and Access to Information)(England) Regulations 2012.

Furthermore, this being an urgent Key Decision, the agreement of the Chairman of the Council has been sought to disapply the call-in procedure set out in Paragraph 18 of Appendix C of the Constitution, for the reasons set out in Paragraphs 18.13 - 18.18.

**Equality Assessment**



The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

**Local Member(s), Portfolio Holders and/or Chief Officer/Heads of Service Consulted**

Councillors Fleming and Dickins  
Chief Officer - Customer and Resources

**Agreement of Chairman of Scrutiny Committee pursuant to 11 (1)(a) of The Local Authorities (Executive Arrangements)(Meetings**



<b>and Access to Information)(England) Regulations 2012, obtained on:</b> On 09 October 2020	
<b>Agreement of the Chairman of the Council pursuant to Appendix C, para.18.16 of the Council’s Constitution, obtained on:</b> On 09 October 2020	
<b>Details of any conflicts of interest</b> a) declared by any member who was consulted or was part of the body giving specific express authorisation  b) and any details of dispensations granted by the Chief Executive in respect of any declared conflict	
<b>Decision taken by:</b>	The Chief Executive
<b>Signed by Officer</b>	
<b>Date of Decision</b>	9.10.20
<b>Record made by:</b>	
<b>Date of record:</b>	9.10.20

**This decision takes immediate effect**

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## Background Information for Emergency Expenditure Request

Emergency:            Coronavirus 2020  
Subject:                Test and Trace isolation payments schemes  
Date:                    09 October 2020  
Chief Officer:         Jim Carrington-West

### Council Constitution

#### Appendix D - Financial Procedure Rules

#### 2d. Emergency Expenditure

##### Why is this important?

The Council needs to have in place a procedure for meeting immediate needs in the case of an emergency situation arising in the District.

##### General

**2.32** The Chief Executive and s.151 Officer/Chief Finance Officer shall have the authority to approve expenditure on any item which is essential to meet any immediate needs created by an emergency or which is referable to Section 138 of the Local Government Act 1972, subject to a subsequent report to Cabinet and/or Full Council depending on whether or not the expenditure can be met from within the current budget framework.

**2.33** The Chairman or Vice-Chairman of the Council together with the Leader or Deputy Leader of Council, having received a report from the Chief Executive and the Chief Executive and s.151 Officer/Chief Finance Officer, shall have power to incur expenditure which is essential to meet any immediate needs created by an emergency or which is referable to Section 138 of the Local Government Act 1972 (or other subsequent legislation) which is not otherwise authorised or where it is necessary in the Council's interest to settle legal proceedings which have been commenced against the Council. A subsequent report shall be submitted to Cabinet and/or the full Council depending on whether or not the expenditure can be met from within the current budget framework.

### Detail

In response to the Coronavirus, COVID-19, the government announced there would be support for individuals asked to self-isolate and meeting criteria set out in guidance and supporting policies.

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It is for individual authorities to adopt local schemes and to determine in each individual case when, having regard to the guidance issued, to provide payments under Section 1 of the Localism Act 2011.

It is imperative that we deliver much needed support to individuals in the form of these payments support measures aimed at reducing the spread of COVID-19.

### **Financial Impact**

Central government will provide funding of initially £40k for the main scheme and £24k for the discretionary element, by way of a grant under section 31 of the Local Government Act 2003.

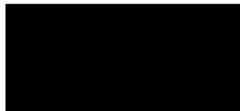
Requesting Chief Officer: Jim Carrington-West - Deputy Chief Executive and Chief Officer Customer and Resources

Approval

Chief Executive:



Chief Officer - Deputy Chief Executive and Chief Officer Finance and Trading:



**BUDGET SETTING 2021/22**

**Cabinet - 5 November 2020**

**Report of:** Deputy Chief Executive and Chief Officer - Finance & Trading

**Status:** For Decision

**Also considered by:** Council - 17 November 2020

**Key Decision:** No

**Executive Summary:**

The Council has an excellent track record in identifying, planning for and addressing financial challenges. In light of the challenging financial position facing all authorities ten years ago, for 2011/12 the Council produced a 10-year budget together with a savings plan for the first time. This will be the eleventh year this method has been used and provides the Council with a stable basis for future years.

The 2021/22 Budget Setting process has been more challenging than recent years due to the ongoing financial impact of the COVID-19 pandemic. The process has also been shortened to enable savings to be implemented prior to April 2022.

This report sets out the proposed budget for 2021/22. The Council Tax for 2021/22 will be set at the Council meeting on 23 February 2021

Based on the changes detailed in this report, **this Council will once again have a balanced 10-year budget.**

The report proposes a net expenditure budget of £16.879m in 2021/22 (£15.581m in 2020/21).

**Portfolio Holder:** Cllr. Matthew Dickins

**Contact Officers:** Adrian Rowbotham, Ext 7153, Alan Mitchell, Ext 7483

## Agenda Item 6

### **Recommendation to Cabinet:**

- (a) Consider and respond to comments and recommendations of the Advisory Committees regarding the growth and savings/additional income proposals (SCIAs) listed in Appendix D and detailed in Appendix E.
- (b) Look at the further growth and savings/additional income suggestions put forward by the Advisory Committees listed in Appendix F and decide one of the following options for each suggestion:
  - (i) Support the suggestion and request that it is incorporated into the current budget cycle.
  - (ii) Ask that the Portfolio Holder has further discussions with the Chief Officer.
  - (iii) Do not take any further.
- (c) If recommendations (a) and/or (b) above result in changes to the 10-year budget, propose further changes that will result in a balanced 10-year budget position.
- (d) That recommendations (a) to (d) below be recommended to Council.

### **Recommendation to Council:**

- (a) The Summary of Council Expenditure and Council Tax for 2021/22 set out in Appendix G be approved.
- (b) Approve the 10-year budget 2021/22 to 2030/31 which is the guiding framework for the detailed approval of future years' budgets set out in Appendix B to the report, including the growth and savings proposals set out in Appendix D to the report, and that where possible any variations during and between years be met from the Budget Stabilisation Reserve.
- (c) Approve the Capital Programme 2021/24 and funding method set out in Appendix H(i) and Capital Strategy 2021/22 set out in Appendix H(iii).
- (d) Approve the changes to reserves and provisions set out in Appendix J.

### **Introduction and Background**

- 1 The Council's financial strategy over the past sixteen years has worked towards increasing financial sustainability and it has been successful through the use of a number of strategies including:
  - implementing efficiency initiatives;
  - significantly reducing the back-office function;
  - improving value for money;
  - maximising external income;

- the movement of resources away from low priority services; and
  - an emphasis on statutory rather than non-statutory services.
- 2 Over this period the Council has focused on delivering high quality services based on Members' priorities and consultation with residents and stakeholders.
- 3 In setting its budget for 2011/12 onwards, the Council recognised the need to address both the short-term reduction in Government funding as well as the longer-term need to reduce its reliance on reserves. The outcome was a 10-year budget, together with a four-year savings plan, that ensured the Council's finances were placed on a stable footing but that also allowed for flexibility between budget years.
- 4 With the Revenue Support Grant provided by Government ceasing from 2017/18 it is important that the council remains financially self-sufficient by having a financial strategy that is focused on local solutions. These solutions include:
- continuing to deliver financial savings and service efficiencies;
  - growing the council tax base; and
  - generating more income.
- 5 At the Cabinet meeting on 17 September 2020, Members considered a report setting out the Council's financial prospects for 2021/22 and beyond. That report set out the major financial pressures the Council is likely to face, together with a proposed strategy for setting a balanced and sustainable budget for 2021/22 and beyond.
- 6 At the above meeting, Cabinet agreed to shorten the budget process this year so that the Council's budget is set at the November Council meeting instead of the February Council meeting. This should enable any changes to be implemented earlier and the period of uncertainty for staff minimised. The budget timetable is set out in **Appendix A**.
- 7 As part of the budget process officers put forward their Service Dashboards to the Advisory Committees between October and November, which set out a summary of current and future challenges and risks. The Advisory Committees recommended new growth and savings items which are being considered at the Cabinet meeting on 5 November 2020.
- 8 A Budget Update report was presented to Cabinet on 15 October 2020.

### **Financial Self-Sufficiency**

- 9 The Council's Corporate Plan 2013-2018 set out an ambition for the Council to become financially self-sufficient which was achieved in 2016/17. The current Council Plan aims to continue with this approach. This means that the Council no longer requires direct funding from Government, through Revenue Support Grant or New Homes Bonus, to deliver its services.

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- 10 This approach was adopted in response to the financial challenges the Country was faced with in bringing its public spending down to ensure it was able to live within its means. In practice this has seen Government funding to local authorities dramatically reduced since 2010/11 with Sevenoaks District Council receiving no Revenue Support Grant from 2017/18.
- 11 The decision to become financially self-sufficient is intended to give the Council greater control over its services, reducing the potential for decision making to be influenced by the level of funding provided by government to local authorities.
- 12 The Council's decision to seek to become financially self-sufficient was subject to scrutiny by the Local Government Associations Peer Challenge of the District Council during December 2013. In their closing letter to the Council they concluded that they 'fully support that aspiration and given the existing and anticipated squeeze upon public finances this makes much sense'.
- 13 With the Council receiving no Revenue Support Grant from 2017/18 and New Homes Bonus reducing from 2018/19, this approach remains appropriate. The attached 10-year budget assumes no Revenue Support Grant or New Homes Bonus. Any funding received from these sources will be put into the Financial Plan Reserve which can be used to support the 10-year budget by funding invest to save initiatives and support for the Property Investment Strategy. One of the aims of the Property Investment Strategy is to achieve an income yield of 3%+ above the Council's average treasury management return (currently 0.5%) when not borrowing or internally borrowing, and 3%+ above the borrowing rate (currently 2.6% for 30 years) when externally borrowing, based on an average over ten years. Therefore, using funding for this purpose will result in additional year on year income that is not impacted by Government decisions.
- 14 Cabinet are keen to remain financially self-sufficient which has served the Council well and ensured it is one of the most financially stable local authorities in the country. Last year a new target was set to replace reliance on Business Rates income over the coming years. However, due to the impact of Covid-19 and the greater uncertainty as Government reviews have been deferred, this will not be addressed during this budget process but remains a future aim. This ambition will allow this Council to move ahead in the knowledge that this council has the financial resources to provide the services that the district's residents need into the future.

### **Covid-19 Impact**

- 15 There is no doubt that nationally, local government has played a critical role in dealing with Covid-19, which, despite some support from the government, has left local authorities in very difficult financial positions. At Sevenoaks, Members were keen at the outset to ensure that we did everything in our powers to support our communities and businesses. Based on the feedback,



this has clearly been the right strategy as we have been able to cushion the impact for those affected.

- 16 Setting an early budget will assist further in facing our challenges with a Covid-19 environment, it will also place the Council in a much stronger position for both the medium and longer term.
- 17 A Covid-19 Financial Impact report was presented to Finance & Investment Advisory Committee (FIAC) and Cabinet in July.
- 18 This report highlighted the financial impact in 2019/20 and expected impact in 2020/21. Cabinet approved that the Council should address the financial impact of the Covid-19 response and recovery through the thorough 10-year budget setting process. This will enable Members to continue to make decisions in a structured way with the long-term requirements of the district in mind.
- 19 The 2020/21 financial position remains uncertain and regular Financial Results reports are continuing to be presented to FIAC and Cabinet. The position regarding Government support continues to evolve. Any remaining unfavourable variance in 2020/21 is due to be funded from the Budget Stabilisation Reserve following the review of reserves which is included at **Appendix J**.
- 20 Specific Covid-19 financial impacts affecting the 10-year budget period are listed in **Appendix D** with further details below:
- 21 **Council Tax Collection Fund deficit in 2020/21** - the latest forecast shows a collection rate of 97.6% (revised from 96.2% in September) instead of the 99.4% assumption. A deficit is normally recovered in the following year, but the Government has announced that any deficit in 2020/21 can be spread over the following three years instead. The Sevenoaks District Council proportion of the forecast deficit is £204,000.
- 22 **Council Tax Collection rate reductions 2021/22 and 2022/23** - the previous collection rate assumption for all years was 99.4%. The assumption for 2021/22 will reduce to 97.9% and 2022/23 will reduce to 98.4%. These changes impact the 10-year budget by £296,000.
- 23 **Reduced income: Car Parking** - this income stream continues to be affected by people changing their working practices and shopping habits. It is currently forecast that car parking income will be 25% below budgeted levels in 2021/22 with the position improving by 5% each year. The impact on the 10-year budget is forecast to be £3.08m.
- 24 **Reduced income: Licensing** - the demand for licences has reduced during the pandemic and it is forecast that this will continue to affect income levels by £15,000 in 2021/22 before returning to normal levels.
- 25 **Interest Receipts** - as mentioned above, the Council's reserves will be re-prioritised and some used to fund the unfunded 2020/21 Covid-19 financial

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impact and also support the 10-year budget position. This will result in a lower amount being available to invest and therefore interest receipts are expected to reduce. The previous assumptions for interest receipts was £300,000 per annum but this has now been reduced to £188,000.

- 26 ***Covid-secure workplace***- increased cleaning of offices and vehicles as well as providing additional PPE, has been required to ensure the Council has a Covid-secure workplace.. It is expected that this will continue to a certain extent going forward to ensure that the council supports the staff to carry out their duties. £18,000 per year is currently included for this.
- 27 ***IT costs relating to working from home and new starters*** - to maintain a Covid-secure workplace the capacity of the Councils offices has been reduced to a maximum of 80 people. Throughout the pandemic, and until Government guidance on Covid-secure measures changes, a substantial number of staff are required to work from home on a regular basis. It is expected that this will continue in to 2021. Some additional IT equipment is required to enable this to happen effectively and £5,000 per year is currently included for this.

### Updates on Assumptions

- 28 ***Government Support: Revenue Support Grant (RSG)*** (£nil received in 2020/21) - This formula-based grant has significantly reduced since 2010/11 as the emphasis of Government Support has changed, in fact this council received no RSG in 2017/18 and is not expected to receive any in future years. The attached 10-year budget assumes no RSG, if any amounts are received in future years, they will be put into the Financial Plan Reserve to support the 10-year budget including 'invest to save' initiatives and support for the Property Investment Strategy.
- 29 Negative RSG (i.e. where councils pay government) has previously been proposed by government. It has not been implemented but remains a threat going forward.
- 30 ***New Homes Bonus (NHB)*** (£0.6m received in 2020/21 but not used to fund the revenue budget) - the Government started this new funding stream in 2011/12 from funds top sliced from RSG with the intention that local authorities would be rewarded for new homes being built over a six-year period. The basis of NHB was changed with effect from 2017/18. Previously it was based on cumulative figures for 6 years, but this was reduced to 5 years from 2017/18 and 4 years from 2018/19. In addition, NHB is only received on tax base growth above 0.4% instead of on all growth (known as the deadweight).
- 31 In the same way as RSG, the attached 10-year budget assumes no NHB resulting in there being no reliance on this funding source to support the revenue budget. Any funding received will be put into the Financial Plan Reserve for the same purpose as noted above.
- 32 It is expected that NHB will soon end.

33 **Council Tax** (£11.3m) - the Provisional Local Government Finance Settlement has not yet been announced. It is expected to include the Council Tax referendum limit for 2021/22. The referendum limit for 2020/21 was set at an increase of 2% or £5 for a Band D property if higher (2.3% for SDC).

34 The current 10-year budget assumes an increase of 2% and would result in Band D Council Tax increasing from £219.96 to £224.36. If the referendum limit is set at the same level as 2020/21, the following potential increase would be possible but there is currently no suggestion from Government as to what the referendum limit might be.

2021/22 Council Tax	Current Assumption	Potential Assumption
% increase	2.00%	2.30%
£ increase (Band D pa)	£4.40	£4.95
£ (Band D pa)	£224.36	£224.91

35 Due to the uncertainty of future Council Tax increase referendum limits, if maximum increases are not taken there will be an ongoing detrimental impact on the ability to increase Council Tax in future years.

36 It is recommended that the 2021/22 Council Tax is increased by the maximum referendum limit with any amount above the 2% currently assumed to be placed in the Budget Stabilisation Reserve to support the ongoing financial sustainability of the Council

37 The Council Tax Base is currently assumed to increase from 51,207.88 (based on a 99.4% collection rate) to 51,218.33 (based on a 97.9% collection rate). The actual Council Tax Base and other tax setting issues will be reported to Cabinet in January and Council in February. If the actual tax base is lower than assumed, the financial impact will be offset by a Council Tax increase above 2% if allowable. If the actual tax base is higher than assumed, the extra income will be placed in the Budget Stabilisation Reserve.

38 The tax base increases each year due to the general increase in the number of residential properties and future developments as well as the continuing work to check the validity of Council Tax discounts awarded. The assumption going forward reflects the increases achieved in recent years and the ongoing work. The increased tax base results in additional Council Tax income which is assumed to be greater than the incremental cost of servicing the additional properties although it should be recognised that there are likely to be step changes in costs for some services in the future such as refuse collection. The Local Plan may also affect future Council Tax assumptions.

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- 39 **Business Rates Retention** (£2.2m) - The basis for allocating Government Support from 2013/14 changed to the Business Rates Retention Scheme. This scheme initially allows billing authorities, such as this council, to keep 40% of Business Rates received. However, tariffs and top-ups are applied to ensure that the funding received by each local authority is not significantly different to pre 2013/14 amounts. This Council was originally due to collect £39m of Business Rates in 2020/21 but due to the grants and discounts offered by Government to businesses as part of the COVID-19 pandemic, this has reduced to £22m.
- 40 A Business Rates Pool operates in Kent and Medway which generally results in councils retaining more Business Rates than if they were not in the pool. To maximise the benefit of the pool across the county, this council and others are not part of the pool but benefit as if they were in the pool.
- 41 Due to the large number of business rates appeals being outstanding with the Valuation Office Agency (VOA) and the limited opportunities to increase the number of businesses in the district, the assumption in the 10-year budget remains at the safety-net level, which is the amount of business rates the council is assured of retaining in the current scheme if it were not in a pool.
- 42 Due to the COVID-19 pandemic, the Government has delayed carrying out the 'Fair Funding Review' and 'Business Rates Retention Reform'. There is a risk that this council may no longer retain any Business Rates in the future. This would result in a funding gap that would need to be replaced by additional income or further savings.
- 43 **Interest receipts** (£0.3m) - Returns are continuing to be significantly lower than they were a few years ago due to low interest rates and the Council's Investment Strategy taking a low risk approach. Whilst returns exceeded Budget last year, inflation continues to outpace investment returns, leading to the gradual erosion of capital in real terms.
- 44 The interest receipt assumption has been reduced from £300,000 to £188,000 per annum to reflect the lower amounts available to invest and the downward direction of interest rates.
- 45 The Treasury Management Strategy is continuing to be reviewed with a different risk approach anticipated. A separate report on the Strategy will be presented to FIAC and Cabinet.
- 46 **Property Investment Strategy** - The strategy was approved by Council on 22 July 2014 with the intention of building on an approach of property-based investment in order to deliver increased revenue income. This was set against a background of reducing Government Support and continued low rates of return through existing treasury management arrangements.
- 47 To date six assets have been purchased or built by the Council and four by Quercus 7 at a cost of £31m. Therefore £20m of the £50m approved by Council remains unspent.

- 48 The income assumptions have not been amended this year as a Property Investment Strategy Update report will be presented to FIAC in January, then Cabinet and Council in February which will provide details on the investments to date and assumptions going forward.
- 49 **Pay costs** (£16.6m) - Discussions between the National Employers for Local Government Services and the unions regarding the national pay award for 2020/21 concluded with an increase of 2.75% being agreed which was above the 2% increase assumed in the previous 10-year budget.
- 50 Discussions on the 2021/22 pay award have not yet commenced.
- 51 The assumption in the attached 10-year budget is a 2% increase in all years.
- 52 The Council's latest Council Plan was launched in 2018. In order to ensure the effective delivery of the Council Plan, some services are being redesigned so that they are better aligned to customer needs and with a much stronger emphasis on wrapping services around the customer.
- 53 In order to achieve this, the Customer Solutions Centre is in operation. The Customer Solutions Centre is resourced with a wider skill set in order to deal with more interactions at first point of contact and in parallel more effective processing is being investigated. It is anticipated that the cost of these changes will continue to be met within approved budgets and therefore a SCIA has not been proposed.
- 54 Having identified the scale of the financial challenge facing the Council in setting a balanced budget early in this year, and having considered the likely impact on how customers' needs of the Council are likely to change following Covid-19 the Chief Executive has been undertaking a review of the organisational structure.
- 55 The review is seeking to contribute sizeable financial savings towards addressing the budget gap, with a focus on managerial level roles so as to not impact frontline staff or non-pay resources available for the delivery of services. Although the financial gap is one factor in bringing forward this review, the structure must also be sufficiently lean and agile to address the future challenges the Council may face. These include, but are not limited to, new and emerging service pressures, protecting the organisational culture and service levels to customers, and increased economic hardship for local businesses, voluntary and charity groups, and residents.
- 56 **Superannuation fund** - the last pension fund triennial valuation, which was the fourth by the actuaries Barnett Waddingham, took place in November 2019.
- 57 The funding level increased from 75.5% to 86.6% since the previous valuation in 2016 and the deficit recovery period for the fund has reduced from 17 years to 13 years. The 10-year budget includes the contribution amounts set by the actuaries up to 2022/23 and includes an additional £100,000 from 2023/24 when the next triennial valuation will come into effect.

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- 58 **Non-pay costs** - The budget assumes non-pay costs will increase by an average of 2.25% in all years. In practice, items such as rates and energy costs often rise at a higher rate, so other non-pay items have been allowed a much lower inflation increase. Inflation is currently at 0.5% (CPI) and 1.1% RPI (as at September 2020).
- 59 **Annual Savings** - an annual New Savings/Additional Income assumption of £100,000 is included for all years in the 10-year budget.
- 60 **Exiting the EU** - The Council continues to closely monitor the potential implications on the District and is engaged in contingency planning arrangements co-ordinated by the Kent Resilience Forum.

### Collection Fund Surplus/Deficit Calculation

- 61 Rules governing the operation of the collection fund require the Council to make an estimate on 15 January (or the next working day) each year of the fund's likely surplus or deficit at the end of the current financial year, in respect of council tax transactions. The amount so estimated is to be shared between the District Council, County Council, Fire and Police in proportion to their precepts on the collection fund. Each authority's share is to be taken into account by the authority in calculating its council tax for the year following the year in which the surplus or deficit has been estimated.
- 62 The Collection Fund position will be included in the Council Tax Setting report to Cabinet and Council in February.

### Current Budget Position

- 63 The 10-year budget (**Appendix B**) shows a fully funded 10-year position. By continuing to use the 10-year budget strategy, this council remains in a strong position going forward.
- 64 **Appendix D** shows the changes in the 10-year Budget since it was last approved by Council in February 2020.
- 65 **Progress on the savings plan** - 2021/22 is the eleventh year of using the 10-year budget. Prior to the current budget setting process, 171 savings items have been identified totalling £7.7m. The majority of these savings have already been achieved and Portfolio Holders, Chief Officers, Heads of Service and Service Managers have worked closely to deliver these savings.
- 66 **Changes since the 10-year budget started** - The table below shows how the Net Service Expenditure has changed since 2010/11. This shows that the budget has reduced by £4.8m (29%) in real terms.

<b>Net Service Expenditure</b>	<b>£000</b>
2010/11 (budget)	16,711
2020/21 (2010/11 budget +2% inflation per year)	20,371
2020/21 (budget)	15,581
Difference	4,790

### Capital Programme

- 67 A report setting out the proposed 2021/24 Capital Programme, with supporting documentation in a standard format for individual scheme bids was presented to the Finance and Investment Advisory Committee (FIAC) on 21 October 2020.
- 68 Scheme bid documents were received for all new schemes which included the proposed funding methods.
- 69 Unspent budgets in the current year's programme (2020/21) can be carried forward to 2021/22, subject to Cabinet approval, when the outturn is known.
- 70 **Appendix H(i)** summarises the position if all schemes are approved and indicates the funding method proposed. **Appendix H(ii)** contains the bids for each capital scheme.
- 71 The Capital Strategy 2021/22 was also presented to FIAC and is included at **Appendix H(iii)**.
- 72 Council will be informed at the meeting of any changes recommended by Cabinet. Council are requested to approve the 2021/24 Capital Programme and the Capital Strategy 2021/22.

### Integration with other budget reports on the Cabinet Agenda

- 73 Separate reports on the Treasury Management Strategy and Property Investment Strategy will be presented to Cabinet and Council.
- 74 The attached revenue budgets take into account the recommendations and revenue implications set out in the Capital Programme.

### Opinion under Section 25 of the Local Government Act 2003 (LGA 2003)

- 75 Under the LGA 2003 the Statutory Finance Officer (Deputy Chief Executive and Chief Officer - Finance and Trading) is required to give Members an opinion on the robustness of the budget estimates and the adequacy of reserves.
- 76 In terms of the robustness of the budget, the following sources of assurance were taken into account:
- The Strategic Business and Financial Planning process used for the 2021/22 budget.
  - The Financial Strategy, including a 10-year Budget, clear financial objectives and sensitivity analysis.
  - Growth and savings suggestions proposed.
  - The strong financial control structure and effective performance management within the Council, confirmed by feedback from external auditors.
  - Clear budget responsibilities at individual officer level.
  - Effective monitoring regime giving early notification of potential financial issues through the use of the Finance and Investment Advisory Committee.
  - Effective Internal/External audit system, with risk-based audits, reporting through the Audit Committee.
  - Set aside of earmarked funds for potential liabilities in the medium term.
  - Effective strategic and operational risk management.
- 77 The budget complies with the principles and standards within the CIPFA (Chartered Institute of Public Finance and Accountancy) Financial Management Code.
- 78 As is the case every year, inevitably there are a number of risk factors within the 2021/22 budget proposals; these are set out in some detail in **Appendix K**. This Appendix was also considered by the Finance and Investment Advisory Committee on 21 October 2020. Some of the more significant items are set out below.
- a) Pay costs
- Pay costs are budgeted on 100% basis, with a 2% inflationary pay award assumption in 2021/22 included and with a separate vacancy saving target. With controls over the appointment of any staff and



monitoring of staff numbers as well as costs, pay costs are subject to a high level of control. However, the national pay award for 2021/22 has not yet been agreed.

b) Income

In-depth monitoring of income budgets will continue throughout the year and will be given regular consideration by the Finance and Investment Advisory Committee. This includes considering the current and potential impact of the COVID-19 pandemic on certain income streams.

c) Pensions funding

The next actuarial valuation will take effect from 2023/24 and an increase assumption has been included in the 10-year budget from then.

d) Retained Business Rates

The Government intends to review how business rates income is distributed but the timeline keeps being put back therefore it remains uncertain what the impact on this Council will be.

e) COVID-19

There remains uncertainty around the ongoing impacts of COVID-19 on the Council, but the proposed budget takes into account the information currently available.

f) Investments

The Treasury Management Strategy will be kept under review and brought back to Members for consideration as necessary during the year. The proposed Strategy for 2021/22 will be reported separately.

g) Capital investment

Property Investment Strategy income is included in the 10-year budget. Members are assured that any property acquisitions will be supported by a thorough business case and approved by the relevant Portfolio Holders.

h) Changes in service demand

The 10-year budget has no allowance for growth until 2027/28 as it is anticipated that where possible this will be met through additional savings or the Budget Stabilisation Reserve.

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- 79 Members will recognise that budget risk cannot be avoided completely. However, the structures already in place and the actions being put in place should ensure that next year's overall revenue spend figure is achieved, particularly through the Council's flexible approach to budgeting allowing the risk areas to be compensated by those that are underspent or over achieve on income.

### Adequacy of Reserves

- 80 Ensuring the adequacy and sustainability of the Council's reserves continues to be a key part of the budget process. Individual balances have been reviewed as part of writing this report and the detailed work is set out in **Appendix J**. This review should ensure that all provisions and earmarked reserves are adequate for their purposes.
- 81 It is recommended that the Council hold a minimum General Fund reserve balance of 10% of its net Revenue Budget, for emergencies.
- 82 The strong formal advice of the Deputy Chief Executive and Chief Officer - Finance and Trading to the Council is that every effort must be made to achieve the agreed savings in order to ensure financial sustainability and preserve the level of reserves for future commitments. The Council should avoid the General Fund Reserve balance reducing below 10% of its Net Service Expenditure (for 2021/22 this equates to £1.7m).
- 83 At the time of writing this report, the Deputy Chief Executive and Chief Officer - Finance and Trading (Section 151 officer) was satisfied with the robustness of the estimates and adequacy of reserves.

### **Council Tax Setting report to Cabinet and Council in February 2021**

- 84 Due to the shorter budget setting process and earlier budget approval as agreed by Cabinet, a separate Council Tax Setting report will be presented to Cabinet and Council in February 2021.
- 85 This report will include the following:
- 10-year Budget (Balance Sheet)
  - Summary of service analysis in Budget Book format
  - Analysis of pay costs
  - Local Council Tax Reduction Scheme 2021/22
  - Latest information on precepting authorities (only in Council report)
  - Town and Parish Council precepts and council tax rates (only in Council report)
  - Council tax setting recommendations (only in Council report)

- Council tax rates across the district (only in Council report)

## Key Implications

### Financial

All financial implications are covered elsewhere in this report.

### Legal Implications and Risk Assessment Statement.

There are no legal implications.

For the effective management of our resources and in order to achieve a sustainable budget it is essential that all service cost changes and risks are identified and considered. The budget risk analysis is included as **Appendix K**.

Current and future challenges together with risks were included in the Service Dashboards presented to the Advisory Committees and each Service Change Impact Assessment (SCIA) included the likely impacts including a risk analysis.

An effective integrated policy and priority driven long-term financial and business process is required for the Council to deliver on its priorities and maintain a sustainable budget. It is also essential that continuous improvements are identified and implemented in order to take account of the changing climate within which the Council operates and to meet the expectations of both Government and the public on the quality of service demanded from this Council.

The risks associated with the 10-year budget approach include uncertainty around the level of shortfall and the timing of key announcements such as future changes to Business Rates Retention. The risk will be mitigated by continuing to review assumptions and estimates and by updating Members throughout the process.

The Council has in place a number of specific reserves and provisions to address identified risks.

### Equality Assessment

Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to (i) eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010, (ii) advance equality of opportunity between people from different groups, and (iii) foster good relations between people from different groups.

Individual equalities assessments have been completed for all Service Change Impact Assessments (SCIAs) to ensure the decision-making process is fair and transparent.

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### Community Impact and Outcomes

In making any budget proposals, Members need to consider the impact on customers, service quality and staff well-being, to ensure that the budget supports the Council's aspirations for customer-focused services.

### **Conclusions**

The budget process has been more challenging than usual for a council that already provides value for money services to a high standard. The 10-year budget shows a fully funded position over the whole period which keeps this council in a strong position going forward.

The future financial prospects for the public sector remain difficult however, this budget ensures the Council remains in a financially sustainable position.

## Appendices

Appendix A - Budget timetable

Appendix B - 10-year budget - Revenue

Appendix C - Summary of the Council's agreed savings and growth items

Appendix D - Summary of changes to the 10-year Budget

Appendix E - Service Change Impact Assessment forms (SCIAs) for the new growth and savings/additional income items (Cabinet only)

Appendix F - Further growth and savings suggestions made by the Advisory Committees (Cabinet only)

Appendix G - Summary of Council Expenditure and Council Tax

Appendix H (i) - Capital Programme 2021-24 (also being considered by Finance and Investment Advisory Committee on 21 October 2020)

Appendix H (ii) - Capital Programme bids (also being considered by Finance and Investment Advisory Committee on 21 October 2020)

Appendix H (iii) - Capital Strategy 2021/22

Appendix J - Reserves

Appendix K - Risk analysis (also being considered by Finance and Investment Advisory Committee on 21 October 2020)

## Background Papers

[Budget and Council Tax Setting 2020/21 - Cabinet 4 February 2020](#)

[Financial Prospects and Budget Strategy 2021/22 and Beyond - Cabinet 17 September 2020](#)

Budget 2021/22: Service Dashboards and Service Change Impact Assessments (SCIAs) - [Housing and Health AC 29 September 2020](#), [People and Places AC 6 October 2020](#), [Improvement and Innovation AC 8 October 2020](#), [Cleaner and Greener AC 13 October 2020](#), [Development and Conservation Advisory Committee 20 October 2020](#), [Finance and Investment Advisory Committee 21 October 2020](#)

**Adrian Rowbotham**

**Deputy Chief Executive and Chief Officer - Finance & Trading**

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**2021/22 Budget Setting Timetable**

<b>Stage 1: Financial Prospects and Budget Strategy 2021/22 and Beyond</b>	
8 September	Finance & Investment AC
17 September	Cabinet

<b>Stage 2a: Review of Service Dashboards and Service change Impact Assessments (SCIAs)</b>	
29 September	Housing & Health AC
6 October	People & Places AC
8 October	Improvement & Innovation AC
13 October	Cleaner & Greener AC
20 October	Development & Conservation AC
21 October	Finance & Investment AC

<b>Stage 2b: Budget Update</b>	
15 October	Cabinet

<b>Stage 3: Budget Setting Meeting (Recommendations to Council)</b>	
5 November	Cabinet

<b>Stage 4: Budget Setting Meeting</b>	
17 November	Council

<b>Stage 5: Council Tax Setting</b>	
11 February	Cabinet

<b>Stage 6: Council Tax Setting</b>	
23 February	Council

Note: The Scrutiny Committee may 'call in' items concerning the budget setting process.

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Ten Year Budget - Revenue

Appendix B

	Budget 2020/21	Plan 2021/22	Plan 2022/23	Plan 2023/24	Plan 2024/25	Plan 2025/26	Plan 2026/27	Plan 2027/28	Plan 2028/29	Plan 2029/30	Plan 2030/31
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Expenditure</b>											
Net Service Expenditure c/f	15,251	15,581	16,879	16,633	16,967	17,171	17,380	17,643	18,173	18,712	19,258
Inflation	666	616	496	503	509	515	522	529	539	547	556
Superannuation Fund deficit	0	0	0	100	0	0	50	0	0	0	0
Net savings (approved in previous years)	(358)	(6)	0	37	0	(1)	0	1	0	(1)	(1)
<b>New growth</b>	<b>160</b>	<b>1,547</b>	<b>(434)</b>	<b>(206)</b>	<b>(206)</b>	<b>(205)</b>	<b>(209)</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>New savings/Income</b>	<b>(138)</b>	<b>(859)</b>	<b>(308)</b>	<b>(100)</b>	<b>(100)</b>	<b>(100)</b>	<b>(100)</b>	<b>(100)</b>	<b>(100)</b>	<b>(100)</b>	<b>(100)</b>
<b>Net Service Expenditure b/f</b>	<b>15,581</b>	<b>16,879</b>	<b>16,633</b>	<b>16,967</b>	<b>17,171</b>	<b>17,380</b>	<b>17,643</b>	<b>18,173</b>	<b>18,712</b>	<b>19,258</b>	<b>19,813</b>
<b>Financing Sources</b>											
Govt Support: Revenue Support Grant	0	0	0	0	0	0	0	0	0	0	0
New Homes Bonus	0	0	0	0	0	0	0	0	0	0	0
Council Tax	(11,264)	(11,491)	(11,912)	(12,408)	(12,793)	(13,189)	(13,596)	(13,988)	(14,391)	(14,804)	(15,228)
Business Rates Retention	(2,139)	(2,182)	(2,226)	(2,271)	(2,316)	(2,362)	(2,409)	(2,457)	(2,506)	(2,556)	(2,607)
Collection Fund Deficit/(Surplus)	0	68	68	68	0	0	0	0	0	0	0
Interest Receipts	(300)	(188)	(188)	(188)	(188)	(188)	(188)	(188)	(188)	(188)	(188)
Property Investment Strategy Income	(1,428)	(1,468)	(1,508)	(1,558)	(1,558)	(1,558)	(1,655)	(1,655)	(1,655)	(1,696)	(1,696)
Contributions to/(from) Reserves	(378)	(365)	(175)	(161)	(604)	194	208	221	236	249	148
<b>Total Financing</b>	<b>(15,509)</b>	<b>(15,626)</b>	<b>(15,941)</b>	<b>(16,518)</b>	<b>(17,459)</b>	<b>(17,103)</b>	<b>(17,640)</b>	<b>(18,067)</b>	<b>(18,504)</b>	<b>(18,995)</b>	<b>(19,571)</b>
<b>Budget Gap (surplus)/deficit</b>	<b>72</b>	<b>1,253</b>	<b>692</b>	<b>449</b>	<b>(289)</b>	<b>277</b>	<b>3</b>	<b>106</b>	<b>208</b>	<b>263</b>	<b>242</b>
<b>Contribution to/(from) Stabilisation Reserve</b>	<b>(72)</b>	<b>(1,253)</b>	<b>(692)</b>	<b>(449)</b>	<b>289</b>	<b>(277)</b>	<b>(3)</b>	<b>(106)</b>	<b>(208)</b>	<b>(263)</b>	<b>(242)</b>
<b>Unfunded Budget Gap (surplus)/deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Assumptions**

Revenue Support Grant:	nil all years
Business Rates Retention:	Business Rates Retention safety-net plus 2% per year
Council Tax:	2% in all years
Council Tax Base:	Increase of 580 Band D equivalent properties from 21/22, 480 from 27/28
Interest Receipts:	£188,000 in all years
Property Investment Strategy:	£1.468m in 21/22, £1.508m in 22/23, £1.558m from 23/24, £1.655m from 26/27, £1.696m from 29/30
Pay award:	2% in all years
Other costs:	2.25% in all years
Income:	2.5% in all years except for off-street car parks which are an average of 3.5% per annum from 19/20 - 23/24. Note 21/22 Car Parking inflation deferred for one year

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Summary of the Council's Agreed Savings/Additional Income and Growth Items

Appendix C

SCIA Year	No.	Description	2011/12 - 2020/21 £000	2021/22 £000	Later Years £000	Total £000
		<b>Cleaner and Greener Advisory Committee</b>				
2016/17	8	Playgrounds: reduction in asset maintenance (reversal of temporary saving item)		7		
2016/17	9	Public Conveniences: reduction in asset maintenance (reversal of temporary saving item)		8		
2019/20	7	Car Parking: Enforcement for Tandridge DC (reversal of temporary saving item)		30		
2020/21	8	Postal costs: changes to postal arrangements		(20)		
		<b>Development and Conservation Advisory Committee</b>				
2020/21	3	Development Management: additional income and cost recovery in Strategic Planning		(25)		
		<b>Finance and Investment Advisory Committee</b>				
2020/21	10	Insurance contract renewal (reversal of temporary savings item)			87	
		<b>Housing and Health Advisory Committee</b>				
		No savings or growth agreed from 2021/22 onwards				
		<b>Improvement and Innovation Advisory Committee</b>				
2020/21	1	Apprenticeship Levy (reversal of temporary growth item)			(50)	
2020/21	13	Electric Car Project (reversal of temporary growth item)		(5)		
		<b>People and Places Advisory Committee</b>				
		No savings or growth agreed from 2021/22 onwards				
		Minor movements between years		(1)		
		<b>Total Savings/additional income</b>	<b>(7,706)</b>	<b>(1)</b>	<b>87</b>	<b>(7,620)</b>
		<b>Total Growth</b>	<b>2,200</b>	<b>(5)</b>	<b>(50)</b>	<b>2,145</b>
		<b>Net Savings</b>	<b>(5,506)</b>	<b>(6)</b>	<b>37</b>	<b>(5,475)</b>

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Items included in the Financial Prospects report to Cabinet on 17/09/20

Description	Year	Ongoing	2021/22 Impact £000	10-year Budget Impact £000
<b>2021/22 savings target included in 10-year budget (savings not yet identified)</b>			<b>100</b>	<b>1,000</b>
<b>Covid-19 Impacts:</b>				
Council Tax Collection Fund deficit in 20/21 spread over 21/22-23/24 (updated estimate below)	2021/22		121	363
Council Tax Collection rate reductions: 21/22 from 99.4% to 97.9%, 22/23 from 99.4% to 98.4%, later years remain at 99.4%	2021/22		175	296
Reduced income - Car Parking: assumed 25% reduction in 21/22, 20% in 22/23, 15% in 23/24, 10% in 24/25, 5% in 25/26	2021/22		1,027	3,080
Reduced income - Licensing: 21/22 only	2021/22		15	15
Interest Receipts: 37.5% reduction as lower balances to invest due to use of reserves to fund Covid-19 deficit	2021/22		112	1,120
Increased expenditure - FM: cleaning and PPE for staff	2021/22		18	180
Increased expenditure - IT: costs relating to working from home	2021/22		5	35
<b>Sub Total</b>			<b>1,473</b>	<b>5,089</b>
<b>Other Service Area Changes:</b>				
<b>Sub Total</b>			<b>0</b>	<b>0</b>
<b>Base Changes:</b>				
Rolled on to 2030/31 and base figures updated to 2020/21 budget			12	711
<b>Sub Total</b>			<b>12</b>	<b>711</b>
<b>Assumption Changes:</b>				
Pay Award: 20/21 increased from 2% to 2.75%, later years remain at 2%			132	1,455
<b>Sub Total</b>			<b>132</b>	<b>1,455</b>
<b>Total 10-year Budget change gap/(surplus)</b>			<b>1,717</b>	<b>8,255</b>

i.e: £826,000 per annum

Further Proposed Changes

SCIA Year	Advisory Committee No.	Description	Year	Ongoing	2021/22 Impact £000	10-year Budget Impact £000
<b>Growth:</b>						
2021/22	1	CGAC Direct Services: Vehicle fleet	2021/22	Y	50	500
2021/22	2	CGAC Car Parking income inflation 21/22: deferred for one year	2021/22	N	118	118
2021/22	3	CGAC Env. Health: Kennel costs and fees	2021/22	Y	18	180
2021/22	13	FIAC Property Investment Strategy: M & Co administration	2021/22	N	96	96
2021/22	14	FIAC Revenues & Benefits: Reduced funding from reserves	2021/22	Y	60	600
2021/22	20	HHAC Homelessness	2021/22	Y	100	1,000
2021/22	21	IAC Customer Solutions: extended provision (7am to 7pm)	2021/22	Y	40	400
<b>Sub Total</b>					<b>482</b>	<b>2,894</b>
<b>Savings:</b>						
2021/22	4	CGAC CCTV: BT transmission link updated contract	2021/22	Y	(4)	(40)
2021/22	5	CGAC Street Markets: Additional income from new contracts	2021/22	Y	(30)	(300)
2021/22	6	CGAC Direct Services: Commercial Trade Waste - Increased income	2021/22	Y	(110)	(1,100)
2021/22	7	CGAC Direct Services: Workshop MOT's - Increased income	2021/22	Y	(5)	(50)
2021/22	8	CGAC Direct Services: Cess Pool Service - Increased income	2021/22	Y	(12)	(120)
2021/22	9	CGAC Direct Services: Garden Waste Service - Increased income	2021/22	Y	(50)	(500)
2021/22	10	CGAC Direct Services: New Commercial Services	2022/23	Y	0	(900)
2021/22	25	CGAC Car Parking: Tandridge DC enforcement contract	2021/22	Y	(40)	(400)
2021/22	11	DCAC Development Mgt: Additional planning income	2021/22	Y	(36)	(360)
2021/22	12	DCAC Planning Policy: Deletion of Monitoring Technician post (currently vacant)	2021/22	Y	(18)	(180)
2021/22	15	FIAC Various services: Reduction in office expenses	2021/22	Y	(20)	(200)
2021/22	16	FIAC Asset Maintenance: Reduction	2021/22	Y	(100)	(1,000)
2021/22	17	FIAC Internal Audit: ongoing impact of 2019 staff restructure	2022/23	Y	0	(72)

Summary of Changes to the 10-year Budget

Appendix D

SCIA Year	Advisory Committee No.	Description	Year	Ongoing	2021/22 Impact £000	10-year Budget Impact £000
<b>Savings (continued)</b>						
2021/22	18	FIAC Council Tax: Increasing the Empty Homes Premium to statutory limits	2021/22	Y	(4)	(45)
2021/22	19	FIAC Council Tax: Removing the Empty and Unfurnished Property discount (currently one month)	2021/22	Y	(44)	(489)
2021/22	22	IIAC Review efficiency of partnerships	2022/23	Y	0	(900)
2021/22	23	IIAC IT: Consolidate eform packages	2021/22	Y	(11)	(110)
2021/22	24	IIAC Property: New fees and charges	2021/22	Y	(2)	(20)
2021/22	n/a	Electoral Services: Remove Election Outreach Canvasser post (currently vacant)	2021/22	Y	(33)	(330)
2021/22	n/a	Electoral Services: Reduction in costs due to canvass reform	2021/22	Y	(14)	(140)
<b>Sub Total</b>					<b>(533)</b>	<b>(7,256)</b>
<b>Covid-19 Updated Impacts:</b>						
		Council Tax Collection Fund deficit in 20/21 spread over 21/22-23/24 (updated from above). Updated estimated impact of £68,000 in 21/22 and £204,000 over the 10-year budget period			<b>(53)</b>	<b>(159)</b>
		Remaining balance to be funded by a combination of a Management restructure and review of reserves			<b>(374)</b>	<b>(3,740)</b>
<b>Total 10-year Budget change gap/(surplus)</b>					<b>1,239</b>	<b>(6)</b>

i.e: £nil per annum

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**SERVICE CHANGE IMPACT ASSESSMENT**

SCIA 01 (21/22)

<b>Chief Officer:</b>	Adrian Rowbotham	<b>Service:</b>	Direct Services
<b>Activity</b>	Vehicles	<b>No. of Staff:</b>	111.12 FTE

<b>Activity Budget Change</b>	<b>Year: 2021/22 Growth / (Saving) £000</b>	<b>Later Years Comments (ongoing, one-off, etc.)</b>
Vehicle fleet	50	Ongoing

**Reasons for and explanation of proposed change in service**

It is proposed that the annual revenue contribution to the vehicle replacement fund is increased by £50,000 per annum. The cost of vehicles is generally increasing above inflation and the current capital budget for vehicle replacements will not sustain the current fleet on an ongoing basis.

A separate report will be presented to the Cleaner and Greener Advisory Committee explaining the longer-term vehicle requirements of Direct Services.

This initial increase will enable the service to continue effectively for 2021/22 but additional expenditure is expected to be required for later years.

The current fleet comprises of 101 vehicles and 53 items of plant.

**Key Stakeholders Affected**

Direct Services customers

**Likely impacts and implications of the change in service (include Risk Analysis)**

The vehicle fleet needs to be kept up to date and fully maintained to ensure that the services provided by Direct Services can be delivered to residents and other customers.

**SERVICE CHANGE IMPACT ASSESSMENT**

Risk to Service Objectives (High / Medium / Low)

Medium
--------

2020/21 Budget	£'000	Performance Indicators		
Operational Cost	549	Code & Description	Actual	Target
Income	-	n/a		
Net Cost	549			

**Equality Impacts**

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

**SERVICE CHANGE IMPACT ASSESSMENT**

SCIA 02 (21/22)

<b>Chief Officer:</b>	Adrian Rowbotham	<b>Service:</b>	Car Parking
<b>Activity</b>	Car Parking	<b>No. of Staff:</b>	13.0 FTE

<b>Activity Budget Change</b>	<b>Year: 2021/22 Growth / (Saving) £000</b>	<b>Later Years Comments (ongoing, one-off, etc.)</b>
Car Parking income inflation 2021/22: deferral for one year	118	One-off

**Reasons for and explanation of proposed change in service**

Car parking usage has been severely impacted by the Covid-19 pandemic and is likely to continue to have an impact for some time.

It is proposed that Car Parking charges are not increased for 2021/22 as currently assumed in the 10-year budget. It is proposed that increases in 2022/23 will catch up with the assumed levels.

A separate Car Parking: Fees and Charges Review 2021/22 report is being presented to the Cleaner and Greener Advisory Committee on 13 October 2020 which will explain the rationale for this proposal in more detail.

**Key Stakeholders Affected**

Car park users

**Likely impacts and implications of the change in service (include Risk Analysis)**

See separate Car Parking: Fees and Charges Review 2021/22 report.

**SERVICE CHANGE IMPACT ASSESSMENT**

Risk to Service Objectives (High / Medium / Low)

Medium
--------

2020/21 Budget	£'000	Performance Indicators		
Operational Cost	1,595	Code & Description	Actual	Target
Income	(4,060)	n/a		
Net Cost	(2,465)			

**Equality Impacts**

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

**SERVICE CHANGE IMPACT ASSESSMENT**

SCIA 03 (21/22)

<b>Chief Officer:</b>	Richard Morris	<b>Service:</b>	Environmental Health
<b>Activity</b>	Environmental Protection	<b>No. of Staff:</b>	12.57 FTE

Activity Budget Change	Year: 2021/22 Growth / (Saving) £000	Later Years Comments (ongoing, one-off, etc.)
Kennel costs & fees	18	Ongoing

**Reasons for and explanation of proposed change in service**

Due to the previously used kennels closing, a contract has been awarded to New Hope Stray Dog Services to operate the stray dog kennelling services for the next two years.

The contract has been jointly commissioned with Dartford BC which has resulted in a lower cost than if it had been commissioned separately.

**Key Stakeholders Affected**

All potential customers

**Likely impacts and implications of the change in service (include Risk Analysis)**

A positive impact on all service users.

It enables us to continue to re-home all stray dogs.

**SERVICE CHANGE IMPACT ASSESSMENT**

Risk to Service Objectives (High / Medium / Low)

Low
-----

2020/21 Budget	£'000	Performance Indicators		
Operational Cost	397	Code & Description	Actual	Target
Income	(10)	n/a		
Net Cost	387			

**Equality Impacts**

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

**SERVICE CHANGE IMPACT ASSESSMENT**

SCIA 04 (21/22)

<b>Chief Officer:</b>	Adrian Rowbotham	<b>Service:</b>	CCTV
<b>Activity</b>	CCTV	<b>No. of Staff:</b>	7.0 FTE

Activity Budget Change	Year: 2021/22 Growth / (Saving) £000	Later Years Comments (ongoing, one-off, etc.)
BT Transmission link contract	(4)	Ongoing

**Reasons for and explanation of proposed change in service**

A new 3-5 year contact with BT has recently been agreed that is £4,000 less than the current budget.

**Key Stakeholders Affected**

None

**Likely impacts and implications of the change in service (include Risk Analysis)**

None

**SERVICE CHANGE IMPACT ASSESSMENT**

Risk to Service Objectives (High / Medium / Low)

Low
-----

2020/21 Budget	£'000	Performance Indicators		
Operational Cost	323	Code & Description	Actual	Target
Income	(46)	n/a		
Net Cost	277			

**Equality Impacts**

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.



**SERVICE CHANGE IMPACT ASSESSMENT**

SCIA 05 (21/22)

<b>Chief Officer:</b>	Adrian Rowbotham	<b>Service:</b>	Street Markets
<b>Activity</b>	Street Markets	<b>No. of Staff:</b>	-

Activity Budget Change	Year: 2021/22 Growth / (Saving) £000	Later Years Comments (ongoing, one-off, etc.)
Additional income from new contracts	(30)	Ongoing

**Reasons for and explanation of proposed change in service**

New contracts were let to the market operators in 2018/19 but the budget has not yet been increased.

**Key Stakeholders Affected**

Market operators

**Likely impacts and implications of the change in service (include Risk Analysis)**

The contracts are for a limited period so it is uncertain if future contracts will be let at the same level.  
The impact of the Covid-19 pandemic has also had an impact on market operators and may also impact future business.

**SERVICE CHANGE IMPACT ASSESSMENT**

Risk to Service Objectives (High / Medium / Low)

Medium
--------

2020/21 Budget	£'000	Performance Indicators		
Operational Cost	106	Code & Description	Actual	Target
Income	(298)	n/a		
Net Cost	192			

**Equality Impacts**

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

**SERVICE CHANGE IMPACT ASSESSMENT**

SCIA 06-09 (21/22)

<b>Chief Officer:</b>	Adrian Rowbotham	<b>Service:</b>	Direct Services
<b>Activity</b>	Commercial Income (existing services)	<b>No. of Staff:</b>	111.12 FTE

Activity Budget Change	Year: 2021/22 Growth / (Saving) £000	Later Years Comments (ongoing, one-off, etc.)
SCIA 06: Commercial Trade Waste - increased income	(110)	Ongoing
SCIA 07: Workshop MOT's - increased income	(5)	Ongoing
SCIA 08: Cess Pool Service - increased income	(12)	Ongoing
SCIA 09: Garden Waste Service - increased income	(50)	Ongoing

<b>Reasons for and explanation of proposed change in service</b>	<p>It is intended that Direct Services has a greater focus on commercial income going forward and the Head of Direct Services has looked at current income levels and considers that it should be possible to increase the Council's market share.</p> <p>A new post of Commercial Operations and Trading Manager has recently been appointed to and the successful candidate starts on October. This post will have a focus on delivering additional income</p>
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<b>Key Stakeholders Affected</b>	Direct Services paying customers
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<b>Likely impacts and implications of the change in service (include Risk Analysis)</b>	An increased demand for the services listed above will in time result in additional staffing and vehicle requirements to enable the services to be delivered effectively.
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**SERVICE CHANGE IMPACT ASSESSMENT**

Risk to Service Objectives (High / Medium / Low)

Medium
--------

2020/21 Budget	£'000	Performance Indicators		
Operational Cost	1,726	Code & Description	Actual	Target
Income	(1,816)	LPI_DS Waste 4: Number of missed green waste collections	13	35
Net Cost	(90)	LPI_DS Waste 5: Number of missed green waste collections collected by next working day	100%	98%

**Equality Impacts**

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

**SERVICE CHANGE IMPACT ASSESSMENT**

SCIA 10 (21/22)

<b>Chief Officer:</b>	Adrian Rowbotham	<b>Service:</b>	Direct Services
<b>Activity</b>	Commercial Income (new services)	<b>No. of Staff:</b>	111.12 FTE

Activity Budget Change	Year: 2022/23 Growth / (Saving) £000	Later Years Comments (ongoing, one-off, etc.)
New commercial services	(100)	Ongoing from 2022/23

**Reasons for and explanation of proposed change in service**

It is intended that Direct Services has a greater focus on commercial income going forward.

The Head of Direct Services and the new Commercial Operations and Trading Manager will consider options for additional commercial services that Direct Services can deliver.

The additional income is included from 2022/23 as it is recognised that it will take time to get any new services operating and delivering net income.

**Key Stakeholders Affected**

Direct Services paying customers

**Likely impacts and implications of the change in service (include Risk Analysis)**

An increased number of services being offered by Direct Services will in time result in additional staffing and vehicle requirements to enable the services to be delivered effectively.

**SERVICE CHANGE IMPACT ASSESSMENT**

Risk to Service Objectives (High / Medium / Low)

Medium
--------

2020/21 Budget	£'000	Performance Indicators		
Operational Cost	1,726	Code & Description	Actual	Target
Income	(1,816)	n/a		
Net Cost	(90)			

**Equality Impacts**

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

**SERVICE CHANGE IMPACT ASSESSMENT**

SCIA 11 (21/22)

<b>Chief Officer:</b>	Richard Morris	<b>Service:</b>	Planning
<b>Activity</b>	Development Management	<b>No. of Staff:</b>	25.49 FTE

Activity Budget Change	Year: 2021/22 Growth / (Saving) £000	Later Years Comments (ongoing, one-off, etc.)
Additional income	(36)	Ongoing

**Reasons for and explanation of proposed change in service**

Development Management activity is likely to increase still further given recent changes to the planning system, proposals that are subject to consultation in the White Paper, and the emerging Local Plan.

**Key Stakeholders Affected**

None

**Likely impacts and implications of the change in service (include Risk Analysis)**

Additional income would come from additional work so the impact on the service needs to be carefully monitored.

**SERVICE CHANGE IMPACT ASSESSMENT**

Risk to Service Objectives (High / Medium / Low)

Medium
--------

2020/21 Budget	£'000	Performance Indicators		
Operational Cost	1,176	Description	Actual	Target
Income	(924)	% of planning applications processed in target time:		
Net Cost	252	Major (13 weeks)	83%	80%
		Minor (8 weeks)	79%	80%
		Other (8 weeks)	93%	90%

**Equality Impacts**

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.



**SERVICE CHANGE IMPACT ASSESSMENT**

SCIA 12 (21/22)

<b>Chief Officer:</b>	Richard Morris	<b>Service:</b>	Planning
<b>Activity</b>	Strategic Planning	<b>No. of Staff:</b>	9.29 FTE

<b>Activity Budget Change</b>	<b>Year: 2021/22 Growth / (Saving) £000</b>	<b>Later Years Comments (ongoing, one-off, etc.)</b>
Deletion of (vacant) monitoring technician post	(18)	Ongoing

**Reasons for and explanation of proposed change in service**

It is anticipated that the work of this post can largely be digitised and automated, and any residual elements can be absorbed within the wider team.

**Key Stakeholders Affected**

None

**Likely impacts and implications of the change in service (include Risk Analysis)**

The SCIA links to our digitisation agenda and will enable greater access to and processing of information and data.

**SERVICE CHANGE IMPACT ASSESSMENT**

Risk to Service Objectives (High / Medium / Low)

Low
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2020/21 Budget	£'000	Performance Indicators		
Operational Cost	540	Code & Description	Actual	Target
Income	(5)	n/a		
Net Cost	535			

**Equality Impacts**

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

**SERVICE CHANGE IMPACT ASSESSMENT**

SCIA 13 (21/22)

<b>Chief Officer:</b>	Adrian Rowbotham	<b>Service:</b>	Property Investment Strategy
<b>Activity</b>	Property Investment Strategy	<b>No. of Staff:</b>	n/a

Activity Budget Change	Year: 2021/22 Growth / (Saving) £000	Later Years Comments (ongoing, one-off, etc.)
Reduced income	96	One-off

**Reasons for and explanation of proposed change in service**

The tenant of the ground floor of 96 High Street, Sevenoaks have gone into administration and have surrendered their lease.

There has been interest in the property from other businesses which will continue to be investigated. There is also the potential to bring forward the development of the site.

Due to not currently having a tenant for the ground floor of the building it would be prudent to assume that no (or a reduced income) will be received in 2021/22.

**Key Stakeholders Affected**

Property tenants

**Likely impacts and implications of the change in service (include Risk Analysis)**

By aiming to have a balanced property portfolio spread over a range of sectors, the impact of the Covid-19 pandemic on income from the Property Investment Strategy has been relatively small.

The loss of income in 2020/21 is included in the current budget monitoring forecasts.

**SERVICE CHANGE IMPACT ASSESSMENT**

Risk to Service Objectives (High / Medium / Low)

Medium
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2020/21 Budget	£'000	Performance Indicators		
Operational Cost	209	Code & Description	Actual	Target
Income	(1,637)	n/a		
Net Cost	(1,428)			

**Equality Impacts**

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

**SERVICE CHANGE IMPACT ASSESSMENT**

SCIA 14 (21/22)

<b>Chief Officer:</b>	Jim Carrington-West	<b>Service:</b>	Revenues & Benefits
<b>Activity</b>	Revenues and Benefits	<b>No. of Staff:</b>	34.25 FTE (SDC share of total 68.50 FTE)

<b>Activity Budget Change</b>	<b>Year: 2021/22 Growth / (Saving) £000</b>	<b>Later Years Comments (ongoing, one-off, etc.)</b>
Revenues and Benefits service delivery	60	Ongoing

**Reasons for and explanation of proposed change in service**

Currently the Revenues and Benefits services are reliant on reserves built up from Grants received to subsidise ongoing revenue costs of providing the core service. With ongoing uncertainty around future grants this is not a sustainable position and as such growth is requested from 2021/22 in order to allow for a more in-depth review in future years to reduce this reliance.

**Key Stakeholders Affected**

All customers of the Revenues and Benefits service

**Likely impacts and implications of the change in service (include Risk Analysis)**

Without this growth item, continued reliance will be placed on reducing reserves and external grants in order to provide a stator service. If this is not addressed, service capacity is likely to reduce, adversely impacting on residents who are potentially in the greatest need.

**SERVICE CHANGE IMPACT ASSESSMENT**

Risk to Service Objectives (High / Medium / Low)

Medium
--------

2020/21 Budget	£'000	Performance Indicators		
Operational Cost	26,860	Code & Description	Actual	Target
Income	(26,650)			
Net Cost	210			

**Equality Impacts**

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

**SERVICE CHANGE IMPACT ASSESSMENT**

SCIA 15 (21/22)

<b>Chief Officer:</b>	Adrian Rowbotham	<b>Service:</b>	Various
<b>Activity</b>	Office expenses	<b>No. of Staff:</b>	n/a

<b>Activity Budget Change</b>	<b>Year: 2021/22 Growth / (Saving) £000</b>	<b>Later Years Comments (ongoing, one-off, etc.)</b>
Reduction in office expenses	(20)	ongoing

**Reasons for and explanation of proposed change in service**

A number of services have proposed small savings within their office expenses budgets.

**Key Stakeholders Affected**

Staff

**Likely impacts and implications of the change in service (include Risk Analysis)**

None

**SERVICE CHANGE IMPACT ASSESSMENT**

Risk to Service Objectives (High / Medium / Low)

Low

2020/21 Budget	£'000	Performance Indicators		
Operational Cost*		Code & Description	Actual	Target
Income		n/a		
Net Cost				

\*The savings proposed are across a number of services, but they have been combined into one SCIA.

**Equality Impacts**

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.



**SERVICE CHANGE IMPACT ASSESSMENT**

SCIA 16 (21/22)

<b>Chief Officer:</b>	Adrian Rowbotham	<b>Service:</b>	Facilities Management
<b>Activity</b>	Asset Maintenance	<b>No. of Staff:</b>	-

Activity Budget Change	Year: 2021/22 Growth / (Saving) £000	Later Years Comments (ongoing, one-off, etc.)
Reduction in Asset maintenance budget	(100)	Ongoing

**Reasons for and explanation of proposed change in service**

Due to the COVID-19 pandemic savings are required throughout the Council. The asset maintenance budget has been reviewed and a total reduction of £100,000 has been achieved via a reduction in the budget for Leisure of £50,000 and reducing the impact of SCIA16 19/20 which approved £100,000 growth.

Also see the separate Capital Programme and Asset Maintenance report to FIAC on 21/10/20.

**Key Stakeholders Affected**

All users of Council premises

**Likely impacts and implications of the change in service (include Risk Analysis)**

The budget was increased in 2018/19 and 2019/20 to ensure there was sufficient budget to keep Council assets in good order. The reduction in budget may mean that some works cannot be done within existing budget or will take longer to complete as the programme is spread over a longer period.

The proposed asset maintenance budget in 2021/22 will fund 64% of the average yearly liability over the next 18 years.

The asset maintenance budget will continue to be reviewed each year.

**SERVICE CHANGE IMPACT ASSESSMENT**

Risk to Service Objectives (High / Medium / Low)

Medium
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2020/21 Budget	£'000	Performance Indicators		
Operational Cost	681	Code & Description	Actual	Target
Income	-	n/a		
Net Cost	681			

**Equality Impacts**

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

**SERVICE CHANGE IMPACT ASSESSMENT**

SCIA 17 (21/22)

<b>Chief Officer:</b>	Adrian Rowbotham	<b>Service:</b>	Internal Audit
<b>Activity</b>	Internal Audit	<b>No. of Staff:</b>	3.8 FTE (SDC share of total 6.3 FTE)

<b>Activity Budget Change</b>	<b>Year: 2022/23 Growth / (Saving) £000</b>	<b>Later Years Comments (ongoing, one-off, etc.)</b>
Ongoing impact of 2019 staff restructure	(8)	Ongoing from 2022/23

**Reasons for and explanation of proposed change in service**

A full review of the Internal Audit shared service with Dartford BC was completed in 2019.

Two members of staff were placed in lower graded roles in the new structure and their previous salary levels were protected until 2022.

This proposed saving reflects the ongoing saving from 2022.

**Key Stakeholders Affected**

Internal Audit staff

**Likely impacts and implications of the change in service (include Risk Analysis)**

This saving is reflected in the Internal Audit staffing restructure but has not yet been included in the 10-year budget process.

**SERVICE CHANGE IMPACT ASSESSMENT**

Risk to Service Objectives (High / Medium / Low)

Low
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2020/21 Budget	£'000	Performance Indicators		
Operational Cost	189	Code & Description	Actual	Target
Income	-	n/a		
Net Cost	189			

**Equality Impacts**

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

**SERVICE CHANGE IMPACT ASSESSMENT**

SCIA 18 (21/22)

<b>Chief Officer:</b>	Jim Carrington-West	<b>Service:</b>	Revenues & Benefits
<b>Activity</b>	Council Tax	<b>No. of Staff:</b>	34.25 FTE (SDC share of total 68.50 FTE)

Activity Budget Change	Year: 2021/22 Growth / (Saving) £000	Later Years Comments (ongoing, one-off, etc.)
Council Tax: Increasing the empty homes premium to statutory limits	(4)	Ongoing

**Reasons for and explanation of proposed change in service**

**Background**  
In 2012, the Government changed legislation to allow Billing Authorities to determine an additional premium on the council tax charge for all long-term empty properties by up to 50% from 1 April 2013.

A long-term empty property is classed as unoccupied and substantially unfurnished for two years or more.

At a meeting of the full Council on 19 February 2013, it was decided that all long-term empty properties would be charged an additional 50% premium (therefore 150% in total).

In November 2018, the Government adjusted the legislation to allow the premium on long-term empty properties, from 1 April 2019, to be increased to 100% for under 5 years, from 1 April 2020 up to 200% if it is empty for 5 years or more and from 1 April 2021 300% if it has been empty for 10 years or more.

At a meeting of the full Council on 26 February 2019, it was decided that all long-term empty properties would be charge an additional 100% premium (therefore 200% in total).

**SERVICE CHANGE IMPACT ASSESSMENT****Proposal**

The proposed change in service is to increase the premium for long term empty properties for 5 years or more to 200% and for 10 years or more to 300% both from 1 April 2021

As well as the increase in revenue, increasing the long-term empty charge will support the Council's Empty Homes Action Plan and encourage empty dwellings to be brought back into use more quickly.

**Legislation**

Section 12 of the Local Government Finance Act 2012 added section 11B to the Local Government Finance Act 1992 enabling Local Authorities to increase the charge on long-term empty dwellings (unoccupied and substantially unfurnished for at least 2 years) by up to 50%. The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 increased the amount local authorities can charge on long-term empty dwellings up to 100% for dwellings empty under 5 years, 200% for dwellings empty from 5 - 9 years and from 1 April 2021 300% for dwellings empty for 10 years or more

**Kent Authorities**

Premiums charged by each Kent authorities are as follows:

Ashford	100%, 200%, 300% (from 1 April 2021)
Canterbury	100%, 200%, 300% (from 1 April 2021)
Dartford	100%
Dover	100%, 200%, 300% (from 1 April 2021)
Folkestone and Hythe	100%, 200%, 300% (from 1 April 2021)
Gravesham	100%, 200%, 300% (from 1 April 2021)
Maidstone	100%, 200%, 300% (from 1 April 2021)
Medway	100%, 200%, 300% (from 1 April 2021)
Swale	100%, 200%, 300% (from 1 April 2021)
Thanet	100%, 200%, 300% (from 1 April 2021)

**SERVICE CHANGE IMPACT ASSESSMENT**

Tonbridge and Malling	100%, 200%, 300% (from 1 April 2021)
Tunbridge Wells	100%, 200%, 300% (from 1 April 2021)

**Key Stakeholders Affected**

Council Tax payers of long-term empty properties

**Likely impacts and implications of the change in service (include Risk Analysis)**

There is no legal requirement to consult on the recommended changes but there is a legal requirement to publish any changes to the Council Tax premiums in at least one newspaper circulating in the Billing Authority’s area. This must be done within 21 days of the resolution being agreed by the Council.

Making changes to the existing level of premium means that, as the Billing Authority, the Council may incur a small amount of costs associated with implementing and administering the changes.

There is a very small risk to the collection of debts resulting from any changes but our recovery process should allow us to collect the new amounts. The levels are based on the considered implications on collection whilst maximising the potential income opportunity for the Council.

The revised premiums may lead to some complaints and appeals.

This does not affect any properties going through probate as this is covered by an exemption.

**SERVICE CHANGE IMPACT ASSESSMENT**

Risk to Service Objectives (High / Medium / Low)

Low
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2020/21 Budget	£'000	Performance Indicators		
Operational Cost	n/a	Code & Description	Actual	Target
Income (SDC share)	(11,264)			
Net Cost	n/a			

**Equality Impacts**

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.



**SERVICE CHANGE IMPACT ASSESSMENT**

SCIA 19 (21/22)

<b>Chief Officer:</b>	Jim Carrington-West	<b>Service:</b>	Revenues & Benefits
<b>Activity</b>	Council Tax	<b>No. of Staff:</b>	34.25 FTE (SDC share of total 68.50 FTE)

Activity Budget Change	Year: 2021/22 Growth / (Saving) £000	Later Years Comments (ongoing, one-off, etc.)
Council Tax: Council Tax: Removing the Empty and Unfurnished Property discount (currently one month)	(44)	Ongoing

**Reasons for and explanation of proposed change in service**

**Background**

In 2012, the Government changed legislation to allow Billing Authorities to determine the level of discount (if any) for unoccupied and substantially unfurnished dwellings for up to 6 months, from 1 April 2013.

At a meeting of the full Council on 19 February 2013 it was decided that all unoccupied and substantially unfurnished dwellings will have 100% discount for up to 3 months

At a meeting of the full Council on 26 February 2019 it was decided that all unoccupied and substantially unfurnished dwellings will have 100% discount for up to 1 month

**Proposal**

The proposed change in service is to remove the current 1 month discount, therefore meaning all unoccupied and substantially unfurnished dwellings will have to pay full council tax from 1 April 2021.

As well as the increase in revenue, removing the discount will support the Council's Empty Homes Action Plan and encourage empty dwellings to be brought back into use more quickly.

**SERVICE CHANGE IMPACT ASSESSMENT**

**Legislation**

Section 11 of the Local Government Finance Act 1992 (inserted by section 75 of the Local Government Finance Act 2003 and amended by Local Government Finance Act 2012 which were enacted by the Council Tax (Prescribed Classes of Dwellings (England) (Amendment) Regulations 2012 and the Council Tax (Exempt Dwellings) (England) (Amendment) Order 2012.)

**Kent Authorities**

Unoccupied and unfurnished discounts offered by each Kent authority is as follows:

Ashford	100% for 6 weeks
Canterbury	0%
Dartford	100% for 1 month
Dover	0%
Folkestone and Hythe	0%
Gravesham	100% for 1 month
Maidstone	0%
Medway	100% for 3 months
Swale	100% for 1 month
Thanet	0%
Tonbridge and Malling	0%
Tunbridge Wells	0%

The Councils who still offer a discount all have their own housing stock.

**Key Stakeholders Affected**

Council Tax payers of properties empty and unfurnished for longer than one month.

**Likely impacts and implications of the change in service (include Risk Analysis)**

There is no legal requirement to consult on the recommended changes but there is a legal requirement to publish any changes to the Council Tax discounts in at least one newspaper circulating in the Billing Authority's area. This must be done within 21 days of the resolution being agreed by the Council.

Removal of the current discount for unoccupied and substantially unfurnished dwellings will lead to less administration required. Currently there are many disputes between tenants and property owners

**SERVICE CHANGE IMPACT ASSESSMENT**

regarding when a property became unoccupied so a discount can be claimed. Often the Council have to write off balances as they are unable to establish when a property became empty. Without a discount, this part is not required to establish liability, therefore reducing customer contact and administration.

There is a very small risk to the collection of debts resulting from any changes but our recovery process should allow us to collect the new amounts. The levels are based on the considered implications on collection whilst maximising the potential income opportunity for the Council.

Currently if a property is unoccupied and furnished it is classed as a 2<sup>nd</sup> home, with no discount offered. The removal of the discount for unoccupied and unfurnished properties will bring this in line with the second homes and not distinguish between a property if it has furniture or not.

The removal of the discount may lead to some complaints and appeals.

This does not affect any properties going through probate as this is covered by an exemption.

**Risk to Service Objectives (High / Medium / Low)**

Low

2020/21 Budget	£'000	Performance Indicators		
Operational Cost	n/a	Code & Description	Actual	Target
Income (SDC share)	(11,264)			
Net Cost	n/a			

**SERVICE CHANGE IMPACT ASSESSMENT**

**Equality Impacts**

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

**SERVICE CHANGE IMPACT ASSESSMENT**

SCIA 20 (21/22)

<b>Chief Officer:</b>	Sarah Robson	<b>Service:</b>	People and Places
<b>Activity</b>	Housing Advice	<b>No. of Staff:</b>	5.5 FTE

Activity Budget Change	Year: 2021/22 Growth / (Saving) £000	Later Years Comments (ongoing, one-off, etc.)
Homelessness	100	Ongoing

**Reasons for and explanation of proposed change in service**

Since the introduction of the Homelessness Reduction Act, all councils have seen an increase in the number of households presenting as homeless or threatened with homelessness. As a result, this Council has seen an increase in the use and cost of temporary accommodation. The length of time customers stay in temporary accommodation is often longer due to lack of suitable move-on accommodation.

**Key Stakeholders Affected**

Homelessness households

**Likely impacts and implications of the change in service (include Risk Analysis)**

The cost of expensive temporary accommodation, including nightly paid accommodation places a budget growth pressure on the Council.

The Council currently receives Government funding to support homelessness via the Flexible Homelessness Support Grant. 2021/22 funding allocation has still to be confirmed. The funding is used to support homelessness prevention staffing costs but is also used to support temporary accommodation costs for homeless households.

**SERVICE CHANGE IMPACT ASSESSMENT**

Risk to Service Objectives (High / Medium / Low)

Medium
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2020/21 Budget	£'000	Performance Indicators		
Operational Cost	365	Code & Description	Actual	Target
Income	(132)	LPI_HS A 03 - No. of households in All type of Emergency and Temporary Accommodation	86	80
Net Cost	233			

**Equality Impacts**

Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to (i) eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010, (ii) advance equality of opportunity between people from different groups, and (iii) foster good relations between people from different groups. The decisions recommended through this paper directly impact on end users. The impact has been analysed and does not vary between groups of people. Regardless of different groups of people, all customers have to be consistently supported in line with Housing legislation.

**SERVICE CHANGE IMPACT ASSESSMENT**

SCIA 21 (21/22)

<b>Chief Officer:</b>	Jim Carrington-West	<b>Service:</b>	Customer Solutions
<b>Activity</b>	Customer Solutions	<b>No. of Staff:</b>	18.3 FTE

Activity Budget Change	Year: 2021/22 Growth / (Saving) £000	Later Years Comments (ongoing, one-off, etc.)
Increased resource to support extended provision of Customer Solutions service	40,000	Ongoing

**Reasons for and explanation of proposed change in service**

In order to provide an extended Customer Solutions service to customers of the Council, a new working pattern is proposed that will see the availability of Customer Solutions from 7am to 7pm, Monday to Friday.

Current operating hours for the Customer Solutions team are 08:45 to 17:00 Monday to Thursday and 08:45 to 16:45 Friday. This does not necessarily align with when it is convenient for customers to contact the organisation relating to their needs. It is felt that an extended period of operation would provide more flexibility to customers and as such an enhanced service offering.

This proposal should be taken alongside the already underway Customer Redesign work which will deliver improved customer journeys and an even greater ability for enquiries to be dealt with at the first point of contact.

To enable this to happen it will require not only current working patterns be reviewed but additional resource to cover the longer operational period.

**Key Stakeholders Affected**

All customers of the Council

**SERVICE CHANGE IMPACT ASSESSMENT**

**Likely impacts and implications of the change in service (include Risk Analysis)**

It is hoped this change will have a positive impact on meeting customer demand.

**Risk to Service Objectives (High / Medium / Low)**

Low

2020/21 Budget	£'000	Performance Indicators		
Operational Cost	573	Code & Description	Actual	Target
Income	-	% of phone call answered within 20 seconds	76%	70%
Net Cost	573	% of phone calls abandoned by the caller	4.5%	5%

**Equality Impacts**

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.



**SERVICE CHANGE IMPACT ASSESSMENT**

SCIA 22 (21/22)

<b>Chief Officer:</b>	Adrian Rowbotham	<b>Service:</b>	Partnerships
<b>Activity</b>	Partnerships	<b>No. of Staff:</b>	77 FTE

<b>Activity Budget Change</b>	<b>Year: 2022/23 Growth / (Saving) £000</b>	<b>Later Years Comments (ongoing, one-off, etc.)</b>
Review of partnerships	(100)	Ongoing from 2022/23

**Reasons for and explanation of proposed change in service**

Sevenoaks DC operates a range of services in partnership with other councils including the following:

- Building Control
- Environmental Health
- Internal Audit
- Licensing
- Revenues and Benefits

All of the partnerships have been operating for a number of years and they all delivered savings to SDC when they were originally set up.

As the requirement of the partners change over time it is important to review whether it is beneficial to remain in each partnership and also to ensure that the partners are contributing in line with the service they each receive.

Some partnerships have been reviewed in recent years and the intention is to review the other partnerships over the next year.

It is hoped that this exercise will deliver annual savings of £100,000 from 2022/23.

**Key Stakeholders Affected**

Partner authorities.  
Partnership staff

**SERVICE CHANGE IMPACT ASSESSMENT**

**Likely impacts and implications of the change in service (include Risk Analysis)**

Any changes should not have a detrimental impact on service as a purpose of this exercise is to ensure that SDC customers receive the same or better service going forward.

Changes to partnerships may result in the service being impacted during any changeover period but this will be minimised wherever possible.

**Risk to Service Objectives (High / Medium / Low)**

Medium

2020/21 Budget	£'000	Performance Indicators		
		Code & Description	Actual	Target
Operational Cost	2,770			
Income	(1,807)	N/a		
Net Cost	963			

**Equality Impacts**

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

**SERVICE CHANGE IMPACT ASSESSMENT**

SCIA 23 (21/22)

<b>Chief Officer:</b>	Jim Carrington-West	<b>Service:</b>	IT Services
<b>Activity</b>	Online Forms	<b>No. of Staff:</b>	9.0

Activity Budget Change	Year: 2021/22  Growth / (Saving) £000	Later Years Comments (ongoing, one-off, etc.)
Reduction in the number of eForms packages in use	(11)	Ongoing

**Reasons for and explanation of proposed change in service**

Over time the authority has acquired different eforms packages due to links with different services and suppliers. Many of these were procured alongside service specific software packages based on the individual needs of service areas. However, as eforms have become more co-ordinated and have had to conform to national standards in accessibility it has become easier to achieve these requirements with a more consistent approach. It is therefore proposed to rationalise the number of eforms packages in use. In moving towards a single platform officers are better placed to deploy and support eforms based on customer requirement. This will lead to a reduction in development times and ultimately allow officers to design their own eforms without any technical assistance.

**Key Stakeholders Affected**

Service areas providing online services

**Likely impacts and implications of the change in service (include Risk Analysis)**

No impact on services as eforms will be tested to ensure they are fit for purpose before deployment.

**Risk to Service Objectives (High / Medium / Low)**

Low

**SERVICE CHANGE IMPACT ASSESSMENT**

2020/21 Budget	£'000	Performance Indicators		
Operational Cost	1,143	Code & Description	Actual	Target
Income	(27)	N/a		
Net Cost	1,116			

**Equality Impacts**

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

**SERVICE CHANGE IMPACT ASSESSMENT**

SCIA 24 (21/22)

<b>Chief Officer:</b>	Adrian Rowbotham	<b>Service:</b>	Ec. Dev and Property
<b>Activity</b>	Property	<b>No. of Staff:</b>	5.81 FTE

Activity Budget Change	Year: 2021/22 Growth / (Saving) £000	Later Years Comments (ongoing, one-off, etc.)
New fees and charges	(2)	Ongoing

**Reasons for and explanation of proposed change in service**

Currently the Council does not charge external customers for property related services. These services include, but are not limited to:

- Landlord letters of consent (e.g. covenants regarding alterations)
- Licences to enable alterations and building works across Council land by neighbouring landowners, licences for temporary service compounds, licences for access points, etc.
- Landlord licences for underlettings, assignments, alterations to buildings. This would also include costs associated with seeking references and financial information.
- Consent for release of covenants (additional to compensation calculations)
- Wayleaves, easements

The above list is not exhaustive of the requests that the Property Team receives, but gives an example of requests which are not only resource intensive but also incur additional costs (e.g. seeking references and financial information) for the Council. It is normal industry practice that the costs associated with these services are covered by the applicant. Not only is this an accepted industry norm, but other local authorities do charge for these services.

**SERVICE CHANGE IMPACT ASSESSMENT**

Officers have undertaken a rapid review of the approach that other local authorities are using and are currently determining a robust and transparent charging approach that can be adopted by the Council.

It is also important to distinguish between the costs incurred in providing the service, which will allow the Council to recuperate costs and in certain instances the premium that the Council may charge. The latter is subject to commercial negotiations and valuations.

A nominal amount of income is currently included in this SCIA but a further SCIA for an increased amount could be provided next year if appropriate.

**Key Stakeholders Affected**

Property Service customers

**Likely impacts and implications of the change in service (include Risk Analysis)**

None

**Risk to Service Objectives (High / Medium / Low)**

Low

2020/21 Budget	£'000	Performance Indicators		
Operational Cost	457	Code & Description	Actual	Target
Income	(42)	N/A		
Net Cost	415			

**Equality Impacts**

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

**SERVICE CHANGE IMPACT ASSESSMENT**

SCIA 25 (21/22)

<b>Chief Officer:</b>	Adrian Rowbotham	<b>Service:</b>	Car Parking
<b>Activity</b>	Car Parking	<b>No. of Staff:</b>	13.0 FTE

Activity Budget Change	Year: 2021/22 Growth / (Saving) £000	Later Years Comments (ongoing, one-off, etc.)
Tandridge DC enforcement contract	(40)	Ongoing

**Reasons for and explanation of proposed change in service**

The council was successful in tendering for a contract to carry out off-street and on-street parking enforcement for Tandridge DC which commenced on 1 April 2020.

A previous contract was in place to carry out off-street (i.e. car parks) parking enforcement.

**Key Stakeholders Affected**

Users of Tandridge DC car parks and on-street parking facilities.

**Likely impacts and implications of the change in service (include Risk Analysis)**

The contract is for one year. It is hoped that the contract will continue but there is a risk that it may not be, and the new income would therefore not be received in later years.

**SERVICE CHANGE IMPACT ASSESSMENT**

Risk to Service Objectives (High / Medium / Low)

Medium
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2020/21 Budget	£'000	Performance Indicators		
Operational Cost	1,595	Code & Description	Actual	Target
Income	(4,060)	n/a		
Net Cost	(2,465)			

**Equality Impacts**

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.



**Further Growth and Savings Suggestions made by the Advisory Committees**

Housing and Health Advisory Committee

**Savings (reduced expenditure/increased income)**

Charging for housing register referrals.

Charging for the private sector management service.

People and Places Advisory Committee

**Savings (reduced expenditure/increased income)**

A community lottery.

Hiring out the Council owned Lullingstone Golf Course for functions and business networking events.

Improvement and Innovation Advisory Committee

**Savings (reduced expenditure/increased income)**

Providing services on behalf of the County Council and recharging the costs to the County.

Cleaner and Greener Advisory Committee

None

Development and Conservation Advisory Committee

None

Finance and Investment Advisory Committee

None

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Summary of Council Expenditure

	2020/21 Budget £000	2021/22 Budget £000
Net Service Expenditure	15,581	16,879
Revenue Support Grant	0	0
Retained Business Rates	(2,139)	(2,182)
New Homes Bonus	0	0
Council Tax Requirement - Sevenoaks DC	(11,264)	(11,491)
Collection Fund deficit/(surplus)	0	68
Grant & Council Tax income	<u>(13,403)</u>	<u>(13,605)</u>
Net Expenditure after Grant & Council Tax, before interest	2,178	3,274
Less: Interest and Investment income	(300)	(188)
Less: Property Investment Strategy Income	(1,428)	(1,468)
Amount to be met from Reserves	<u>450</u>	<u>1,618</u>
Contributions (to) / from reserves		
Earmarked Reserves		
Capital	(148)	(148)
Budget Stabilisation	72	1,253
Pension fund valuation	59	46
Financial Plan	501	501
Net Zero Transition Reserve	(34)	(34)
Planned contribution from General Fund Reserve	<u>0</u>	<u>0</u>
	<u>450</u>	<u>1,618</u>
	<b>2019/20</b>	<b>2020/21</b>
Taxbase	50,772	51,208
	£	£
Council Tax @ Band D	215.01	219.96

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Capital Programme 2021-24

Scheme	Funding Source	Bid Form							
					2020/21	2021/22	2022/23	2023/24	
			Total approved scheme £000	Previous years spend £000	Forecast £000	Budget £000	Budget £000	Budget £000	Total over programme period £000
<b>People &amp; Places</b>									
White Oak Leisure Centre	Capital Receipts & External borrowing	Previous approval	19,870	857	7,091	10,352	1,452	100	19,852
White Oak Leisure centre - Orchards Academy	Capital Receipts	Previous approval	130		30	100			130
Burlington Mews	Capital Receipts	Previous approval				79	8	8	95
27-37 Swanley High Street (meeting Point)	Capital Receipts & External funding	Separate report 1 & separate report			800	3,000	1,824		5,624
White Oak Residential	Capital Receipts				50	50			100
Bevan Place	Mixed	1			20	330			350
Edenbridge	Mixed	1			20	330			350
Sevenoaks Town Centre Regeneration	Mixed	1			30	320			350
Hollybush	Mixed	1					350		350
Spitals Cross	Mixed	1					50		50
Otford Road Park & Ride	Mixed	1					200		200
Westerham	Mixed	1					50		50
Kemsing	Mixed	1						350	350
Lullingstone	Mixed	1				20	30		50
Other Feasibility & Due Dilliegnce costs	Mixed	1				100	150	-	250
<b>Finance and Trading</b>									
Commercial vehicle replacements	Vehicle Renewal Res.	2	-	-	549	563	563	563	2,238
Disabled Facilities Grants (gross)	Better Care Fund	3	-	-	1,100	1,100	1,100	1,100	4,400
Property Investment Strategy	Prop. Inv. Strategy	Previous approval	50,300	29,505	5,000	5,000	5,000	5,795	50,300
<b>TOTAL</b>					<b>14,690</b>	<b>21,344</b>	<b>10,777</b>	<b>7,916</b>	<b>85,089</b>

Funding Sources

Capital Receipts	7,021	4,041	3,284	108
Financial Plan Reserve & Cap Receipts				
Vehicle Renewal Reserve	549	563	563	563
Property Investment Strategy ***	5,000	5,000	5,000	5,795
Better Care Fund (KCC)	1,100	1,100	1,100	1,100
Internal Borrowing				
Mixed funding depending on scheme funding	120	1,150	830	350
External Borrowing		8,000		
Grant Funding	900	1,490		
	<b>14,690</b>	<b>21,344</b>	<b>10,777</b>	<b>7,916</b>

\*\*\* Part will be funded from Capital Receipts, Reserves, Internal Borrowing and External Borrowing.

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Capital Programme 2021/24

**Scheme Bid Document - Scheme: Capital Programme Feasibility Studies**

**Description:** SDC has an ambitious capital development agenda. The agenda's programme is not only aimed at regenerating parts of the District, but also generating future income streams for the Council and delivering on the District's housing needs.

This bid is to provide seed funding to explore options and undertake necessary feasibility work to enable the Council to make informed strategic investment decisions. Typical work that this fund will be used for includes amongst others: Concept designs, feasibility studies, utility surveys, legal searches, feasibility studies, development and financial appraisals, planning studies. On average it will support the product development of circa 5 schemes a year before these individual schemes received Cabinet/Council approval. Should the schemes be progressed, these upfront costs could be incorporated into the budgets of the respective projects.

**Service : Property and Commercial**

**Portfolio Holder/Chief Officer : Cllr Peter Fleming; Detlev Munster**

**Financials :**

CAPITAL COSTS	TOTAL	2021/22	2022/23	2023/24
	£000	£000	£000	£000
Gross scheme cost	2,330	1,150	830	350
External Contributions (list)				

Net scheme cost	<u>2,330</u>	<u>1,150</u>	<u>830</u>	<u>350</u>
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**ONGOING REVENUE IMPLICATIONS**

(excluding loss of interest)

Running costs

Income streams

Net cost

\_\_\_\_\_

\_\_\_\_\_

**Funding Source :** The funding sources will be dependant on the funding for each scheme. Aborted schemes will not be capitalised and any costs will be need to funded from existing revenue budgets

<b>Other Resource Implications :</b>	
Staffing	Funding will be used to capitalise allowable salaries within the Property team. These are the salaries of those officers that are directly involved with the delivery of the projects.
Asset Values	Funding will be used towards projects that will add value to the Council's property portfolio which should appreciate in value over time.

**Justification:**

This funding will be used towards capital projects that support the Council's Property Investment Strategy, the Council Plan, Corporate Plan and Economic Development Strategy, and the West Kent Partnership Economic Priorities for Growth.

The assessment of options and the preparation of development appraisals and feasibility studies are a necessity to ensure that the Council is able to make an informed decision, before it commits future significant funds of money. Undertaking such due diligence is a requirement under the Prudential Code, IFRS16, and the Council's Risk Management Strategy, and complies with S123 of the LGA.



Capital Programme 2021/24

**Scheme Bid Document - Scheme: Vehicle Replacement Programme**

**Description:** Purchase of replacement commercial fleet vehicles that have reached the end of their fully depreciated operational life.

**Service :** Direct Services

**Portfolio Holder/Chief Officer :** Councillor Margot McArthur/Adrian Rowbotham

**Financials :**

CAPITAL COSTS	TOTAL	2021/22	2022/23	2023/24
	£000	£000	£000	£000
Gross scheme cost	1,689	563	563	563
External Contributions (list)				

Net scheme cost	1,689	563	563	563
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**ONGOING REVENUE IMPLICATIONS**

(excluding loss of interest)

Contribution to Vehicle replacement Reserve		61	61	61
Income streams				
Net cost		61	61	61

**Funding Source:** Funding is via the vehicle replacement fund which is financed by fixed transport charges, the sale of old vehicles and by an annual revenue contribution. Fixed transport charges include an annual replacement fund contribution as well as individual depreciation charges levied on each fleet purchase over predetermined periods.

<b>Other Resource Implications :</b>	
Staffing	Managed by Direct Services fleet management.
Asset Values	Approximately £9 million

**Justification:**

To maintain services, mainly statutory. Supports all the Council's priorities

Capital Programme 2021/24

**Scheme Bid Document - Scheme: Disabled Facility Grant**

**Description:** Money provided by the Better Care Fund for the provision of both mandatory and discretionary activities to ensure those eligible for assistance remain residing in their own home along with the new requirement to fund initiatives to better integrate housing with social care and Health Services, through preventive and responsive services.

**Service : Private Sector Housing**

**Portfolio Holder/Chief Officer :** Cllr Maskell / Sarah Robson

**Financials :**

CAPITAL COSTS	Period	2021/22	2022/23	2023/24
	TOTAL			
	£000	£000	£000	£000
Gross scheme cost	3,300	1,100	1,100	1,100
External Contributions (list)				
Better Care Fund, via KCC	(3,300)	(1,100)	(1,100)	(1,100)
Net scheme cost	0	0	0	0

**ONGOING REVENUE IMPLICATIONS**

(excluding loss of interest)

Running costs

Income streams

Net cost	0	0	0
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Funding Source : Scheme will be fully funded from the Better Care Fund.

<b>Other Resource Implications :</b>	
Staffing	Managed with existing staffing establishment
Asset Values	Assets not in Council ownership

**Justification:**

It is a statutory duty to provide DFGs to older and or disabled residents. The Council's DFG service is eligible for Ministry of Housing, Communities and Local Government (MHCLG) funding. Larger grants are managed by Home Improvement Agency (HIA).

From 2015 the Better Care Fund for Kent has been administered by KCC (ring fenced for

and passed onto each District).

## The Capital Strategy 2021/22

### Purpose of the Capital Strategy

- 1 The Capital Strategy sets out how the Council will manage the investment and financing of capital resources to contribute towards the achievement of its key objectives and priorities. This includes the appraisal process for determining investment decisions and the process for identifying and prioritising funding requirements.
- 2 The Capital Strategy is a framework by which capital expenditure decisions are made. It is required under the Prudential Code as a measure of good governance.
- 3 The objectives of the Capital Strategy are to:
  - Prioritise and deploy capital resources in advancement of corporate objectives;
  - Support service plans;
  - Look for opportunities for cross-cutting and joined up investment;
  - Invest in assets that reflect the visions and aspirations of local people in service delivery; and
  - Manage investment and the Council's property and other assets effectively and efficiently.
- 4 The strategy considers all aspects of the Council's capital expenditure and forms part of the Council's integrated revenue, capital and balance sheet planning.
- 5 The strategy covers capital expenditure, capital financing and asset management and is one of the Council's key strategies. It also gives an overview of how risk is managed and the implications for future financial sustainability. It also provides a set of objectives and a framework, within the CIPFA Codes and statutory legislation, by which new capital projects are evaluated and investment decisions made, whilst ensuring that funding is targeted towards meeting corporate priorities.
- 6 The Capital Strategy:
  - States the Council's processes for project initiation, deciding on the prioritisation of capital projects and monitoring and evaluating schemes;

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- Takes account of significant revenue implications;
- Provides a framework for the management and monitoring of the capital programme;
- Identifies funding streams and provides a basis to inform bidding for additional capital resources (e.g. government initiatives); and
- Informs the corporate review of existing properties.

### Project Initiation

- 7 Capital projects are subject to a robust justification process, bringing together a clear business case with sufficient detailed costings to ensure that transparent decisions can be taken. Proposals are given independent oversight and review of the project in terms of validation arrangements, estimated figures and project milestones. Business cases are prepared in accordance with good project management principles.
- 8 A formal process is drawn up to ensure that projects are subject to thorough oversight for the duration of the scheme. Project management sits with the initiating team or department and there are clearly defined areas of responsibility for each task within the project.
- 9 For larger projects where feasibility is less certain, more robust business cases are prepared before bids for funds are made. This includes undertaking all preparatory work to fully understand the requirements of a project before a budget is sought. There must be a clear link between budgets and service plans.

### Prioritisation of capital projects

- 10 Capital projects will be assessed for:
  - Strategic fit - corporate objectives are being met by the expenditure;
  - Identified need - e.g. essential repairs and maintenance of existing assets;
  - Achievability - this may include alternatives to direct expenditure by the Council such as partnerships with others;
  - Affordability - to ensure that total capital expenditure remains within sustainable limits;
  - Practicality and deliverability;
  - Revenue generation achieved from the investment; and
  - Non-monetary impacts such as future economic growth, social well-being or environmental improvement.

### Monitoring and evaluating schemes

- 11 For all capital investment the appropriate level of due diligence will be undertaken, with the extent and depth reflecting the level of risk being considered. Due diligence will include:
- Identification of the risk to both the capital sums invested and the returns;
  - Understanding the potential impact on the financial sustainability of the Council if the risks come to fruition;
  - Identifying assets being held for security against any potential debt or charges on assets; and
  - Seeking independent and expert advice where necessary.
- 12 The Deputy Chief Executive and Chief Officer Finance & Trading will ensure that Members are adequately informed and understand the risks of capital investment.
- 13 Project proposals will be put to Council for formal approval together with funding requirements and, if successful, will form the Council's capital programme which is its plan of capital investment for future years. This ensures that the Council's overall capital strategy, governance procedures and risk appetite are fully understood by all Members.

### Revenue implications

- 14 The revenue implications of capital investment must always be considered in investment decisions and the prioritisation of projects. These include costs and savings implications. Costs to consider include:
- Cost of borrowing (including Minimum Revenue Provision);
  - Loss of investment income if reserves or useable capital receipts are deployed; and
  - Running costs associated with the asset (e.g. employee salaries, heat and light, administrative support costs and future maintenance).

Savings, including benefits, to identify include:

- Any positive impact of investment and economic growth on the Council's council tax base and business rates income; and
- Capital projects that generate income, revenue savings or efficiencies.

### **Funding the Capital Strategy**

- 15 Proposals for capital projects must identify the funding requirements for the timescale of the project including any revenue implications. Funding must be appropriate for the project and will come from:
- Reserves;
  - Capital receipts - from the sale of assets or finance lease receipts;
  - Government grants - such as disabled facilities grant funding;
  - Third party grants and contributions;
  - Community Infrastructure Levy;
  - Revenue contributions;
  - Other developer contributions; and
  - External borrowing.
- 16 The Secretary of State believes that individual local authorities are best placed to decide which projects will be most effective for their area. The key criteria to use when deciding whether expenditure can be funded by the increased flexible use of capital receipts is that it is forecast to generate ongoing savings.

### **Borrowing**

- 17 The Council's approach to borrowing is set out in its Treasury Management Strategy Statement. The Council may consider internal or external borrowing. Prior to undertaking any external borrowing, affordability, the maturity profile of existing debt, interest rate and refinancing risk and the borrowing source should be given due consideration.
- 18 Local authorities are required to set aside some of their revenues as provision for debt each year of an amount considered to be 'prudent' (the Minimum Revenue Provision or MRP). Prudent provision should ensure that debt is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefit.

### **Commercial activities and investment property**

- 19 CIPFA defines investment property as property held solely to earn rentals or for capital appreciation or both. Returns from property ownership can be both income driven (through the receipt of rent) and by way of appreciation of the underlying asset value (capital growth). The combination of these is a consideration in assessing the attractiveness of a property for acquisition.



- 20 With reductions in funding that the Council has faced, it is having to look at commercial activities and property investment to supplement its income and support service delivery. However, to minimise risk of potential loss of income in the longer term, it needs to ensure that any investment opportunities are based upon sound decision making that considers the future likelihood of investment income reducing. Property investment is not without risk as property values can fall as well as rise and changing economic conditions could cause tenants to leave properties remaining vacant.
- 21 The detail is contained in the Council's Property Investment Strategy which documents the Council's requirements, but when making commercial investment decisions the Council will follow the following principles:
- Commercial investments will only be made to enhance the Council's asset portfolio and will be linked to delivery of the Ten Year Budget;
  - Consideration will be given to the economic development potential of any investment decision;
  - Expert advice will be sought to ensure that any investment decision is based upon sound market intelligence, forecasts for future investment returns and yields that offer sound investment return without risking the capital invested;
  - Any borrowing linked to investment opportunities is secured upon the potential guaranteed element of the investment return so that any liability can be met from the activity undertaken; and
  - Investment opportunities will always ensure that the Council's investment is protected as far as possible either through increases in capital value or from guaranteed revenue income.
- 22 The Property Investment Strategy makes it clear that the Council will continue to invest prudently on a commercial basis and to take advantage of opportunities as they present themselves, supported by a robust governance process. However, proportionality in respect of overall resources will remain an important factor.

#### **Consideration of risk**

- 23 The capital programme and property investment strategy form an important part of the Council's strategy for delivering its overall priorities. Accordingly, it is vital that the associated risks are managed actively. The Council has a comprehensive risk management framework, through which risk in relation to capital investment is monitored. Risk registers are maintained at corporate and budgetary levels and are reviewed and updated on a regular basis by the Risk Management Group and the Audit Committee.
- 24 As far as the capital programme is concerned, risks at the corporate level could be generic, relating to a number of capital projects, although it is

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possible that a single capital project could pose a corporate risk. At the budgetary level, risks in this area would relate to the funding of the capital programme and over/underspending on individual capital projects.

- 25 As far as the property investment strategy is concerned, the risks associated with this activity are detailed in paragraphs 20 and 21 above and are the subject of a specific section within the Strategic Risk Register.

### **Knowledge and skills**

- 26 The Council has professionally qualified staff across a range of disciplines, including finance, legal and property that follow continuous professional development (CPD) and maintain knowledge and skills through attendance on courses and through regular technical updates from appropriate bodies.
- 27 The Council utilises the knowledge and skills of these officers when considering capital investment decisions and, where necessary, it also relies on the expert knowledge of specialist external advisors. Some of these advisors are contracted long term or are appointed on an ad-hoc basis where necessary. Link Asset Services, provide treasury management advice, including investments, borrowing and capital financing.
- 28 External professional advice will always be sought when considering any major commercial property investment decision.

### Statement of Reserves and Provisions

1. This appendix sets out details of the reserves and provisions held by the council. These balances have been subject to a detailed review as part of the budget process. **The items in bold show the changes that are being recommended.**
2. One of the requirements of the Financial Planning Strategy is to have flexible use of the Budget Stabilisation Reserve. The fund incorporates any annual under-spends and absorbs any annual over-spends. **It is recommended that any variance in the 2021/22 budget is put into this reserve or absorbed by this reserve.**
3. It is proposed that the Net Service Expenditure budget is increased from £15.6m in 2020/21 to £16.9m in 2021/22. **It is recommended that the General Fund Reserve is increased from £1.5m to £1.7m to remain as a 10% working balance**
4. Due to the financial impact of the COVID-19 pandemic it has been recognised that where possible, funds should be moved from various reserves to the Budget Stabilisation Reserve to fund any adverse variance in 2020/21 and support the ongoing 10-year budget. **It is recommended that the reserves listed below are reduced with £789,000 transferred to the Budget Stabilisation Reserve and £200,000 transferred to the General Fund Reserve (see 3 above).**
  - £148,000 - Sewerage
  - £31,000 - Carry Forward Items
  - £500,000 - Asset Maintenance
  - £100,000 - IT Asset Maintenance
  - £100,000 - Action and Development
  - £110,000 - Others

The table below sets out the reserves and provisions held at 1 April 2020

	01/04/20	Purpose (some further details are included in the Statement of Accounts)
<b>Provisions</b>	<b>£000</b>	
Business Rates Appeals	3,064	The Council has to provide for its share of the costs arising from successful appeals by business ratepayers.
Accumulated Absences	152	Absorbs the difference that would otherwise arise on the General Fund Balance from accruing for compensated absences (e.g. annual leave) earned but not taken in the year. Opposite entry in Unusable Reserves.
Municipal Mutual Insurance (MMI)	257	A solvent run-off of MMI is now unlikely which may result in Councils being liable to clawback of monies paid out.
Sub Total	<b>3,473</b>	
<b>Capital Receipts</b>		
Capital Receipts	<b>1,739</b>	Balance from previous asset sales and mortgage repayments. Can be used to fund future capital expenditure.
<b>Earmarked Reserves</b>		
Action and Development	396	To fund ad hoc and unplanned expenditure (including emergencies and flooding).
Asset Maintenance	1,000	To fund emergency works to assets.
Budget Stabilisation	7,999	To support decisions required to continue to produce a balanced budget in future years.
Business Rates Retention	720	To manage the volatility in yearly cash flows in the Collection Fund caused by the complexities in the Business Rates Retention Scheme.
Capital Financing	160	Annual contributions from revenue to fund some capital projects.
Carry Forward Items	958	For specific items agreed by Cabinet, e.g. if a project has slipped between years.
Community Infrastructure Levy Administration	184	To be spent on the administration of the levy.
Corporate Project Support	302	To fund invest to save projects and external expertise required to investigate proposed projects.
Financial Plan	1,715	To support the 10-year budget and Property Investment Strategy.
Homelessness Prevention	119	To assist in the delivery of the Homelessness Reduction Act.

Housing and Commercial Growth Fund	566	To fund projects as part of the West Kent Partnership within the district
Housing Benefit Subsidy	360	Provides a cushion against large movements in reclaimable sums in any year.
IT Asset Maintenance	725	To fund future IT asset maintenance costs.
Local Plan	285	To help support the Local Plan.
New Homes Bonus (NHB)	406	NHB is being kept separate and used to fund the Property Investment strategy.
Pension Fund Valuation	500	To contribute towards downturns in future pension fund actuarial valuations.
People and Places	324	External funding received for ongoing and future projects.
Planning Services	129	To fund ongoing and future projects.
Property Investment Strategy Maintenance	134	To fund future maintenance and void periods
Re-organisation	312	To fund actions taken to achieve annual budget savings.
Sewerage	206	Transferred from a provision for potential liabilities relating to earlier sewerage installations.
Vehicle Insurance	248	Own vehicle damage for the commercial vehicle fleet. Contributions are made from the trading accounts.
Vehicle Renewal	663	Vehicle replacement for the commercial vehicle fleet. Contributions are made from the trading accounts each year
Others	600	Includes District Elections, Rent Deposit Guarantee, Local Strategic Partnership, Electoral Registration etc.
Sub Total	<b>19,011</b>	
<b>General Fund</b>	<b>1,500</b>	Acts as a working balance to meet unexpected issues during the year, for which a minimum of 10% of net service expenditure recommended. It also meets any planned deficits on the revenue account.
<b>TOTAL</b>	<b>25,723</b>	

**Definitions:**

**Provisions** - funds to provide for liabilities or losses which are known obligations but are uncertain as to amounts or dates. Expenditure can be charged direct against the Provision without being reflected in the Revenue Account.

**Capital Receipts** - money obtained on the sale of assets (normally land and buildings) and the repayment of grants and advances (e.g. mortgage repayments). Such receipts can only be used to repay debt, or to finance capital investment.

**Earmarked Reserve** - amounts set aside for purposes falling outside the definition of Provisions. Expenditure should not be charged direct to reserves but shown in the Revenue Account with the transfer to or from the reserve distinguished from service expenditure.

**Unallocated Reserve** - the General Fund balance. This amount is not set-aside for a specific purpose.

### Financial Risks Budget 2021/22

The Financial Risks are detailed below. The impact and likelihood of each risk are first assessed gross (without existing controls in place) and then re-assessed following the identification of key controls (net)

Likelihood	Very Likely (5)	16		13	17	
	Likely (4)			14		
	Possible (3)	8	10	3, 6, 15, 19	1, 5	
	Unlikely (2)		7, 18, 21	4,	22	
	Very Unlikely (1)		20	2		11
		Minimal (1)	Minor (2)	Moderate (3)	Major (4)	Critical (5)
Impact						

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- No matrix for risk 9, 12

Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
<b>SR01: Finance - Failure deliver a balanced budget</b> <b>Lead Officer: Adrian Rowbotham &amp; Alan Mitchell</b>								
<b>1) <u>Pay Costs</u></b> <ul style="list-style-type: none"> <li>Largest single item of cost.</li> <li>Complex drivers across the organisation.</li> <li>Staff recruitment and retention.</li> <li>2020/21 National Pay Award was 2.75% and the level of future pay awards remains uncertain</li> </ul>	<ul style="list-style-type: none"> <li>£15.5m total costs.</li> <li>2% pay increase = £338k.</li> <li>Budget assumptions: 2% pay award in all years.</li> </ul>	4	4	16	<ul style="list-style-type: none"> <li>New salary bands introduced from 1 April 2019 which reduced the costs of annual increments.</li> <li>Formal sickness &amp; overtime monitoring.</li> <li>Separate control on agency staff.</li> <li>Part of National Agreement.</li> </ul>	3	4	12
<b>2) <u>Pensions Funding</u></b> <ul style="list-style-type: none"> <li>Deficit on County Fund.</li> <li>Future actuarial results.</li> <li>Government review.</li> </ul>	<ul style="list-style-type: none"> <li>£15m deficit</li> <li>1% change in employers contribution = £100k</li> </ul>	2	4	8	<ul style="list-style-type: none"> <li>£100k included in 10-year budget in 2023/24 to contribute towards any additional pensions costs when the next valuation takes place</li> </ul>	1	3	3
<b>3) <u>Income - Development Management</u></b> <ul style="list-style-type: none"> <li>Volatile activity levels in the housing market and general economic conditions. Fluctuations in income with major applications</li> </ul>	<ul style="list-style-type: none"> <li>£0.9m loss</li> <li>10% reduction would be £90k.</li> </ul>	4	3	12	<ul style="list-style-type: none"> <li>Current year income is above target.</li> <li>Continue to monitor.</li> <li>Further details in 21/22 SCIA 11</li> </ul>	3	3	9
<b>4) <u>Income - Building Control</u></b>		3	3	9		2	3	6



Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
SR01: Finance - Failure deliver a balanced budget Lead Officer: Adrian Rowbotham & Alan Mitchell								
<ul style="list-style-type: none"> <li>• Volatile activity levels in the housing market and general economic conditions.</li> <li>• Competition from commercial organisations</li> </ul>	<ul style="list-style-type: none"> <li>• £0.5m loss</li> <li>• 10% reduction would be £50k</li> </ul>				<ul style="list-style-type: none"> <li>• Current year income is above target.</li> <li>• COVID-19 monitoring and reports</li> </ul>			
<b>5) <u>Income - Car Parks</u></b> <ul style="list-style-type: none"> <li>• General economic conditions; central government directives; ongoing impact of the COVID-19 pandemic.</li> </ul>	<ul style="list-style-type: none"> <li>• £3.0m</li> <li>• 10% reduction would be £300k</li> </ul>	4	4	16	<ul style="list-style-type: none"> <li>• Current year income is below. Continue to monitor.</li> <li>• COVID-19 monitoring and reports</li> </ul>	3	4	12
<b>Income - On-Street Parking</b> <ul style="list-style-type: none"> <li>• General economic conditions. Legislative constraints on spending surpluses. Reverts to KCC control.</li> <li>• Ongoing impact of the COVID-19 pandemic.</li> </ul>	<ul style="list-style-type: none"> <li>• £1.0m</li> <li>• 10% reduction would be £100k</li> </ul>	4	3	12	<ul style="list-style-type: none"> <li>• Current year is below target. Continue to monitor and review.</li> <li>• Further details in 21/22 SCIA 2</li> <li>• Further details in 21/22 SCIA 25</li> </ul>	3	3	9
<b>7) <u>Partnership working and partner contributions</u></b> <ul style="list-style-type: none"> <li>• Partner actions delayed.</li> <li>• Agreed funding not received by SDC.</li> <li>• Partnerships ending.</li> </ul>	<ul style="list-style-type: none"> <li>• £0.7m</li> <li>• Impact on individual projects is high.</li> </ul>	3	2	6	<ul style="list-style-type: none"> <li>• Separate accounting arrangements.</li> <li>• Active liaison with partners on service arrangements</li> </ul>	2	2	4

Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
<b>SR01: Finance - Failure deliver a balanced budget</b> <b>Lead Officer: Adrian Rowbotham &amp; Alan Mitchell</b>								
					<ul style="list-style-type: none"> <li>Written partnership agreements. Partnership arrangements are monitored to ensure they are still appropriate.</li> <li>Partners in the Environmental Health and Building Control partnerships have been informed that this Council wishes to end the partnerships.</li> </ul>			
<b>8) External Funding Awards</b> <ul style="list-style-type: none"> <li>In the 21/22 budget 13.35 FTE are externally funded</li> </ul>	<ul style="list-style-type: none"> <li>£0.6m cost funded</li> <li>Impact on individual projects is high</li> </ul>	3	2	6	<ul style="list-style-type: none"> <li>Exit Strategies in place</li> </ul>	3	1	3
<b>9) Changes in service demand</b> <ul style="list-style-type: none"> <li>Impacts will vary depending on service.</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	0	0	0	<ul style="list-style-type: none"> <li>Service planning in place</li> <li>Continue to lobby Government where changes are due to new Gov't requirements.</li> <li>Further details in 21/22 SCIA 21 for the proposed 7am - 7pm office opening</li> </ul>	0	0	0

Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
<b>SR01: Finance - Failure deliver a balanced budget</b>								
<b>Lead Officer: Adrian Rowbotham &amp; Alan Mitchell</b>								
<b>10) Interest Rates</b> <ul style="list-style-type: none"> <li>Large cash variance from small rate changes.</li> <li>Reducing availability of suitable counter parties</li> </ul>	<ul style="list-style-type: none"> <li>Up to £0.30m 21/22 budget</li> <li>£250k per 0.5%.</li> </ul>	4	2	8	<ul style="list-style-type: none"> <li>Use of professional advisers.</li> <li>If internal borrowing is used for capital investment projects in 2021/22 there will be less cash earning bank interest.</li> </ul>	3	2	6
<b>11) Investments</b> <ul style="list-style-type: none"> <li>Financial institutions going into administration.</li> <li>Lower balances to invest.</li> </ul>	<ul style="list-style-type: none"> <li>£18.7m balance at Sept 2020</li> </ul>	2	5	0	<ul style="list-style-type: none"> <li>Investment strategy regularly reviewed by FIAC.</li> <li>Use of professional advisers.</li> </ul>	1	5	5
<b>12) Government Support: Revenue Support Grant</b>	£0 in 2021/22 revenue budget	0	0	0	<ul style="list-style-type: none"> <li>Excluded grant from budget from 16/17 onwards so SDC became self-sufficient from govt. funding;</li> <li>Adequate level of General Reserve held.</li> </ul>	0	0	0
<b>13) Government Support: Retained Business Rates</b> <ul style="list-style-type: none"> <li>Government changing baseline and therefore safety net levels.</li> <li>Time delays in decisions on appeals.</li> <li>High volume of successful valuation appeals.</li> </ul>	<ul style="list-style-type: none"> <li>£2.2m in 2021/22</li> <li>£20k per 1% change</li> </ul>	5	4	20	<ul style="list-style-type: none"> <li>10-year budget strategy gives ability to gradually adjust for changes.</li> <li>Adequate level of General Reserve held.</li> </ul>	5	3	15

Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
SR01: Finance - Failure deliver a balanced budget Lead Officer: Adrian Rowbotham & Alan Mitchell								
<ul style="list-style-type: none"> <li>Central government intends to introduce business rate but timeline uncertain.</li> </ul>								
<b>14) Council tax Referendum limits</b> <ul style="list-style-type: none"> <li>Council tax increases limited budgeted at 2% or £5 in 21/22 per draft announcement but subject to change dependant on final Government announcement</li> </ul>	<ul style="list-style-type: none"> <li>£11.4m Council Tax income in 21/22</li> <li>£100k per 1% Government controls on changes in council tax rates</li> </ul>	4	4	16	<ul style="list-style-type: none"> <li>Draft 10-year budget includes council tax increase assumptions for future years.</li> </ul>	4	3	12
<b>15) Future Service Changes by Government</b> <ul style="list-style-type: none"> <li>Additional services without consequent resources, e.g. previous examples of Maint. of trees on common land.</li> <li>Government directives on income charging e.g. Personal searches. Potential changes on health responsibilities.</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	4	4	16	<ul style="list-style-type: none"> <li>Monitor proposals.</li> <li>Respond to consultations with local view.</li> </ul>	3	3	9
<b>16) Fuel cost increases for Direct Services</b>		5	2	10		5	1	10

Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
<b>SR01: Finance - Failure deliver a balanced budget</b> <b>Lead Officer: Adrian Rowbotham &amp; Alan Mitchell</b>								
<ul style="list-style-type: none"> <li>Changes in global oil prices.</li> </ul>	<ul style="list-style-type: none"> <li>10% increase would be £60k</li> </ul>				<ul style="list-style-type: none"> <li>Continue to monitor fuel usage and efficiency.</li> <li>Vehicle replacement programme.</li> </ul>			
<b>17) COVID-19</b> <ul style="list-style-type: none"> <li>All areas of income generation</li> <li>Some areas of expenditure</li> </ul>	Loss of income and additional costs £3.6m	5	5	5	<ul style="list-style-type: none"> <li>Continue to monitor and implement savings in 10-year budget.</li> <li>Government Income Compensation Scheme and reserves used to fund 1 off costs.</li> <li>10-year budget to allow for ongoing net service costs.</li> </ul>	5	4	20

Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
SR02: Property Investment Strategy - <i>Failure to identify opportunities to meet the Property Investment Strategy</i>								
Lead Officer: Adrian Rowbotham & Detlev Munster								
<b>18) <u>Capital Investment resources</u></b> (Capital receipts, Capital Financing Reserve, Financial Plan Reserve, Internal Borrowing, External Borrowing) <ul style="list-style-type: none"> <li>Capital receipt levels modest.</li> </ul>	<ul style="list-style-type: none"> <li>Capital Receipts 21/22 £3.0m,</li> <li>Capital Financing reserve £0.159m. (balances at Sept 2020).</li> <li>Risks taken into account in the Capital Programme report.</li> </ul>	3	3	9	<ul style="list-style-type: none"> <li>External funding sought wherever possible. Capital Investment priorities in place.</li> <li>Property Review being pursued to secure asset sales. External Borrowing approved as an option for future investments</li> </ul>	2	2	4
<b>19) <u>Property Investment Strategy</u></b> <ul style="list-style-type: none"> <li>Market value of property may reduce below price at acquisition</li> </ul>	<ul style="list-style-type: none"> <li>£31.3m invested at Sept 2020</li> <li>£1.468m rental income in 21/22</li> </ul>	4	3	12	<ul style="list-style-type: none"> <li>External property investment advisors retained for each acquisition; due diligence undertaken pre-purchase.</li> <li>Purchases only made within strategy, which is kept under review.</li> </ul>	3	3	9
<b>20) <u>Rental Income</u></b> (Non Property Investment Strategy)	<ul style="list-style-type: none"> <li>£0.1m in 2021/22 budget</li> </ul>	2	2	4	<ul style="list-style-type: none"> <li>Due diligence prior to letting to new tenants;</li> </ul>	1	2	2

Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
<b>SR02: Property Investment Strategy - Failure to identify opportunities to meet the Property Investment Strategy</b> Lead Officer: <b>Adrian Rowbotham &amp; Detlev Munster</b>								
<ul style="list-style-type: none"> <li>Property tenants unable to pay rents/length of void premises/ability to source new tenants</li> </ul>	Dependant on financial strength of tenants + good management to reduce impact of void periods.				tight control on rent payments			

Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
<b>SR03: Asset Management &amp; Maintenance - Losing the ability to:</b> a) Dispose of surplus land; b) Maintain and develop assets and land holdings; c) Secure tenants for vacant or part-vacant assets Lead Officers: <b>Adrian Rowbotham &amp; Detlev Munster and Alex Dawson</b>								
<b>21) Asset base maintenance</b> <ul style="list-style-type: none"> <li>Unexpected problems occurring with financial implications.</li> <li>Reducing budget levels.</li> </ul>	<ul style="list-style-type: none"> <li>£0.6m</li> <li>Annual budget is based 20-year programme.</li> </ul>	3	2	6	<ul style="list-style-type: none"> <li>20-year maintenance programme developed to manage budgeted expenditure.</li> <li>Reserve funds set aside.</li> </ul>	2	2	4

Risk Factors	Potential Effect	Gross Likelihood	Gross Impact	Gross Rating	Internal Controls	Net Likelihood	Net Impact	Net Rating
<p>SR03: Asset Management &amp; Maintenance - <i>Losing the ability to:</i></p> <p>a) <i>Dispose of surplus land;</i></p> <p>b) <i>Maintain and develop assets and land holdings;</i></p> <p>c) <i>Secure tenants for vacant or part-vacant assets</i></p> <p>Lead Officers: Adrian Rowbotham &amp; Detlev Munster and Alex Dawson</p>								
					<ul style="list-style-type: none"> <li>• Policy of reducing asset liabilities wherever possible.</li> <li>• Further details 21/22 SCIA 16</li> </ul>			
<p>2) <u>Disposal of Surplus Assets</u></p> <ul style="list-style-type: none"> <li>• Planning conflict.</li> <li>• Resources required to bring sites forward.</li> </ul>	<ul style="list-style-type: none"> <li>• £4.1m forecast in 20/21 - 23/24)</li> <li>• Risks taken into account in the Capital Programme and Asset Maintenance report.</li> </ul>	3	4	12	<ul style="list-style-type: none"> <li>• Land Owner/Planning protocols in place.</li> <li>• In-house property team.</li> <li>• Planned Property Review disposal programme.</li> </ul>	2	4	8



## Item 7- Infrastructure Funding Statement Priorities

The attached report was considered by the Development and Conservation Advisory Committee on 20 October 2020. The relevant Minute extract is below.

### Development and Conservation Advisory Committee (20 October 2020, Minute 54)

The Planning Policy Team Leader (Infrastructure) presented a report which sought agreement to proposed priorities for the Council's new Infrastructure Funding Statement (IFS) which the Council was required to report to the Government by the end of the year.

Members took the opportunity to ask questions of clarification. Some questions arose around particular possible Kent County Council (KCC) projects and the Planning Policy Team Leader (Infrastructure) undertook to ensure that local members were kept informed of any discussions and projects they were working together on across Sevenoaks.

In response to questions and arising discussion, it was clarified that the report was an evidence based factual document and advice was given against any pre-emption or judgement on any future potential bids for Community Infrastructure Levy (CIL) or Section 106 funding.

### Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That it be recommended to Cabinet that

- a) the criteria for prioritising infrastructure projects for funding in the Infrastructure Funding Statement, as set out at paragraph 35 of the report, be agreed; and
- b) the specific projects and types of Infrastructure recommended in paragraphs 38, 41, 50, 52, 54, 58 and 60 of the report, be identified in the Infrastructure Funding Statement as having a priority for full or partial funding.



**INFRASTRUCTURE FUNDING STATEMENT - PRIORITIES**

**Cabinet - 5 November 2020**

**Report of:** Deputy Chief Executive, Chief Officer Planning & Regulatory Services

**Status:** For Decision

**Also considered by:** Development and Conservation Advisory Committee - 20 October 2020

**Key Decision:** Yes

**Executive Summary:** This report looks at the proposed priorities for the Council's new Infrastructure Funding Statement (IFS) which we are required to report to the Govt by the end of this year. The requirement for an IFS was laid out in the new Community Infrastructure Levy (CIL) legislation which was introduced in September 2019.

The new legislation requires us to report on our CIL and Section 106 income and expenditure and also on the infrastructure projects or types of infrastructure that we intend to fund wholly or partly by the levy (CIL). This will cover the period for the next year (2020/21) and will exclude the neighbourhood portion sent to Parish and Town Councils. This encourages local authorities to consider their priority for spending over the next year. This does not mean that local authorities are bound by the priorities laid out in the IFS but that it is hoped that it will provide transparency to developers and the community as to what our intentions are.

To assist members this report, firstly, considers the types of projects that can be included in the priority for spending CIL, it then looks at what we have spent money on through Section 106 and CIL over the last few years. It will then consider the priorities we already have for spending section 106 and CIL. It then importantly considers the evidence of infrastructure needs through reviewing our Infrastructure Delivery Plan which supports our Local Plan. It will then conclude by making recommendations for our funding priorities.

**This reports support the Key Aim of: of ensuring that Sevenoaks District remains a great place to live, work and visit and that development is supported by the most appropriate infrastructure.**

**Portfolio Holder:** Cllr. Julia Thornton

**Contact Officer:** Claire Pamberi ex 7221

**Recommendation to Development and Conservation Advisory Committee:**

That the recommendations to Cabinet are supported.

### **Recommendation to Cabinet:**

To agree and adopt the following:

1. The criteria for prioritising infrastructure projects for funding in the Infrastructure Funding Statement.
2. That the specific projects and types of Infrastructure recommended in the conclusion of this report are identified in the IFS as having a priority for full or partial funding.

### **Reason for recommendation:**

For the Council to agree on spending priorities for the Section 106 and the Community Infrastructure Levy for the next year.

### **Introduction and Background**

- 1 As Members are aware, Sevenoaks District Council has been a CIL (Community Infrastructure Levy) charging authority since 4<sup>th</sup> August 2014. From this date until middle of September 2020, the Council have collected just over £9.3 million of CIL contributions.
- 2 Since 2014 and up until the end of last year, the Government asked us to report on our CIL income and expenditure, by producing a report for each financial year, which laid out CIL income and expenditure. This document had to be displayed on our website annually.
- 3 As you may be aware, new CIL Regulations came into force on 1<sup>st</sup> September 2019. As mentioned previously to you in the CIL Governance Report which came to this committee in July, these changes included:
  - removing the requirement to consult on a preliminary draft CIL charging schedule;
  - applying indexation when planning permissions are amended;
  - removing the restriction on the number of planning obligations that can be used to fund a single project;
  - allowing authorities to spend up to 5% of levy receipts on administrative expenses; and
  - most importantly (in relation to this report) the new legislation introduced new reporting requirements through Infrastructure Funding Statements.
- 4 This new way of reporting is required for all Local Planning Authorities and is expected to be issued on or before 31<sup>st</sup> December this year.

- 5 One of the new requirements that the legislation has introduced, is a new element to our reporting which asks each Local Authority to report *“on the infrastructure projects or types of infrastructure that the authority intends to fund wholly or partly by the levy.”*
- 6 This report is therefore seeking this committee’s views, after considering the evidence, as to the infrastructure projects that it sees as being a priority and should therefore be listed in the Infrastructure Funding Statement as being intended to be either funded or part funded by CIL.

### Infrastructure funding Statements (Background)

- 7 Firstly it is considered important to lay out what Infrastructure Funding Statements (IFS) are and what is required from Local Planning Authorities:
- 8 The Infrastructure Funding Statement will impact upon the way we report on our CIL income and expenditure. Looking at the guidance provided from the Ministry of Housing, Communities and Local Government in September 2019, Infrastructure funding statements must set out the following in Paragraph: 176 Reference ID: 25-176-20190901:
  - *“A report relating to the previous financial year on the Community Infrastructure Levy;*
  - *A report relating to the previous financial year on section 106 planning obligations;*
  - *A report on the infrastructure projects or types of infrastructure that the authority intends to fund wholly or partly by the levy (excluding the neighbourhood portion).”*
- 9 This report focuses on the third bullet point and considers what infrastructure projects or types of infrastructure that this authority intends to fund, either wholly or partly, by the levy or planning obligations. This will not dictate how funds must be spent but will set out the local authority’s intentions and ambitions.
- 10 This is expected to be in the form of a written narrative that demonstrates how developer contributions will be used to deliver relevant strategic policies in the plan, including any infrastructure projects or types of infrastructure that will be delivered, when, and where.
- 11 The main reason that the Government has introduced this new element into reporting is to ensure that there is more transparency over receipts and projected spend of CIL and Section 106s. The aim is to:
  - simplify requests for FOIs
  - Improve stakeholder visibility and understanding
  - Promote infrastructure delivered by our Authority
  - Use it throughout the planning system to help inform and provide evidence.

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- 12 It is important to note that this new way of reporting will not impact the process of the CIL Spending Board or how it is run. It is, however, likely to influence the Spending Board when deciding where to allocate money. When the bids are assessed as part of the Spending Board process, if a project meets one of the priorities laid out in this report (IFS), it will be given more weight than projects that are not identified in the IFS.

### Discussion

- 13 In considering what Sevenoaks District Councils priorities should be for allocating CIL and Section 106 monies, it is proposed to lay the report out in the following way:
- Firstly, it is considered important to understand what infrastructure is and the types of projects that can be included in the IFS;
  - The report will then consider what Sevenoaks District Council have spent CIL and 106 monies on in the past;
  - It will consider the priorities we have already put in place for CIL and 106 spending;
  - It will then consider the evidence in the Local Plan and the Infrastructure Delivery Plan as to what infrastructure should be prioritised; and then,
  - In light of all the above evidence, it will then propose what the priorities and projects for spending should be.

### What is infrastructure?

- 14 Firstly, it is important to identify what infrastructure is and what types of infrastructure there are. This ensures that when we prioritise spending, we are clear as to what we can propose to fund and also that we are aware of what all our options for spending are.
- 15 Infrastructure can be defined as the following:
- “The basic systems, facilities and services which support development in an area. These can include highways and other transport facilities, flood defences, energy, educational facilities, health and social care facilities, community facilities, green blue infrastructure etc”.* (Appendix X1 of the Councils Constitution).

16 Government Guidance states that for any information reported on developer contributions, infrastructure should be categorised as follows:

- Affordable housing
- Education
  - Primary
  - Secondary
  - Post-16
  - Other
- Health
- Highways
- Transport and travel
- Open space and leisure
- Community facilities
- Digital infrastructure
- Green infrastructure
- Flood and water management
- Economic development
- Land
- Section 106 monitoring fees
- Bonds (held or repaid to developers)
- Other
  - Neighbourhood CIL
  - Mayoral CIL
  - Community Infrastructure Levy administration costs

17 Looking at our Infrastructure Delivery Plan, in addition to the above, the main types of infrastructure that we have identified include the following:

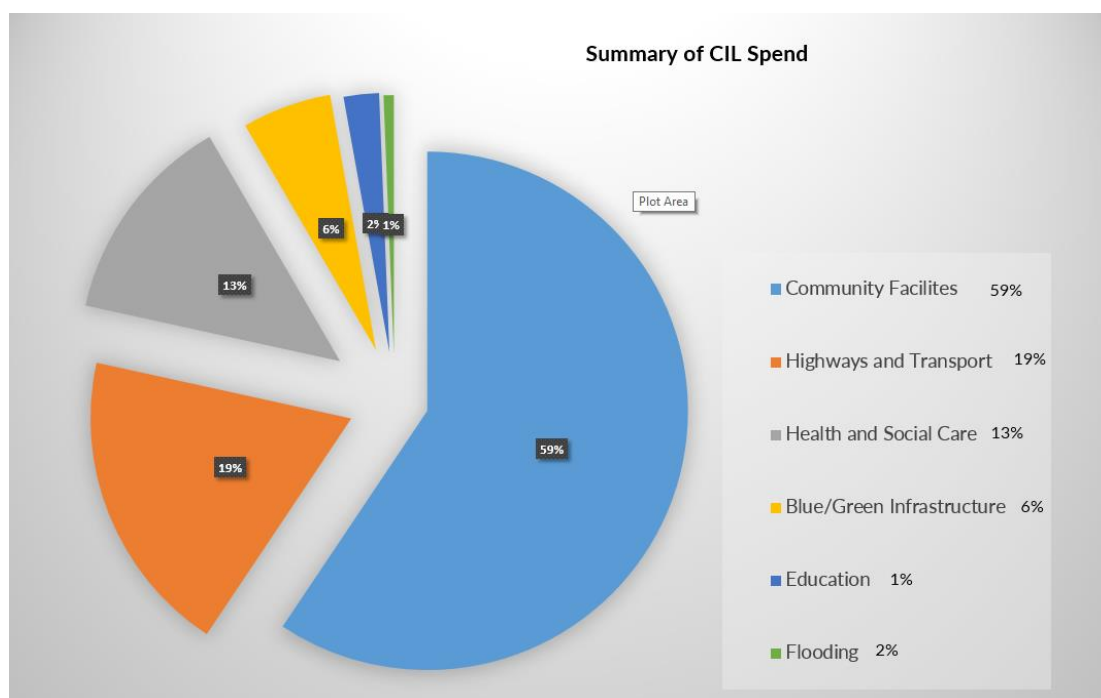
- Highways and Transport
- Flooding
- Utilities
- Communications
- Community facilities (including Tourism)
- Education
- Health and Social Care
- Police and Emergency Services
- Blue/Green Infrastructure

(Please see **Appendix A** for the full list of the types of projects identified through work towards our Infrastructure Delivery Plan).

18 When considering what projects we should prioritise for CIL funding in the future, we need to ensure that the infrastructure we fund falls within the categories above (paragraphs 16 and 17), and clearly supports, and is related to, development in an area. Priority should be given to projects which clearly do this.

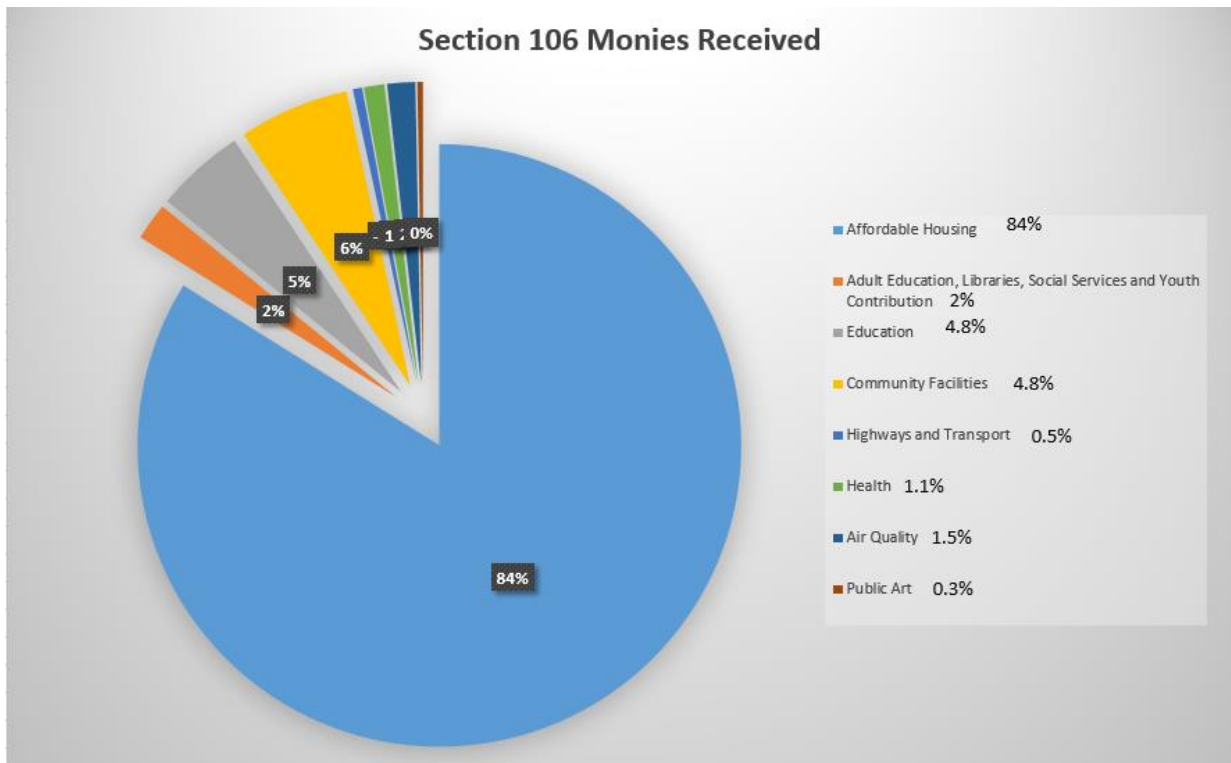
**What have we funded so far?**

- 19 As the types and categories of infrastructure have now been identified, it is considered that it may be helpful to show you what has been funded through CIL and 106 over the years. Full details of this can be found at **Appendix B**.
- 20 For CIL since 2014 we have awarded the following different categories of infrastructure projects through the CIL Spending Board:



- 21 The pie chart shows that the greatest amount has been spent on Community Facilities (59%), which has included the White Oak Leisure Centre, village halls, public toilets and play areas. The next largest amount falls under Highways and Transport (19%) which has included train station and footpath improvements. The next is Health and Social care (13%) where money has been awarded to a medical centre/hub and a health pod. These projects have all been awarded funding by following the Councils Constitution regarding CIL Governance (Appendix X1) of the Constitution, which lays out the criteria as to how the bids should be assessed.
- 22 For Section 106s, looking at a period between 2011 and 2016 (as we have the best data over this period) we have secured the following:





23 It is interesting to note here that the money received and spent is different to that allocated through CIL with Affordable Housing being the majority (84%) and with Community Facilities (5.9%) and Education (4.8%) being the next amount. The last two would have been secured before CIL was introduced.

24 If we are now deciding what projects should be prioritised, one issue that needs to be considered is whether we follow the patterns of CIL and 106 and ensure that Affordable Housing and Community facilities continue to be a priority for funding or whether we focus on other types of infrastructure which have not seen so much funding.

**CIL Spending Board Priorities**

25 As laid out in Appendix A the CIL Spending Board’s key considerations for awarding CIL money are as follows:

26 Firstly, there needs to be a clear public and overall community benefit of the proposed scheme for residents in Sevenoaks District. In determining each project put forward, the Spending Board therefore need to consider the following issues in making its recommendation:

27 (Note - In assessing priorities, it is considered important to include some of these criteria into our priorities for funding identified in the IFS. These are

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underlined. The criteria that are not underlined are considered to relate to individual projects and will still be considered by the Spending Board).

- Whether sufficient evidence has been provided to demonstrate a strong social, environmental or economic justification for the scheme.
- Whether sufficient evidence has been provided to demonstrate a strong link between new development and the scheme.
- Whether sufficient evidence has been submitted to show that the project involves partnership working.
- Whether the scheme forms part of a planned, local, economic or community strategy to address the need for local or strategic infrastructure. This includes information in the Infrastructure Delivery Plan.
- Whether sufficient evidence has been provided to show that other sources of funding have been maximised.
- Whether there is sufficient certainty that the scheme will be delivered, including considering whether the project has all the necessary permissions in place and evidence has been provided to demonstrate that there are sufficient maintenance arrangements in place.
- Whether the scheme has local support.
- Whether the project has already benefited from CIL funding through the CIL Spending Board or the Parish and Town Councils.
- Whether the bid provides a benefit to the community as a whole

28 The board may also take into account other factors that it considers relevant, but I think this is a helpful guide to help us assess what our priorities for CIL funding should be in the future.

29 As you are aware, limited CIL funding is available to support all projects that are put forward. Therefore, it is important to note that when we make a decision to prioritise projects, it does not mean that we fund all of the scheme, it just means that these projects will be a priority when considering funding. The inclusion of a project in the IFS will be a consideration that is material to the assessment of bids to the CIL Spending Board, but does not necessarily mean that all of these projects will be funded. This is because the allocations in the Infrastructure Funding

Statement are not binding and also there are other criteria that the Spending Board will consider, as listed above, when allocating the money.

### Infrastructure Delivery Plan (IDP)

- 30 A review of the IDP is also helpful as it lays out the priorities for infrastructure spending and also identifies projects that have been put forward by Infrastructure providers to support the Local Plan.
- 31 It has been demonstrated, through the IDP, that a number of infrastructure improvements will be required over the course of the plan period to facilitate development and meet future needs. Furthermore, it also makes it clear that there are no large-scale infrastructure requirements which would inhibit development coming forward or be required to unlock development in the Local Plan.
- 32 In collecting evidence of the infrastructure as part of the IDP and also to assist in considering the needs for the Local Plan, infrastructure providers and delivery partners were contacted and provided with details of the potential development sites that could be taken forward within the Draft Local Plan. Any responses received as part of the Draft Local Plan consultation were assessed and categorised to provide a full infrastructure Schedule to support the Local Plan. (The full schedule is available in full in Appendix C)
- 33 The responses were categorised as follows:
- *Timescale - infrastructure providers giving an estimate to when an infrastructure project would be delivered over the Plan period:*
    - *1-5 years (expected to be delivered between 2015-2020)*
    - *6-10 years (expected to be delivered between 2021-2025)*
    - *11-15 years (expected to be delivered between 2026-2030)*
    - *16-20 years (expected to be delivered between 2031-2035)*
  - *Priority - infrastructure providers giving an indication on how likely the infrastructure project would be delivered to support development.*
    - *Critical - the infrastructure project would have to be delivered prior to any development in order to support it*

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- *High - the infrastructure project would have to be delivered in tandem with the development in order to support it*
- *Medium - the infrastructure project would support the delivery of development but there are no plans to bring it forward in the immediate future (1 - 10 years)*
- *Low - the infrastructure project would support the delivery of development but there are no plans to bring it forward within the Plan period.*
- *Risk to Delivery - while infrastructure providers may have the statutory right to carry out the infrastructure project, there could be a potential risk to delivering it. This could include landownership issues, uncertainty over funding streams and other factors.*
  - *High - based on the information submitted, it is highly unlikely that the infrastructure project will be delivered within the Plan period due to the uncertainty of funding / landownership issues etc.*
  - *Medium - based on the information submitted there is a possibility that the infrastructure project may be delivered by the provider.*
  - *Low - it is highly likely that the infrastructure project will be delivered within the Plan period as there are little or no issues with funding or landownership*
- *Funding Position - a summary of how the infrastructure would be funded. The statement also includes whether any funding has been secured or sought through capital investment.*

34 Therefore, based on the above criteria it is considered that priority should be given to infrastructure projects for the following:

- The project needs or will be expected to be delivered within the next 5 years.
- That there is a critical or high infrastructure need where the project has to be delivered prior to or in tandem with any development to support it.

- That there is a Low risk to the project, meaning that the project is likely to be delivered, as there are little or no issues with funding or landownership.
- Where there is a clear plan as to how the project would be funded.

## Conclusion

35 Looking at the evidence above and the existing criteria we have put in place it is suggested that infrastructure projects should be prioritised for funding if they meet the following criteria:

- The projects fall within the infrastructure types/projects identified above.
- The projects have been identified in our Infrastructure Delivery Plan. This ensures that the infrastructure prioritised supports the Local Plan.
- The projects clearly relate to proposed or allocated development in the Local Plan. There is therefore a strong link between development and the proposed project.
- That there is a strong social, environmental or economic justification for the scheme.
- Whether the scheme addresses a clear local need for infrastructure.
- That the specific projects have not received CIL previously.
- The scheme has support from infrastructure providers
- That it will be expected to be delivered within the next 5 years.
- That it is identified as having a critical or high need where the project has to be delivered prior to any development to support it.
- Where it is likely that the infrastructure project can be delivered within the plan period as there are little or no issues with funding or landownership.
- Where there is a clear plan as to how the project would be funded.

36 With this in mind, this report will now consider the projects put forward in the IDP (**Appendix C**) under each category:

## Highways and Transport

37 There are a number of projects identified as a high priority for Highways or Transport. Whilst ideally, in light of the above, we would require timescales for their implementation, it is clear that they are a high priority, that they fall within the definition of infrastructure and that they would support

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development proposed in the Local Plan. Therefore, it is considered appropriate to provide timescales of 1-5 years and the need for these projects and their progress will be monitored annually.

38 In light of the evidence in the IDP and the criteria above, it is considered that the following projects are considered as a priority for funding in the Councils IFS:

1. Swanley Transport Improvement Measures
2. Junction 3 M25 Swanley - improvements required to address increased capacity and accessibility for pedestrians
3. Improvements to bus services in and around Swanley
4. Junction improvements to Bat & Ball
5. Edenbridge Junction improvements
6. Edenbridge - sustainable transport improvements

This supports the preferred development strategy laid out in the Local Plan which seeks to focus growth in existing settlements, including at higher densities.

39 The following are identified as high need in the IDP, however as they are linked to sites still to come forward in the local plan they are not considered to be a priority at the current time:

1. Access roads between A25 and Sevenoaks Quarry site
2. Sustainable transport accessibility improvements to Quarry Site

40 Projects identified as high need, but support sites that were not taken forward in the Local Plan have not been included.

### Utilities

41 In light of the evidence in the IDP and the criteria above, it is considered that the following projects are considered as a priority for funding in the Councils IFS:

- Badgers Mount water supply upgrades
- Swanley supply water upgrades

42 Again looking at timescales for this, none have been provided by the Infrastructure providers, so it is proposed that these be made a priority and implemented for the next 1-5 years. A consideration of their progress and need will be reviewed annually.

## Education

- 43 Looking at the projects put forward for Educational infrastructure, they do not fall within the priority timescales above. Most are proposed for a time scale of 11-15 or 16-20 years, and have been given a medium to low priority. A number also relate to sites that have not yet come through the Local Plan process.
- 44 It is therefore proposed that the provision of CIL towards education facilities or infrastructure projects is not a priority for the Sevenoaks District Council in this year's IFS.

## Community Facilities

- 45 As stated above all the infrastructure projects proposed for community facilities within the IDP do not fall within the priority timescales above. Most are proposed for a time scale of 16-20 years, and been given a medium to low priority. In addition to this, a large amount of CIL has been provided to community projects through the CIL Spending Board for example towards new village halls, and the White Oak Leisure Centre.
- 46 It is therefore proposed that the provision of CIL towards large scale or general community facilities is not a priority for the Sevenoaks District Council in this year's IFS as insufficient evidence has been provided to show that this form of development is currently a priority.

## Flooding

- 47 The Upper Darent Flood alleviation scheme is identified as a high priority through the IDP. This project has already been allocated funding through the CIL Spending Board, but the money has not been transferred to the Environment Agency as there appears to be some issues in regard to land ownership and whether the entire project can be implemented. We are however still in discussion regarding this.
- 48 As CIL money had already been allocated to this project which has the highest priority and all the other schemes are either for 16-20 years or their timescales are unknown and are of medium to low priority, it is my view that there are no further schemes where CIL is required as a priority. It is therefore proposed that whether the Upper Darent Flood alleviation scheme can go ahead or not, as no other priority projects have been put forward, that the provision of CIL towards flooding facilities or infrastructure is not a priority for the Sevenoaks District Council in this year's IFS.

## Health and Social Care

- 49 The IDP has identified a number of Health and Social Care projects that are of a high priority. Whilst some of these are not required immediately, they have been identified as high priority projects and the expansion of GP practices and increased health care services are vital to support the increase of development in the District and they provide a clear benefit.

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- 50 Taking into account the criteria above it is considered that Health and Social care be identified as a priority for CIL Spending over the next year. In particular, the following projects have been identified:

1. CIL funding is provided to deliver the additional capacity required in the next 6 - 10 years to health services in the following areas:

- Northern Sevenoaks Health
- Swanley,
- Hextable,
- Farningham,
- New Ash Green,
- Hartley,
- Fawkham,
- South Darent

2. Expansion of GP Practices in the Sevenoaks Urban Area (Time scale 11-15 years).

3. To increase the capacity of Otford Health Services (related to Fort Halstead) (Timescale 6 - 10 years).

This again supports the preferred development strategy laid out in the Local Plan which seeks to focus growth in existing settlements, including at higher densities and provides infrastructure to support allocated sites.

- 51 Whilst Edenbridge Health Services are also mentioned as a high priority, partial funding towards this project has already been approved through the CIL Spending Board in December last year towards the Edenbridge Health hub. It is therefore proposed that this is not identified as a priority for this year's IFS.

### **Affordable Housing**

- 52 This is proposed to follow our current planning policies and Supplementary Planning Document. See update to Affordable Housing Policy in **Appendix D**. The income will be spent in light of the portfolio holder's decision as to how we spend the money allocated to affordable housing.

- 52 The first priority should always be for developers to provide affordable units on site and to work with Housing Providers to identify the right number, size and tenure. However, when a financial contribution is sought through a section 106 agreement, it will be ring fenced and the priority will be to use the money to meet the Council's affordable housing objectives. This money will therefore be spent using the following criteria (as laid out in the Council's Supplementary Planning Guidance: Affordable Housing):

- Provision of new affordable housing in the District via a Registered Provider of social housing (including adding to provision on development sites, new standalone schemes and existing property purchase);



- Initiatives to make better use of the existing stock (including tackling under occupation and fuel poverty where it enables better use to be made of the stock);
- Managing future needs for affordable housing, including homelessness prevention and benefit advisory services;
- Assisting those in housing need to access low cost home ownership;
- Supporting the development of rural exception sites to meet rural housing needs (for fully or partially exempted Parishes only as set out in Section 17 Housing Act 1996, Housing (Right to Acquire or Enfranchise) (Designated Rural Areas in the South East) 1997 Order.

53 Apart from the provision of rural housing, funds will be used to meet affordable housing in a flexible way where it can be used most effectively across the District.

#### **Local Infrastructure Projects**

54 Looking at the criteria that have been agreed to assess the bids put to the CIL Spending Board, as well as the large strategic projects, there is a clear aim by the Council to support local community projects. These local projects include those submitted by infrastructure bodies and also those submitted by Parish and Town Councils or local community groups who put forward projects to benefit their local community.

55 Whilst not listing any specific projects, in addition to the above, it is suggested that one of the Council's priorities for infrastructure, for the next year, should be to partially fund local community or infrastructure projects that show a clear public benefit or support a clear local need. Therefore, this means that CIL priorities will not only be made with reference to the Local Plan. If a local body comes forward with a worthy CIL application the Board must be free to consider it as long as it is of community or local benefit, it supports new development in their area and is infrastructure.

56 Whilst community projects or infrastructure to address flooding issues have not been identified above as being a priority, any local project that provides evidence to show that it addresses a clear community need or provides a clear community benefit will be considered a priority. This could include the provision of community, flood or education (inc. nurseries etc.) infrastructure.

#### **Net Zero 2030**

57 The leader of the Council brought a report to Full Council on 19<sup>th</sup> November 2019. The report set out a clear ambition for the Council to achieve net zero greenhouse gas emissions by 2030. The Cabinet working group which was set up to oversee and lead on this ambition agreed that the Council

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would be a “community leader” and encourage low carbon measures across the District through education, best practice, incentives, policy and opportunities.

- 58 It is therefore suggested, following on from this Council’s clear ambition and the desire to be community leaders, that over the next year any infrastructure projects which clearly support our ambition to achieve net zero greenhouse emissions should be considered as a priority to receive CIL funding.

### **Broadband**

- 59 In looking at the requirements in the Local Plan, and also in light of the current Covid situation, there is a clear need in this District for improvements to our rural broadband. It is recognised that some areas have poor connection.
- 60 Currently there is a clear switch in the community to people working from home, therefore, increasing the need for an improvement in broadband services. In addition, this is expected to lead to a reduction in car journeys and encourage job growth in rural areas. Therefore, any infrastructure proposals that seek to improve existing rural broadband services or propose new broadband infrastructure in rural areas will be also considered as a priority.

### **Notes**

- 61 It should be noted that whilst the proposals above have been given a high priority, an application to the CIL Spending Board for funding will still need to be made and therefore this does not guarantee the schemes will be fully or partly funded. However, the fact that they have been identified as priority projects in the IFS will mean that this will give weight to the consideration of these bids at the Board.
- 62 Members will also be aware of the new Government White Paper, currently out for consultation, which sets out the Governments vision for a new planning process. Pillar 3 of this legislation looks particularly at Infrastructure, CIL and Section 106s. The vision of the Government is to remove CIL and Section 106 and bring together all payments through one contribution “The Infrastructure Levy.” This will mean that all income will be brought under the Levy and therefore this will change how we report and prioritise in the future.

### **Other options Considered and/or rejected**

- 63 Officers have based their decision on the evidence before them and through discussion with officers and Members across the Council and therefore consider that there is no alternative to those put forward.
- 64 The Committee could determine that these priorities or projects put forward are not acceptable. This could result in an incomplete IFS being

produced by the Council or the committee could recommend other priorities that they consider others are more suitable.

## **Key Implications**

### Financial

There are no financial implications regarding this report.

### Legal Implications and Risk Assessment Statement.

There are no legal implications regarding this report.

### Equality Assessment (Compulsory heading - do not delete)

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

### Net Zero

This has been addressed in the main report.

## **Conclusions**

It is requested that the Committee agree to the following:

1. The criteria for prioritising infrastructure projects for funding in the Infrastructure Funding Statement.
2. That the specific projects and types of infrastructure recommended in the conclusion are identified in the IFS as having a priority for full or partial funding.

### **Appendices**

**Appendix A** - Categories and projects identified as infrastructure

**Appendix B** - Full details of CIL expenditure and Section 106 monies received

**Appendix C** - Infrastructure requirements assessed in the Sevenoaks Infrastructure Delivery Plan.

**Appendix D** - Updates to affordable housing Policy December 2019.

**Background Papers**

[Governance of the Community Infrastructure Levy \(CIL\) \(Cabinet - July 2020\)](#)

(Appendix X1) of the Council's Constitution.

Infrastructure Delivery Plan March 2019

Sevenoaks District Council's Supplementary Planning Document; Affordable Housing.

**Richard Morris**

**Deputy Chief Executive, Chief Officer - Planning & Regulatory Services**

**Appendix A**

**List of types of Infrastructure**

Infrastructure Category	Type of Infrastructure / Project
<b>Highways &amp; Transport</b>	Road networks Rail networks Bus services Cycling and walking routes Public Rights of Way (PROWs) Car parking facilities (including electric vehicle charging points)
<b>Flooding</b>	Flood defences - Blue Green Infrastructure can also provide solutions to mitigate any effects.
<b>Utilities</b>	Water Supply Wastewater Water quality Waste management and facilities (including recycling facilities)
<b>Communications</b>	Telecommunications High speed broadband
<b>SOCIAL INFRASTRUCTURE</b>	
<b>Community facilities</b>	Places of worship Sport venues Leisure Centres Playing pitches Meeting places Libraries Cultural buildings or infrastructure
<b>Education</b>	Pre-school and nursery schools Primary education Secondary education Post 18 / higher education Adult education Special educational needs
<b>Health and social care facilities</b>	GP surgeries Dental services Hospitals and community trusts Mental health services Adult social care services Children’s social services

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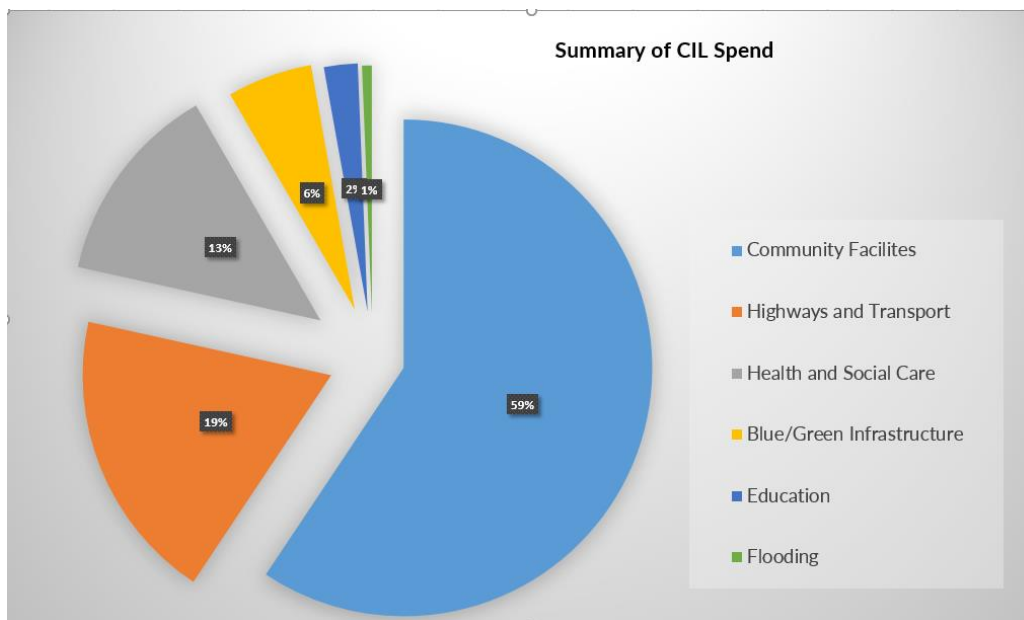
<b>Police and emergency services facilities</b>	Schemes involving physical infrastructure for the police, fire and rescue services, and ambulance services.
<b>OTHER INFRASTRUCTURE</b>	
<b>Blue-Green infrastructure</b>	<ul style="list-style-type: none"> <li>Natural / semi-natural open space</li> <li>Maintenance or improvement of bodies of water</li> <li>Biodiversity</li> <li>Parks / country parks</li> <li>Local Wildlife Sites</li> <li>Local Nature Reserves</li> <li>Areas of Outstanding Natural Beauty</li> </ul>
<b>Other</b>	<ul style="list-style-type: none"> <li>Minerals</li> <li>Energy</li> </ul>

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**Appendix B**

**Projects awarded CIL since 2014 to date**

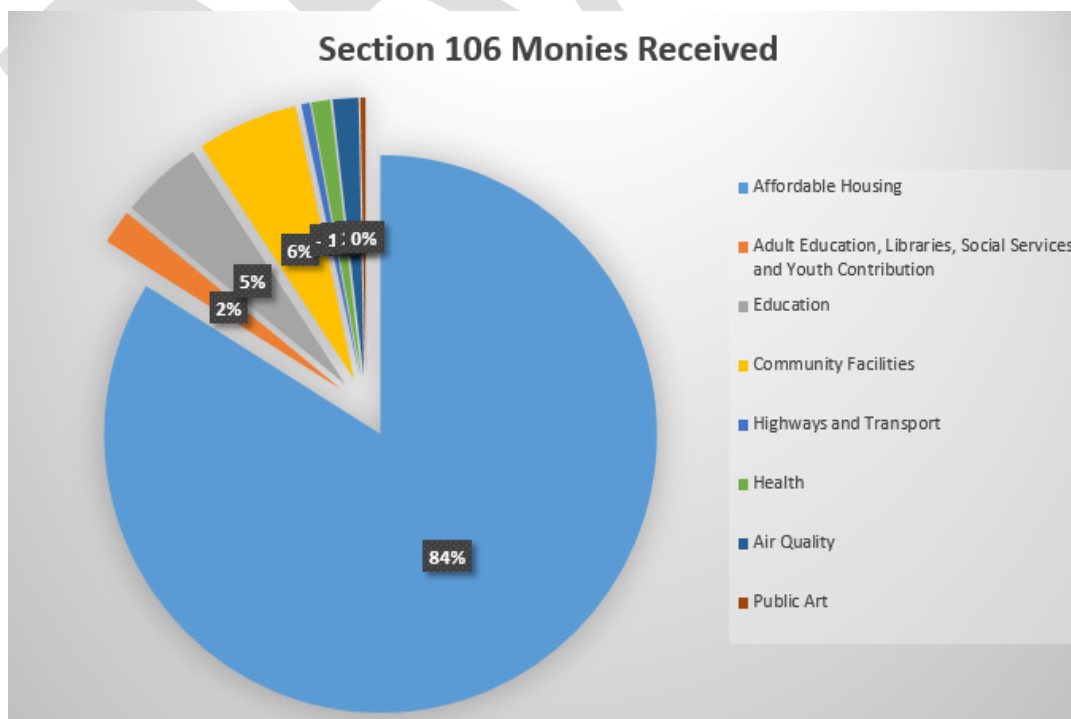
Type of Infrastructure	CIL Funds Awarded	Percentage of overall amount
Community Facilities	£ 2,710,324.00	59%
Highways and Transport	£ 871,936.98	19%
Health and Social Care	£ 602,500.00	13%
Blue/Green Infrastructure	£ 252,400.00	6%
Education	£ 100,000.00	2%
Flooding	£ 29,000.00	1%
<b>Total</b>	<b>£ 4,566,160.98</b>	



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## Section 106 funds received between 2011 and 2016

Type of Infrastructure/facilities	Section 106 funds Received	Percentage of overall amount
Affordable Housing	£8,302,629.33	83.9%
Community Facilities	£583, 866.00	5.9%
Education	£477,694.00	4.8%
Adult Education, Libraries, Social Services and Youth Contribution	£197,345.99	2%
Air Quality	£145,021.00	1.5%
Health and Social Care	£108, 068.00	1.1%
Highways and Transport	£53,622.00	0.5%
Public Art	£25, 055.80	0.3%
<b>Total</b>	<b>£9,893,302.00</b>	





## Appendix C – Schedule of Infrastructure Requirements

The following schedule is a result of information that is currently available. The schedule will be updated accordingly where new information is provided or there is an update to the existing scheme. The criteria used to determine the priority, timescale, risk to delivery and funding position can be found in Section 3 “Infrastructure Planning Context”.

Infrastructure Type	Project Title	Project Justification	Priority	Timescale	Delivery Body	Risk to Delivery	Estimated Associated Costs (if known)	Funding Mechanism
<b>Community Facilities (CF)</b>								
CF	New Library Provision at Pedham Place	The development at Pedham Place would justify new on-site provision through the delivery of health and community facilities. This could be achieved by direct provision by the developer or through a contribution of around £1.1m (total) for KCC to provide the requisite facilities. This includes Community Learning and Skills, Youth Services and Families & Social Care.	Low	16-20 years	KCC Libraries	Medium	Unknown	Site-specific Section 106 or Community Infrastructure Levy.
CF	Enhancement of Swanley Library	The additional demand could be accommodated through the enhancement of facilities at Swanley Library and the provision of additional Book stock.	Medium	16-20 years	KCC Libraries	Medium	£214,800	Community Infrastructure Levy and other funding sources.
CF	New Library Provision in the Halstead/ Knockholt area	The nearest existing library is Riverhead, but this would be incapable of meeting the expected demand from this development. Funding could be used to enhance facilities and book stock at Sevenoaks Library, but this is some distance from the proposed development. Alternatively, it may be possible that additional provision could be made	Low	11-15 years	KCC Libraries	Medium	£106,900	Community Infrastructure Levy and other funding sources.

		through the delivery of community facilities on-site.						
CF	Enhancements of Libraries in Sevenoaks area	The nearest libraries are Riverhead and Seal. On their own, these libraries may not be capable of meeting the expected demand from development. Whilst some enhancement of facilities and book stock might be possible at Riverhead and Seal libraries, the alternative would be to enhance the facilities and book stock at Sevenoaks Library.	Medium	11-15 years	KCC Libraries	Medium	£264,000	Community Infrastructure Levy and other funding sources.
CF	Enhancement of Edenbridge Library	Facilities and book stock at Edenbridge Library could be delivered to meet the demand generated by development.	Medium	11-15 years	KCC Libraries	Medium	£85,500	Community Infrastructure Levy and other funding sources.
CF	Enhancements of libraries in the New Ash Green/Hartley area	Facilities and book stock at New Ash Green and Hartley libraries could be delivered to meet the demand generated by development.	Medium	11-15 years	KCC Libraries	Medium	£33,000	Community Infrastructure Levy and other funding sources.
CF	Provision of New Youth Service Facilities - Pedham Place	The development at Pedham Place would justify new on-site provision through the delivery of health and community facilities. This could be achieved by direct provision by the developer or through a contribution of around £1.1m (total) for KCC to provide the requisite facilities. This includes Library Services, Community Learning & Skills and Families & Social Care.	Low	16-20 years	KCC Youth Services	Medium	Unknown	Community Infrastructure Levy and other funding sources.
CF	Youth Services - Swanley/Hextable area	Enhancement of existing facilities to accommodate demand generated by development.	Low	16-20 years	KCC Youth Services	Medium	£51,600	Community Infrastructure Levy and other funding sources.

CF	Youth Services - Hartley/New Ash Green area	Enhancement of existing facilities to accommodate demand generated by development.	Low	16-20 years	KCC Youth Services	Medium	£7,500	Community Infrastructure Levy and other funding sources.
CF	Youth Service Provision - Halstead/ Knockholt area	Provision of new facilities on site through any community facilities that are delivered, or as stand-alone building located centrally to the development.	Low	16-20 years	KCC Youth Services	Medium	£18,500	Community Infrastructure Levy and other funding sources.
CF	Youth Service Facilities - Sevenoaks area	Enhancement of existing facilities to accommodate demand generated by development.	Low	16-20 years	KCC Youth Services	Medium	£72,000	Community Infrastructure Levy and other funding sources.
CF	Youth Service Facilities - Edenbridge area	Enhancement of existing facilities to accommodate demand generated by development.	Low	16-20 years	KCC Youth Services	Medium	£17,700	Community Infrastructure Levy and other funding sources.
<b>Education (E)</b>								
E	Primary Education - Edenbridge	Number of dwellings proposed in Edenbridge planning area is 442, resulting in a generated demand of up to 118 pupils. The Commissioning Plan for Education in Kent 2018-22 currently shows that the requirement for up to 0.6 FE additional provision to meet the demand generated by this planned development could be accommodated within the Sevenoaks Rural South West planning group for primary schools.	Medium	11-15 years	KCC Education	Medium	Unknown	Community Infrastructure Levy and other funding sources.

E	Primary Education - New Ash Green/Hartley	Up to 164 new dwellings in the Hartley/Fawkham/New Ash Green, area would generate up to 46 primary pupils. The Commissioning Plan for Education in Kent 2018-22 currently shows that the requirement for up to 0.2 FE additional provision to meet the demand generated by this planned development could be accommodated within the West Kingsdown, Hartley & New Ash Green planning group for primary schools.	Low	16-20 years	KCC Education	Medium	Unknown	Community Infrastructure Levy and other funding sources.
	Primary Education - Sevenoaks Urban Area	Up to 1,287 new dwellings would generate up to 360 primary pupils. Requirement for up to 1.7FE additional provision to meet the demand generated by planned development. Suggestion that a new primary school could be provided within any future development of the Sevenoaks Quarry site (ST2-13)	Medium	11-15 years	KCC Education	Medium	Unknown	Community Infrastructure Levy and other funding sources.
E	Primary Education - Swanley/Hextable	Up to 1,021 new dwellings would generate up to 286 primary pupils. Requirement for up to 1.4FE additional provision to meet the demand generated by planned development.  Development in the Swanley & Hextable area has the potential to impact on both primary and secondary schools within the Dartford area. There are 3 primary and 3 secondary schools within the Wilmington and Joydens Wood areas closest to Swanley and Hextable whilst slightly further afield there are an additional 6 primary and 3 secondary schools.	Medium	11-15 years	KCC Education	Medium	Unknown	Community Infrastructure Levy and other funding sources.

E	Primary Education - Pedham Place (Broad location for growth)	Number of dwellings proposed at Pedham Place is 2500 units, resulting in a generated demand of up to 700 pupils. The development would require the provision of up to 3.3FE. It is also of a sufficient scale and size to be capable of on-site provision of 2 new 2FE schools which could some of the demand generated by allocated development within the Swanley & Hextable Area.	Low	16-20 years	KCC Education	Medium	Unknown	Site-specific Section 106 or Community Infrastructure Levy.
E	Primary Education - Halstead / Knockholt area	Up to 563 new dwellings would generate 158 primary pupils. The Commissioning Plan for Education in Kent 2018-22 currently shows that there is some spare capacity within the Halstead & Knockholt planning group for primary schools. However, the requirement for up to 0.75 FE additional provision to meet the demand generated by this planned development would, in conjunction with the consented development for DRA Fort Halstead, would exceed this capacity requiring up 1.5FE new provision within the area.	Low	16-20 years	KCC Education	Medium	Unknown	Community Infrastructure Levy and other funding sources.
E	Secondary Education - Sevenoaks Urban Area	Up to 563 new dwellings would generate up to 257 secondary pupils. Requirement for up to 1.7FE additional provision to meet the demand generated by planned development. Existing secondary schools would reach over capacity during the Plan Period requiring new provision to accommodate demand from planned development.	Medium	16-20 years	KCC Education	Medium	Unknown	Site-specific Section 106 or Community Infrastructure Levy.

E	Secondary Education - Pedham Place (Broad location for growth)	Number of dwellings proposed at Pedham Place is 2500 units, resulting in a generated demand of up to 500 pupils. The development would require the provision of up to 3.3FE and justify the provision of a new 4FE school. However, It is of a sufficient scale and size to be capable of delivering a 6FE school on-site provision that would provide additional capacity to accommodate demand from allocated development across the wider North Sevenoaks area.	Low	16-20 years	KCC Education	Medium	Unknown	Site-specific Section 106 or Community Infrastructure Levy.
E	Secondary Education - Edenbridge	Number of dwellings proposed in Edenbridge planning area is 442, resulting in a generated demand of up to 84 pupils. Requirement for up to 0.6FE additional provision to meet the demand generated by planned development. Existing secondary schools would reach over capacity during the Plan Period requiring new provision to accommodate demand from planned development.	Medium	16-20 years	KCC Education	Medium	Unknown	Site-specific Section 106 or Community Infrastructure Levy.
E	Secondary Education - Swanley/Hextable	Up to 1,021 new dwellings would generate up to 204 secondary pupils. Requirement for up to 1.4FE additional provision to meet the demand generated by planned development. Existing secondary schools would reach over capacity during the Plan Period requiring new provision to accommodate demand from planned development.  Development in the Swanley & Hextable area has the potential to impact on both primary and secondary schools within the Dartford area. There are 3 primary and 3 secondary schools within the Wilmington and Joydens	Medium	16-20 years	KCC Education	Medium	Unknown	Community Infrastructure Levy and other funding sources.

		Wood areas closest to Swanley and Hextable whilst slightly further afield there are an additional 6 primary and 3 secondary schools.						
E	Secondary Education - New Ash Green/Hartley	Up to 164 new dwellings would generate up to 33 secondary pupils. Requirement for up to 0.2FE additional provision to meet the demand generated by planned development. Existing secondary schools would reach over capacity during the Plan Period requiring new provision to accommodate demand from planned development.	Medium	16-20 years	16-20 years	KCC Education	Medium	Community Infrastructure Levy and other funding sources.
E	Secondary Education - Knockholt/Halstead	Up to 563 new dwellings would generate up to 113 secondary pupils. Requirement for up to 0.75FE additional provision to meet the demand generated by planned development along with a further 0.55FE to meet the demand generated by the consented development for DRA Fort Halstead. Existing secondary schools would reach over capacity during the Plan Period requiring new provision to accommodate demand from planned development.	Medium	16-20 years	16-20 years	KCC Education	Medium	Community Infrastructure Levy and other funding sources.
E	New Community Learning Facility at Pedham Place	The development at Pedham Place would justify new on-site provision through the delivery of health and community facilities. This could be achieved by direct provision by the developer or through a contribution of around £1.1m (total) for KCC to provide the requisite facilities. This includes Library Services, Youth Services and Families & Social Care.	Low	16-20 years	KCC Community Learning & Skills	Medium	Unknown	Site-specific Section 106 or Community Infrastructure Levy.

E	Community Learning Facilities - Hartley/New Ash Green area	Enhancement of existing facilities to accommodate demand generated by development.	Low	16-20 years	KCC Community Learning & Skills	Medium	£5,100	Community Infrastructure Levy and other funding sources.
E	Community Learning Facilities - Swanley/Hextable area	Enhancement of existing facilities to accommodate demand generated by development.	Low	16-20 years	KCC Community Learning & Skills	Medium	£32,500	Community Infrastructure Levy and other funding sources.
E	Community Learning Facility - Halstead/Knockholt area	Provision of new facilities on site through any community facilities that are delivered or as stand-alone building located centrally to the development.	Low	16-20 years	KCC Community Learning & Skills	Medium	£17,100	Community Infrastructure Levy and other funding sources.
E	Community Learning Facilities - Sevenoaks Urban Area	Enhancement of existing facilities to accommodate demand generated by development.	Medium	16-20 years	KCC Community Learning & Skills	Medium	£38,400	Community Infrastructure Levy and other funding sources.
E	Community Learning Facilities - Edenbridge	Enhancement of existing facilities to accommodate demand generated by development.	Medium	16-20 years	KCC Community Learning & Skills	Medium	£13,100	Community Infrastructure Levy and other funding sources.
<b>Flooding (F)</b>								
F	Upper Darent Flood Alleviation Scheme	The communities of Westerham, Brasted and Sundridge are all at risk of flooding from the River Darent. A suite of local, low cost interventions are the most cost effective way of reducing flood risk to these communities. Some works have already successfully been implemented in partnership with Kent County Council and local communities but further works are required to reduce the risk further.	High	6-10 years	Environment Agency	Low	£330,000	Granted CIL funding from the CIL spending Board to complete the scheme.



		Works proposed as part of the scheme include the following improvements: New channels and watercourses; Improved drainage; Enhanced flood embankments; and natural flood management measures at a number of locations						
F	Brasted Floodplain Storage	Investigation and modelling into increasing floodplain storage using low level floodplain embankments	Medium	Unknown	Environment Agency	Medium	Unknown	Community Infrastructure Levy and other funding sources.
F	Chipstead flood remedial works	Investigation into remedial works to the flood relief channel in Chipstead to revert to the original 'dry channel' design if this is shown to have a significant flood risk benefit.	Medium	Unknown	Environment Agency	Medium	Unknown	Community Infrastructure Levy and other funding sources.
F	Dunton Green/Riverhead Flood Protection Measures	Investigation of a flood wall in Dunton Green/River Head to protect businesses and the care home as well or property level protection of business units and care home.	Medium	Unknown	Environment Agency	Medium	Unknown	Community Infrastructure Levy and other funding sources.
F	Otford/Greatness Flood Protection Measures	Investigation of the feasibility of de-culverting the Watercress Stream. Additional work in investigating flood storage on the Watercress and Honeypot Streams.	Medium	Unknown	Environment Agency	Medium	Unknown	Community Infrastructure Levy and other funding sources.
F	Sevenoaks Flood Capacity Upgrade	Investigation of working with Kent Wildlife Trust to add storage to the West Lake in the Sevenoaks Wildlife Reserve	Medium	Unknown	Environment Agency	Medium	Unknown	Community Infrastructure Levy and other funding sources.
F	Eynsford Flood Defence Scheme	Investigation of a bypass channel at Old Mill Close in Eynsford	Medium	Unknown	Environment Agency	Medium	Unknown	Community Infrastructure Levy and other funding sources.

Health & Social Care (HSC)								
HSC	Family & Social Care - Pedham Place	The development at Pedham Place would justify new on-site provision through the delivery of health and community facilities. This could be achieved by direct provision by the developer or through a contribution of around £1.1m (total) for KCC to provide the requisite facilities. This includes Library Services, Youth Services and Community Learning & Skills	Low	16-20 years	KCC Social Care	Medium	Unknown	Site-specific Section 106 or Community Infrastructure Levy.
HSC	Family & Social Care – Swanley /Hextable area	Enhancement of existing facilities to accommodate demand generated by development.	Low	16-20 years	KCC Social Care	Medium	£81,800	Community Infrastructure Levy and other funding sources.
HSC	Family & Social Care - Hartley/ New Ash Green area	Enhancement of existing facilities to accommodate demand generated by development.	Low	16-20 years	KCC Social Care	Medium	£14,200	Community Infrastructure Levy and other funding sources.
HSC	Family & Social Care – Halstead /Knockholt area	Provision of new facilities on site in conjunction with any GP practice or Health Clinic delivered and utilising any multi-agency space provided as part of any new Primary Schools	Low	16-20 years	KCC Social Care	Medium	£48,700	Community Infrastructure Levy and other funding sources.
HSC	Family & Social Care – Sevenoaks Urban Area	Enhancement of existing facilities to accommodate demand generated by development	Low	16-20 years	KCC Social Care	Medium	£93,300	Community Infrastructure Levy and other funding sources.
HSC	Family & Social Care - Edenbridge area	Enhancement of existing facilities to accommodate demand generated by development	Low	16-20 years	KCC Social Care	Medium	£32,400	Community Infrastructure Levy and other

									funding sources.
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<p>HSC</p>	<p>Northern Sevenoaks Health Services – Swanley, Hextable, Farningham, New Ash Green, Hartley, Fawkham, South Darenth</p>	<p>Overall there is a slight reduction in the total number of homes for our area in this plan (from <b>4,220 to 4,017 homes</b>), however over the life time of the plan there will be <b>9,641 new population</b> (based on 2.4 persons per dwelling). It is also noted that in <b>years one to five, 979 Homes</b> will be built equating to a population increase of <b>2,350</b>. This will require an additional GP workforce of 5.4WTE (based on a GP to patient ratio of 1,800 patients) and in the next 5 years the 2,350 new population will require an additional 1.3WTE GP workforce. In terms of impact on General Practice, the significant difference in this plan is an <b>increase of 471 homes</b> in the Swanley area. This area will see an increase of <b>3,516 homes</b> and therefore <b>8,438 new population</b> over the life of the local plan. It is noted that only <b>722 homes (equating to 1,733 new population)</b> will be built in the first five years. I have attached an updated table that identifies the proposed settlement sites linked to GP practices.</p> <p>However, it must be noted that the current GP medical facilities within the Swanley area and across the other main areas of Hextable, Farningham, New Ash Green, Hartley, Fawkham and South Darenth, do not have capacity to support the growth in the population expected. Therefore, if the public consultation and Council determine support for these proposed housing developments, the CCG would only be able to support delivery of associated increases to healthcare services if sufficient CIL funding is provided to deliver the additional capacity required in these areas.</p>	<p>High</p>	<p>6-10 years</p>	<p>Dartford, Gravesham &amp; Swanley CCG</p>	<p>Medium</p>	<p>Unknown</p>	<p>Community Infrastructure Levy and other funding sources.</p>
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<p>HSC</p>	<p>Expansion of GP Practices in Sevenoaks Urban Area</p>	<p>The proposed development at the Sevenoaks Quarry site is in years 10-15 of the plan period. Whilst additional capacity will need to be created it is not possible at this stage to detail a specific project as specific impacts and needs will have to be assessed and planned for at the appropriate time in the plan period. The expected need will be for c 1400 patients arising from the 600 dwellings (based on average occupancy of 2.34).</p> <p>Please note that general practice premises plans will be kept under review and may be subject to change as the CCG must ensure appropriate general medical service capacity is available as part of our commissioning responsibilities.</p>	<p>High</p>	<p>11-15 years</p>	<p>West Kent Clinical Commissioning Group</p>	<p>Medium</p>	<p>Unknown</p>	<p>Community Infrastructure Levy and other funding sources.</p>
<p>HSC</p>	<p>Otford Health Services</p>	<p>Using average occupancy of 2.34 per dwelling, Otford Medical Practice would also take a large proportion of the growth To put this into context this would be an additional c.3260 new patient registrations during the plan period; an increase of 30.7% increase on the current registered patient list.</p> <p>There is an existing pressure on services and Otford Medical Practice have plans to reconfigure the main surgery at Otford (\$106 funding will be contributing to this work) and have developed plans to extend the branch surgery at Kemsing for which capital is currently being explored. A bid may be put forward through the next CIL bidding round to support this development. This will allow the workforce to be expanded and will go some</p>	<p>High</p>	<p>6-10 years</p>	<p>West Kent Clinical Commissioning Group</p>	<p>Medium</p>	<p>Unknown</p>	<p>Community Infrastructure Levy and other funding sources.</p>

		way to supporting some of the future growth but will not support all of the growth outlined above; it is expected that at a point in the future a further extension to the Kensing surgery would be required. The critical aspect for Otford and any other premises development is that the infrastructure and workforce is in place prior to or in parallel to the new population registering for general practice services.						
HSC	Edenbridge Health Services	<p>There is an existing need in Edenbridge and the combined hospital/ GP surgery project is progressing and is recognised as a requirement in the draft Local Plan. Using the average occupancy figure of 2.34 per dwelling the growth in Edenbridge is expected to be c. 3000 new patient registrations; the project would allow for the proposed growth arising from the local plan to be accommodated. To put this into context this is a 25% increase on the current registered patient list. The CCG, KCHFT and Edenbridge Medical Practice have indicated that developer contributions will be sought through CIL as a contribution towards the new infrastructure (plan to submit in next CIL round).</p> <p>Please note that general practice premises</p>	Critical	1-5 years	West Kent Clinical Commissioning Group / Kent Community Health NHS Foundation Trust (KCHFT)	Medium	£13.2 million	Partial application for CIL funding has been secured from the District Council's CIL Spending Board in December 2018 (£600k). Further funding streams identified but currently unconfirmed.

		plans will be kept under review and may be subject to change as the CCG must ensure appropriate general medical service capacity is available as part of our commissioning responsibilities.						
HSC	Westerham Health Services	Whilst the patient pressure indicator from the premises survey is 'high' there is not an existing need leading the general practice exploring options for new premises at this time. More detailed discussions would be required to develop detailed plans for a new practice. . Any new premises developments regardless of funding source, are required to be submitted for consideration through CCG governance due to the revenue implications.	Low	11-15 years	West Kent Clinical Commissioning Group	Medium	Unknown	Community Infrastructure Levy and other funding sources.
<b>Highways &amp; Transport (HT)</b>								
HT	Swanley Transport Improvement Measures	Measures as identified in the Swanley Transport Study. To include localised widening, ghosted right turn lanes on London Road, where appropriate - to improve pedestrian and cycling accessibility and access congestion issues.	High	Unknown	KCC/Developer	Low	Unknown	Section S278/CIL
HT	Junction 3 M25 Swanley	Improvements required to address increased capacity and accessibility for pedestrians, cyclists and buses.	High	Unknown	Highways England/KCC/D eveloper	Medium	Unknown	Section 106/S278/CIL
HT	Crockenhill Lane / Wested Lane	Provision of bus route and emergency access between Pedham Place and Swanley	High	Unknown	KCC/Developer	Medium	Unknown	Section 278

HT	Improvements to bus services in and around Swanley	Increased sustainable transport and associated reduction in congestion.	High	Unknown	KCC/Developer /Bus Operator/CIL	Medium	Unknown	CIL/Section 106
HT	Swanley Station improvements	Bus terminal and parking improvements to improve access to train stations.	Medium	Unknown	Network Rail/KCC/Devel oper	High	Unknown	CIL/Section 106
HT	Improvements to junction of London Road B2173 with Hockenden Lane and Birchwood Road	Existing safety crash cluster site. Accommodation of additional movements.	High	Unknown	KCC/Developer	Low	Unknown	Section 106/CIL/S278
HT	Localised widening of roads south of New Ash Green and junction improvements of A20/South Ash Road	Existing roads are constrained in terms of width and forward visibility. Additional capacity and safety features are required.	High	Unknown	KCC/Developer	High	Unknown	Section 278
HT	Bus improvements between New Ash Green and Longfield railway station	Improved sustainable transport.	High	Unknown	KCC/Bus operator/Develo per	Medium	Unknown	Community Infrastructure Levy and other funding sources.
HT	Kemsing - localised highway widening / passing places /visibility improvements	Accommodate additional traffic by increasing capacity and safety.	High	Unknown	KCC/Developer	Medium	Unknown	Section 278/38



	and junction improvements along the rural road network							
HT	Kemsing - Sustainable transport improvements	Improvements to bus services, pedestrians, and accessibility at train station	High	Unknown	KCC/Developer /Bus Operator/Network Rail	High	Unknown	Community Infrastructure Levy and other funding sources.
HT	Junction improvements to Bat & Ball	Bat & Ball junction is already over capacity, and any additional development will add to congestion, queues and delays.	High	Unknown	KCC/Developer	High	Unknown	Section 278
HT	Cycle route - Otford to Sevenoaks	Included in Sevenoaks Cycle Strategy and provides a useful link between the two communities.	Medium	Unknown	KCC/Developer	High	Unknown	Section 106/CIL
HT	Access roads between A25 and Sevenoaks Quarry site	Junction improvements and traffic/parking management to Greatness Lane and Mill Lane.	High	Unknown	KCC/Developer	High	Unknown	Section 106/CIL
HT	Sustainable transport accessibility improvements	Footbridge at Watercress Drive requires improved safety and accessibility. Access to the station to be improved. Bus services required between Sevenoaks Quarry and Sevenoaks town centre. Cycle improvements between Seal School, Knole Academy and Trinity School.	High	Unknown	KCC/Developer /Bus Operator	High	Unknown	Section 106/CIL
HT	Capacity improvements to mini roundabouts at Riverhead	Existing congestion and additional traffic flows will add to congestion, queues and delays.	Medium	Unknown	KCC/Developer	Medium	Unknown	Community Infrastructure Levy and other funding sources.

HT	Edenbridge - junction improvements	Increased capacity required due to additional traffic movements	High	Unknown	KCC/Developer	Medium	Unknown	Section 278/CIL
HT	Edenbridge - sustainable transport improvements	Improvements to sustainable transport accessibility - walking, cycling, buses and trains	High	Unknown	KCC/Developer /Bus Operator/Network Rail	High	Unknown	Section 106/Section 278/ CIL
HT	Northern District Transport Improvements - North West of District / boundary to Greater London Authority & TfL area	Enhancement to rail and bus services	Low	Unknown	Transport for London	Low	Unknown	Community Infrastructure Levy and other funding sources.
Utilities (U)								
U	Sewerage network reinforcements in Edenbridge	To increase capacity in the sewerage network in order to accommodate additional foul flows from the above developments. Provision of the infrastructure should be phased with development occupation in order to limit the risk of foul flooding. Projects will commence once Southern Water receive a firm commitment to commence construction from the relevant developers, provided planning approval has been granted.	Medium	6-10 years	Southern Water	Medium	Unknown	Community Infrastructure Levy and other funding sources.
U	Badgers Mount - Water Supply Upgrades	Local upgrades to the existing water network infrastructure may be required to ensure sufficient capacity is brought forward ahead of development.	High	Unknown	Thames Water	Medium	Unknown	Community Infrastructure Levy and other funding sources.

U	Swanley - Water Supply Upgrades	The supply required for the proposed scale of development is a significant additional demand in the Water Resource area. Currently the mains that feed the Water Resource area are running close to capacity. Consequently it is likely that the developer will be required to provide an impact study of the existing infrastructure for the brownfield sites and smaller infill development in order to determine the magnitude of spare capacity and a suitable connection point. The developer will be required to fund this.	High	Unknown	Thames Water	Medium	Unknown	Community Infrastructure Levy and other funding sources.
U	Pedham Place - Water and Wastewater Network Upgrade	The water network capacity in this area is unlikely to be able to support the demand anticipated from this development. Strategic water supply infrastructure upgrades are likely to be required to ensure sufficient capacity is brought forward ahead of the development. The developer is encouraged to work Thames Water early on in the planning process to understand what water infrastructure is required, where, when and how it will be delivered. The scale of development/s in this catchment is likely to require upgrades of the water supply network. It is recommended that the Developer and the Local Planning Authority liaise with Thames Water at the earliest opportunity to agree a housing phasing plan. Failure to liaise with Thames Water will increase the risk of planning conditions being sought at the application stage to control the phasing of development in order to ensure that any necessary infrastructure upgrades are delivered ahead of the occupation of development. The housing phasing plan should determine what phasing may be required to	Low	Unknown	Thames Water	Medium	Unknown	Community Infrastructure Levy and other funding sources.  Possible consideration of S106 agreement but will need to be justified.

		ensure development does not outpace delivery of essential network upgrades to accommodate future development/s in this catchment. The developer can request information on network infrastructure by visiting the Thames Water website <a href="https://developers.thameswater.co.uk/Developing-a-large-site/Planning-your-development">https://developers.thameswater.co.uk/Developing-a-large-site/Planning-your-development</a> .						
<b>Water Quality (WQ)</b>								
<b>WQ</b>	River Eden Catchment Improvements	Opportunities exist to improve the River Eden catchment that runs through the Borough, in particular with regards to water quality, geomorphology and ecology. The Environment Agency are supporting plans to improve/restore Bay Pond in Godstone Surrey, which is connected to the Eden catchment and lies adjacent to it.	Medium	Unknown	Environment Agency	Medium	Unknown	Community Infrastructure Levy and other funding sources.

**Appendix D**

**Updates to affordable housing policy – December 2019**

Changes to the National Planning Policy Framework - NPPF (February 2019) and the national Planning Practice Guidance - PPG (July 2018), have led to changes in how the District Council's affordable housing policy should be considered. Affordable housing policy is set out in the Core Strategy Policy SP3 and accompanying Affordable Housing Supplementary Planning Document (SPD) 2011. Policy should be now be considered in the context of the following changes.

**What is the level of affordable housing now sought?**

SP3 seeks the provision of affordable housing on new residential developments. The levels are as set out below.

Exemptions will be made where the site or proposed development comprise ("exemption sites"):

- a) Solely Build to Rent homes
- b) specialist accommodation for a group of people with specific needs (such as purpose-built accommodation for the elderly or students);
- c) propose to be developed by people who wish to build or commission their own homes; or
- d) is exclusively for an entry-level exception site or a rural exceptions housing site.

<b>Number of new homes in the development/size of site</b>	<b>Development is within an Area of Outstanding Natural Beauty (AONB) - % affordable housing</b>	<b>Development is not within an AONB - % affordable housing</b>
0-5 homes or site is less than 0.5 hectares	0	0
0-5 homes and site is 0.5 hectares or more	10*	10*
6-9 homes and site is less than 0.5 hectares	20*	0
6-9 homes and site is 0.5 hectares or more	20*	20*
10-14 homes irrespective of size of site	30**	30**
15-24 homes irrespective of size of site	40**	40**
25+ homes irrespective of size of site	40***	40***

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Key:

\* The affordable housing is provided in the form of a financial contribution payable on completion of the development.

\*\* This triggers a small number of affordable homes, which may not provide a viable proposition for our delivery partners. A financial contribution in lieu of any affordable housing on site, payable on commencement of development, may be sought. The Housing Policy Manager will advise the planning officer in all such cases.

\*\*\* In exceptional circumstances, e.g. particular forms of development or the application site is considered to be in a remote location, it may not be suitable or economic for the provision of affordable housing on the development site. The Housing Policy Manager will advise the planning officer in all such cases, based on the following options:

- A reduced level of affordable housing provision on site plus a financial contribution in lieu of the shortfall, payable on commencement of development;
- A financial contribution in lieu of any affordable housing on site, payable on commencement of development;
- The affordable housing to be provided on an agreed, alternative site within the District, which has been secured by the applicant. This is as per Housing Strategy, which was adopted at Full Council on 18 July 2017.

The SPD provides the method for calculating a financial contribution

### **If affordable housing is provided on site, what should the tenure mix be?**

SP3 specifies 65% of the affordable housing to be provided on site should be for Social/Affordable Rent and 35% for intermediate housing. This tenure split does not apply to exemption sites.

Paragraph 64 of NPPF, expects that on major developments, at least 10% of the homes are to be made available for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups, or the proposed development is an exemption site.

It is recognised in certain circumstances (such as flatted developments or high local house prices), a policy compliant mix may not be suitable. Also, in some areas of the District where there is already a substantial number of homes for Social Rent, it may not be appropriate to seek a policy compliant mix. This position is recognised in Housing Strategy. The Housing Policy Manager will advise the planning officer regarding the preferred tenure mix in all cases.

### What developments trigger affordable housing?

Paragraph 63 of the NPPF stipulates affordable housing should not be not be sought for residential developments that are not “major developments”, other than in “designated rural areas”. Major developments are defined as developments comprising 10 homes or more or where the site has an area of 0.5 hectares or more. The District Council has approved the implementation of a lower threshold in designated rural areas (Cabinet, March 2015) where affordable housing is triggered on developments comprising 6 homes or more. Designated rural areas include Areas of Outstanding Natural Beauty (AONB). For details of which Parishes are within an AONB, please see **Appendices A and B**.

Paragraph 63 also confirms the concept of "vacant building credit, requiring the District Council to off-set affordable housing contributions when vacant buildings are brought back into use. Please see **Appendix C**.

### What is affordable housing?

The NPPF defines affordable housing as follows:

**Affordable housing:** 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:

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).

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.

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. Provisions should be in place to ensure housing remains at a discount for future eligible households.

## Agenda Item 7

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.

### Local definitions of affordable housing

**Affordable Rent.** Homes are expected to be provided at rents which do not exceed 80% of the local open market rent or the relevant Local Housing Allowance, inclusive of service charges, whichever is the lower amount. This is to ensure homes are affordable to those reliant on Universal Credit/housing benefit.

**Build to Rent.** Developments are expected to:

- Be secured in single ownership providing solely for the rental market for a minimum 15 year term but where viable, up to a 30 year term, with provision for clawback of affordable housing contributions should this covenant not be met;
- The Council will look for tenancies for private renters to be up to three years' duration, with a six month break clause in the tenant's favour;
- Structured and limited in-tenancy rent increases, agreed with the Housing Policy Manager in advance;
- Provide a high standard of professional on-site management and control of the accommodation;
- Provide 30% on-site affordable housing in the form of Affordable Private Rent Housing;
- Affordable Private Rent Housing to be provided as one and two bedroom accommodation only, unless otherwise agreed by the Housing Policy Manager;
- Affordable Private Rent Housing is provided on an Assured Shorthold Tenancy with rents capped at 80% of the open market rent, including any service charges.

**Intermediate Housing.** This includes the following tenures – shared ownership, shared equity, starter homes, discounted market sales housing and intermediate rented housing.

**Intermediate rented housing.** Homes will be provided on an Assured Shorthold Tenancy at rents which do not exceed 80% of the local open market rent (including any service charges).



### Development Viability

Planning Practice Guidance makes clear it is the responsibility of land owners and planning applicants to take into account any costs, including their own profit expectations and risks, and ensure that proposals for development are compliant with local policy (Core Strategy). The price paid for land is not a relevant justification for failing to accord with relevant policies in the Core Strategy. It is important for developers and other parties buying (or interested in buying) land to have regard to the total cumulative cost of all relevant Core Strategy policies when agreeing a price for the land. Under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the Core Strategy.

The Guidance sets out that the role for viability assessment is primarily at the Plan making stage. Viability assessment should not compromise sustainable development but should be used to ensure that policies are realistic, and that the total cumulative cost of all relevant policies will not undermine deliverability of the Plan. The District Council commissioned a viability appraisal of its Core Strategy policies, including the provision of affordable housing (the Affordable Housing Viability Assessment). The appraisal supports the affordable housing policies contained in the Core Strategy and accompanying SPD. On this basis, the affordable housing policies set out in the Core Strategy are considered viable. Therefore all planning applications are expected to be Core Strategy compliant.

It will be up to the planning applicant to demonstrate whether “particular circumstances” (as set out in PPG, para. 007) apply in their view, and justify the need for a site specific viability assessment at application stage. If the District Council is not satisfied an assessment is justified, the planning application will be progressed in accordance with the Core Strategy. If the District Council agrees an assessment is justified, the planning applicant will be required to pay for the District Council to have an independent analysis of the site viability assessment. The District Council will commission its own choice of independent expert and the expert’s fees will be agreed with the applicant. If the applicant refuses to pay, or fails to pay for the District Council’s commission, it will result in the planning application being refused.

On Build to Rent schemes, it is anticipated a site specific viability assessment will be provided to inform clawback clauses in the S106 Agreement. The clawback clauses will specify an amount payable to the District Council in the event that homes are sold within the S106 covenant period. The clawback sum would be used to fund affordable housing delivery, as set out in the SPD

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### **How is affordable housing secured?**

We provide a range of template legal agreements which we recommend are used to secure affordable housing. Please see the District Council's website for further details.

### **Who are the District Council's affordable housing delivery partners?**

A list of preferred delivery partners is maintained. Please see the District Council's website for the current list. The list includes a range of Registered Providers and Quercus Housing, the District Council's stand-alone affordable housing company

### **How are financial contributions used?**

Contributions are used in the way set out in the SPD. New affordable housing in the District may also be provided/delivered by Quercus Housing or any other body approved by the District Council. Approval is dependent on qualifying standards being met, including the ability of the organisation to provide and manage affordable housing on terms which, are comparable to those of a Registered Provider.

### **Rural Exceptions Housing**

In line with paragraph 77 of the NPPF, proposals for housing in rural areas to meet a specific local need (known as rural exceptions housing schemes) will be permitted as an exception to other Core Strategy policies.

The Council expects rural exception housing schemes to provide 100% local needs housing to meet identified needs. However, on rare occasions, proposals may include a **small** element of market housing to facilitate delivery. In these circumstances, the applicant will need to demonstrate to the satisfaction of the Council that a scheme that does not rely on market housing has been fully considered and why it has been discounted or considered to be unviable.

Where the Council is satisfied that an element of market housing is required, it will be expected, in the first instance, to be used to meet identified needs including housing for local essential workers, older people and plots for self build.

## Appendix A: List of NPPF “Designated Rural Areas” – Areas of Outstanding Natural Beauty (AONB)

The list below is intended as a helpful guide. For a definitive position on whether a site falls within an AONB, please contact the Planning Policy Team.

### Parishes wholly inside an AONB:

Cowden, Penshurst, Sundridge with Ide Hill

### Parishes wholly outside an AONB:

Ash Cum Ridley, Fawkham, Hartley, Hextable, Horton Kirby and South Darent

### Parishes partly within an AONB:

Badgers Mount (except for the land between Old London Road and the Orpington by-pass) Brasted (except a very small area in the south)	Chevening (except most of the developed area and some land south of the M26)
Chiddingstone (only the southern half and a small strip in the north)	Crockenhill (only the rural south east)
Dunton Green (only the rural north)	Edenbridge (only the rural south)
Eynsford (except a very small area near the M25)	Farningham (only south of the A20)
Halstead (only a small area in the south east) Kemsing (only the rural north and east)	Hever (only the southern half) Knockholt (only a strip of land in the south)
Leigh (only the rural south west and a very small area in the north)	Otford (only the northern half)
Riverhead (only the rural south)	Seal (except an area in the west near to Sevenoaks and a small rural area in the south)
Sevenoaks (only the rural south east and south west)	Sevenoaks Weald (except a small area in the south)
Shoreham (except two very small areas in the extreme west)	Swanley (only a very small rural area near the M25)
West Kingsdown (only the rural west and south)	Westerham (except the extreme south)

Appendix B: Map of Areas of Outstanding Natural Beauty



## Appendix C: Vacant Building

### What is Vacant Building Credit?

Vacant building credit only applies in the following circumstances:

- There is a building in existence at the time the decision is made on the application. Buildings already demolished cannot count.
- The building must be vacant at the time of the decision. Occupied or partly occupied buildings cannot count, neither can occupied buildings that are expected to become vacant.
- The building must be brought back into use or demolished as part of the development. Vacant buildings on a site that do not form part of the development proposal cannot count.

### How is it calculated?

The NPPG states that the vacant building credit should be calculated by deducting the gross vacant building floorspace from the gross floorspace of the new development. Council policy calculates affordable housing requirement in numbers of units rather than floorspace and it will apply the vacant building credit as follows:

1. Subtract the qualifying gross vacant floorspace from the gross proposed floorspace to obtain the net increase in floorspace of the development.
2. Divide the net change in floorspace by the proposed floorspace to establish the net floorspace change as a proportion.
3. Establish the affordable housing requirement in units for the development based on Core Strategy policy, the SPD and updated context to policy set out above.
4. Multiply the affordable housing requirement by the net floorspace proportion to establish a revised requirement in terms of numbers of units.

For example if the development is for 90 units with a gross floorspace of 8,000 sq m and the existing qualifying vacant floorspace is 2,000 sq m then the calculation is as follows:

1. The net change in floorspace is 6,000 sq m (8,000 – 2,000)
2. The net change is 75% of the gross floorspace proposed (6,000/8,000)
3. The original affordable housing requirement is 36 units (40% of 90)
4. The new requirement is 27 units (75% of 36)

In developments where the affordable housing is in the form of a financial contribution, the contribution is calculated following the methodology in the SPD and updated context to policy set out above, using the net floorspace proportion.

In all cases where vacant building credit is sought, the applicant will need to provide evidence that the building meets the vacancy test, provide details of the floorspace of the proposed development and the vacant building and a calculation of the revised requirement following the approach above.

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**Item 8 - Financial Results 2020/21 To the end of August 2020**

The attached report was considered by the Finance and Investment Advisory Committee on 21 October 2020. The relevant Minute extract is below.

Finance & Investment Advisory Committee (21 October 2020, Minute 75)

The Head of Finance presented the report on the Council's financial results 2020/21 to the end of August 2020, which showed the end of year position was currently forecast to be an unfavourable variance of £3.0m which was largely due to COVID-19. This represented 19.4% of the net service expenditure totalling £15.581m.

He went on to further explain that due to COVID-19 the Government had issued a sales, fees and charges compensation scheme, to recover some of the income that had been lost due to the Coronavirus. To date the council had requested compensation of £1.2m which would reduce the end of year forecast to £1.8m. It was expected that the full year claim for compensation would be £2.3m, which would leave a deficit of £0.7m.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That it be recommended to Cabinet that the report be noted.





**FINANCIAL RESULTS 2020/21 - TO THE END OF AUGUST 2020**

**Cabinet - 5 November 2020**

**Report of:** Deputy Chief Executive and Chief Officer - Finance & Trading

**Status:** For Consideration

**Also considered by:** Finance & Investment Advisory Committee - 21 October 2020

**Key Decision:** No

**This report supports the Key Aim of: Effective Management of Council Resources**

**Portfolio Holder:** Cllr. Matthew Dickins

**Contact Officers:** Alan Mitchell, Ext. 7483

Adrian Rowbotham, Ext. 7153

**Recommendation to Finance and Investment Advisory Committee:**

That the report be noted, and any comments forwarded to Cabinet.

**Recommendation to Cabinet:**

Cabinet considers and comments from Finance and Investment Advisory Committee and notes the report.

**Reason for recommendation:** Sound financial governance of the Council.

**Introduction and Background**

- 1 The year-end position at the end of August was forecast to be an unfavourable variance of £3.0m which is largely due to COVID-19; this represents 19.4% of our net service expenditure totalling £15.581m.
- 2 During September the Government issued the first 'COVID-19 Sales, Fees and Charges Compensation Scheme' form which has recently been completed. This form contains details of income losses during April to August 2020. This council has requested compensation of £1.2m for this initial period and is forecasting compensation of £2.3m for the whole of 2020/21. If these claims are successful, the unfavourable variance would reduce to £1.8m.
- 3 The financial cost of the COVID-19 pandemic started at the very end of March 2020 and therefore the financial cost was limited in 2019/20 and has already

## Agenda Item 8

bee reported. However, as the current forecast position shows, a far greater impact will be incurred within the 2020/21 financial year. This and the future financial impact will be addressed through the 10-year budget process.

### Year to Date - Areas of Note

- 4 The financial impact of Pay costs - the expenditure to date on staff costs is £119,000 below budget. There are currently vacancies within Corporate Services and Planning. The impact of salary variances are included within the Chief Officer commentaries.
- 5 The 2020/21 pay award has now been approved at 2.75%, which is 0.75% higher than budgeted. This will cost an additional £130,000.
- 6 Income - the Council receives a number of different income streams to help balance the budget; section 8 of the monitoring pack provides details in relation to the main streams. At the end of August, income as detailed within the report is significantly below budget. Some of this will be mitigated by the COVID-19 Sales, Fees and Charges Compensation scheme.
- 7 Investment Returns - the return to date on the treasury management investments held by the Council is lower than budget with interest received to date totalling £48,000 compared to a budget of £120,000. Why?
- 8 Council Tax - collection levels are expected to be below budgeted levels due to the impacts of COVID-19. Due to the way in which the Collection Fund is accounted for, this will not impact the Council until 2021/22.
- 9 Retained Business Rates - Income expectation of £2.139m forms part of the 2020/21 budget; any receipts over and above this amount, including those that result from being a beneficiary of the Kent Business Rates Pool, will be transferred to the Budget Stabilisation Reserve. Regular monitoring takes place, with any amendments feeding into the outturn forecasts.

### Year End Forecast

- 10 The year-end forecast position is an unfavourable variance of £3.0m (excluding the Covid-19 Sales, Fees and Charges Compensation Scheme) . In paragraphs 11 to 20 there are details of the larger variances, both favourable and unfavourable.

### Net Service Expenditure - Favourable Variances

- 11 Within Miscellaneous Finance the forecasted favourable variance £869,000 is due to the balance of the £1.2m Government COVID-19 grant which is offsetting additional costs incurred in other areas.

### Net Service Expenditure - Unfavourable Variances

- 12 Homelessness prevention is forecasting an adverse variance of £240,000 which is the additional cost being incurred relating to an increased number of people being put in temporary accommodation. The homelessness funding is currently being reviewed in order to fund the programme in future years.
- 13 Land charges fees were revised for 2019/20 but the number of searches has remained down compared to previous years. Due to COVID-19 the level of searches has dropped even lower leading to a £70,000 unfavourable forecast.
- 14 Local Tax is forecasting an unfavourable variance of £369,000 due to COVID-19 of which £279,000 is loss of court cost recovery. This is forecast at 100% for the first 6 months of the year as Government had advised that debts should not be chased during this period, and at 50% for the remainder of the year. There is also underachievement of enforcement income estimated to be £90,000.
- 15 Car parking fees were suspended on the 23 March due to COVID-19 but have now been reintroduced. This has led to a significant loss of income with Car Parks forecasting an adverse variance of £1.843m income. Similarly, with On-Street Car Parking which is also forecasting an unfavourable variance of £645,000. The loss of Car Parking income is the largest amount included in the COVID-19 Sales, Fees and Charges Compensation claim.
- 16 Direct Services are forecasting an unfavourable variance of £104,000 due to loss of income in areas such as bulky waste, MOT's and pest control and also increased costs due to COVID-19.
- 17 Due to COVID-19 the Print Shop was unable to conduct business as normal for both internal and external customers. An unfavourable variance of £73,000 is forecast.
- 18 Within Planning and Regulatory Services there are a large number of adverse variances which are losses of income due to COVID-19 with the overall variance being £336,000. Within the services there are some savings due to staff vacancies but these will be utilised to offset other staff budget overspends including career training.

### Other Variances

- 19 Interest Receipts - current levels of investment returns and possible rates going forward, along with reduced cash levels due to ongoing loss of income, have resulted in an unfavourable variance of £150,000 being forecast.
- 20 Investment Property Income - The majority of properties held within the Property Investment Strategy continue to achieve the income levels predicted. Due to a tenant going into administration as a result of COVID-19 a

## Agenda Item 8

single property has not produced income in line with budget and this loss of income is reflected in the unfavourable variance of £96,000.

### Future Issues and Risk Areas

- 21 Chief Officers have considered the future issues and risk areas for their services and the impacts these may have on the Council's finances as follows:
- COVID-19 continues to effect the entire authority and is being closely monitored. As part of the 10-year budget process the expected financial cost will be identified and solutions presented.
  - Car parking customer numbers are increasing but it is uncertain what the impact will be for the rest of the year especially if there are further lockdowns.
  - Additional staffing costs for Direct Services are possible if a number of staff self-isolate as the intention is to continue at normal service levels wherever possible.
  - The likely effect of the Government's Income Compensation scheme is included elsewhere in this report.
  - Potential unknown liabilities associated with Business Rates relating to distressed leases. A systemic risk associated with the pandemic may result in further loss of income.
  - Feasibility costs for property investments and development of council owned assets.
  - There remains the risk that planning decisions and enforcement action will be challenged, either at appeal or through the Courts.
  - The Local Plan legal challenge is ongoing
  - The financial impact of proposed changes to the Planning System will need to be carefully considered.
- 22 The potential impact of Brexit is being monitored and addressed as part of the Council's risk management process.

### Key Implications

#### Financial

The financial implications are set out elsewhere in this report.

Legal Implications and Risk Assessment Statement

Under Section 151 of the Local Government Act 1972, the Section 151 officer has statutory duties in relation to the financial administration and stewardship of the authority.

Detailed budget monitoring is completed on a monthly basis where all variances are explained. Future risk items are also identified.

Equality Assessment

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

**Appendices**

Appendix A - August 2020 Budget Monitoring Commentary

Appendix B - August 2020 Financial Information

**Background Papers**

None

**Adrian Rowbotham**

**Deputy Chief Executive and Chief Officer - Finance & Trading**

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	Annual Budget £'000	Actual to P5 £'000	Variance to date £'000	Annual Forecast Variance due to COVID-19	Annual Forecast Variance due to other factors	Total Annual Forecast Variance	Explanation for year end variances greater than £10k ( <i>starred items</i> )
<b>People &amp; Places</b>							
Leisure Contract	35	65	30			0 *	Sencio annual Management Fee paid upfront for full year (approved by Cabinet), rather than the quarterly payments, to enable business resilience during leisure centre closures.
Leisure Development	10	27	16			0 *	Key pieces of work have been commissioned from external consultants regarding Sencio - liabilities to the Council, future options, VAT and pension concerns. This is one off work for this financial year.
Tourism	19	-42	-62			0 *	Grant funding received in advance. We anticipate spend to accelerate within Q2 with no variance to the full year effect.
Partnership - Home Office	-20	-6	14			0 *	Police and Crime Commissioner funding - grants paid upfront and early to support essential partnership projects and resilience (e.g. DA and substance misuse).
West Kent Enterprise Advisor Network	14	31	17			0 *	West Kent Partnership funding received in advance

**Future Issues/Risk Areas**

Ongoing impact of COVID-19 on the leisure industry and Council owned leisure facilities.

	Annual Budget £'000	Actual to P5 £'000	Variance to date £'000	Annual Forecast Variance due to COVID-19	Annual Forecast Variance due to other factors	Total Annual Forecast Variance	Explanation for year end variances greater than £10k (starred items)
<b>Finance &amp; Investment</b>							
Asset Maintenance Support & Salaries	79	16	-63			0 *	Behind profile due to COVID-19 and restrictions on contractors being onsite. Some external works carried out and likely to catch up during the year.
Asset Maintenance Leisure	77	43	-35			0 *	Leisure centres closed due to COVID-19 and re-opened in August. Maintenance requests are likely.
Asset Maintenance Argyle Road	32	6	-27			0 *	Behind profile due to COVID-19 and restrictions on contractors being onsite. Some external works carried out and likely to catch up during the year.
Dartford Audit Partnership Hub (SDC Costs)	92	64	-28			0 *	Underspend due to the vacant Lead Auditor Post now filled.
Dartford Rev&Ben Partnership Hub (SDC costs)	774	741	-34	16		16 *	Overtime costs for 6 months, represent SDC share of total £31,000. Current underspend is under review through the partnership.
Misc. Finance	660	-467	-1,127	-869		-869 *	COVID-19 Grant offset by additional COVID-19 related expenditure. The remainder will offset forecast loss of income due to COVID-19 on other lines.
Local Tax	-137	62	199	289	88	377 *	Due to COVID £279,000 loss of court costs recovery at 100% for the first 6 months, and at 50% for the second 6 months; total underachievement of income on Enforcement is estimated to be £90,000, which is £10,000 higher than last year due to COVID.
Estates Management - Buildings	35	66	31		50	50 *	Swanley Meeting Point rates bill not budgeted as commencement of development of the site has taken longer than anticipated.
Support - Legal Function	106	83	-23		-23	-23 *	Carrying a vacant admin post and underspend on specialist advice.
Support - Finance Function	98	87	-11			0 *	Underspend due the Assistant Accountant vacancy. Vacancy pot contribution of £9k to be taken following approval of request to recruit.

**Future Issues/Risk Areas**

Covid-19 related risks are currently the greatest concern. Car parking customer numbers are increasing but it is uncertain what the impact will be for the rest of the year especially if there are further lockdowns. The likely effect of the Government's Income Compensation scheme is currently being calculated.



	Annual Budget £'000	Actual to P5 £'000	Variance to date £'000	Annual Forecast Variance due to COVID-19	Annual Forecast Variance due to other factors	Total Annual Forecast Variance	Explanation for year end variances greater than £10k ( <i>starred items</i> )
<b>Housing &amp; Health</b>							
Homeless	84	167	83			0 *	Standard temporary accommodation spend remains high. However, this overspend will be covered through a draw down through funded reserves.
Homelessness Funding	46	62	16			0 *	External funding (FHSG - staff related spend)
Homelessness Prevention	0	112	112	240		240 *	Government's Everyone In initiative has created unplanned expenditure, which is estimated at £240k net (minus HB) for the year. This is being reviewed on an ongoing basis however it is difficult to accurately predict final spend. This overspend will need to be offset and funded from either Govt's COVID grant or central reserves.
Housing Energy Retraining Options (HERO)	50	8	-42			0 *	External funding received in advance from KCC for COVID19 emergency work
One You - Your Home Project	0	-24	-24			0 *	External funding received in advance from Age UK towards project costs. End of year will be as per budget.
PCT Health Checks	-2	-15	-13			0 *	External funding received in advance from Kent Public Health.
PCT Initiatives	10	-32	-42			0 *	External funding received in advance towards various One You Projects (e.g. West Kent One Systems for Health). End of year will be as per budget.

**Future Issues/Risk Areas**

Ongoing Temporary Accommodation costs within the district, excluding COVID-19 related cost.

	Annual Budget £'000	Actual to P5 £'000	Variance to date £'000	Annual Forecast Variance due to COVID-19	Annual Forecast Variance due to other factors	Total Annual Forecast Variance	Explanation for year end variances greater than £10k ( <i>starred items</i> )
<b>Improvement &amp; Innovation</b>							
Economic Development	24	2	-22			0	* Spend currently behind profile, but expected to spend to budget. No year end variance projected.
Corporate Management	388	357	-31		-48	-48	* It is currently forecast that there will be an underspend within the Corporate Management budgets for this year, which includes less expenditure on bought-in external services and some minor proportions on salaries which are attributed the corporate management of the organisation.
Asset Maintenance IT	120	66	-54			0	* Spend as per 10-year asset maintenance plan - Any surplus to IT Asset Maintenance reserve at year end agreed.
Land Charges	-44	-7	37	50	20	70	* COVID-19 impacts and downturn in housing market - to be monitored as year progresses.
Elections	43	28	-15			0	* Recharges to other Local Authorities raised as part of elections in 2019, to be offset by reversal of relevant expenditure accruals.
Register of Electors	109	72	-37		-22	-22	* EOY Forecast underspend due to vacant post and maternity leave. Current underspend also as a result of invoices awaited for Canvass costs.
Corporate - Other	-35	0	35		40	40	* The savings made on vacant posts are currently lower than the budget profiled for the year to date. Under the current circumstances it is anticipated that staff turnover will reduce this year and that the vacant posts savings will not be achieved.
External Communications	99	84	-15	2	-9	-7	* The current variance relates to the costs of the next edition of the Council's In Shape magazine, which is currently being produced for distribution during the week of 5 October.
Members	193	173	-20		-5	-5	* Underspend projected due to reduced member travel claims. Impact of changes to members allowances to be reviewed in future periods.
Support - Contact Centre	236	226	-10		-10	-10	* Underspend due to staff turnover, end of year position being monitored.
Support - General Admin (Print Shop)	6	23	18	73		73	* Reduced income on both internal and external Print Charges due to the impact of Covid-19. It is expected that some of the loss will be offset by savings on internal printing budgets within the service areas and a reduction in the costs of consumables.
Administrative Expenses - Legal and Democratic	50	29	-21	-10		-10	* EOY forecast underspend due to reduction in internal printing which will be offset by reduction in income for the Print Studio. Current underspend position also includes invoices awaited.

**Future Issues/Risk Areas**

Potential unknown liability associated with Business Rates relating to distressed leases. Systemic risk associated with pandemic may result in further loss of income.

	Annual Budget £'000	Actual to P5 £'000	Variance to date £'000	Annual Forecast Variance due to COVID-19	Annual Forecast Variance due to other factors	Total Annual Forecast Variance	Explanation for year end variances greater than £10k ( <i>starred items</i> )
<b>Cleaner &amp; Greener</b>							
Car Parks	-723	302	1,025	1,843		1,843 *	Suspension of parking charges due to COVID-19 has had a significant impact on income during the first quarter of the year. Although charges have been reintroduced usage is lower than usual due to COVID-19 and is only projected to reach 70% capacity by March. Forecasts have been adjusted to take account of receipts to the end of August resulting in an improvement of £66k.
Refuse Collection	1,192	1,211	19	25		25 *	Recycling: Glass income is lower than budget and not expected to fully recover during the year.
Car Parking - On Street	-221	147	367	645		645 *	Suspension of parking charges and reduced income on PCN's due to COVID-19. Forecasts have been adjusted to take account of receipts to the end of August resulting in an improvement of £15k.
Dartford Environmental Hub (SDC Costs)	293	269	-24			0 *	Staff budget savings will be utilised to offset the DBC support charge
Parking Enforcement - Tandridge DC	-7	-59	-51		-22	-22 *	Additional income relating to the new contract with Tandridge District Council forecast, partially offset by the additional cost of transferred staff and running the service.
Markets	-73	-61	12			0 *	Rental income delayed due to COVID-19. Rescheduled payments are expected to bring this into line by the end of the year.
Parks - Rural	67	52	-14			0 *	Income ahead of profile. Expected to be on budget at year end.
Support - Central Offices	356	317	-39			0 *	Behind profile due to COVID-19 and restrictions on contractors being onsite.
Support - General Admin (Post/Scanning)	79	53	-26	-10	-5	-15 *	Reduced postage costs including summons and reminders not being sent out.
<b>Future Issues/Risk Areas</b>							

	Annual Budget £'000	Actual to P5 £'000	Variance to date £'000	Annual Forecast Variance due to COVID-19	Annual Forecast Variance due to other factors	Total Annual Forecast Variance	Explanation for year end variances greater than £10k (starred items)
<b>Development &amp; Conservation</b>							
Planning Performance Agreement	0	20	20		25	25 *	Urban Designer post costs, which will be offset by an underspend on salaries in other areas and drawdown from allocated reserves (PPAs fees)
Planning - Development Management	90	130	40	169	-4	165 *	Loss of income due to COVID; savings on the staff costs
Planning - Enforcement	123	135	12		17	17 *	Staff costs over budget due to additional resource invested, offset by staff savings in other areas
Planning Policy	183	160	-23		-70	-70 *	Staff budget savings utilised to cover staff budget overspends in other areas and career training

**Future Issues/Risk Areas**

There remains the risk that planning decisions and enforcement action will be challenged, either at appeal or through the Courts.  
 The Local Plan legal challenge is ongoing  
 Recruiting to vacant posts continues to be difficult.  
 The financial impact of proposed changes to the Planning System will need to be carefully considered.

*Position as at the end of August 2020  
(Period 202105)*

People and Places  
Housing and Health  
Finance and Investments  
Improvement and Innovation  
Cleaner and Greener  
Development and Conservation

*Adjustments to Reconcile to amount to be met from reserves*

Capital Charges outside the General Fund  
Support Services outside the General Fund

**NET SERVICE EXPENDITURE**

New Homes Bonus  
Retained Business Rates  
Council Tax  
Contribution from Collection Fund  
Summary excluding Investment Income

Investment Property Income  
Interest Receipts

**OVERALL TOTAL**

Planned Appropriation to/(from) Reserves  
Other Reserve Movements

Supplementary Estimates

(Surplus)/Deficit

Y-T-D Actual £'000	Annual Budget £'000	Annual Forecast (including Accruals) £'000	Annual Variance £'000	Annual Variance %
344	671	671	0	0.0
544	829	1,069	240	28.9
1,747	3,455	2,991	(464)	(13.4)
2,230	5,406	5,488	82	1.5
3,235	4,172	6,838	2,666	63.9
706	1,279	1,528	250	19.5
<b>8,807</b>	<b>15,813</b>	<b>18,586</b>	<b>2,774</b>	<b>17.5</b>
(25)	(60)	(60)	0	0.0
(72)	(172)	(172)	0	0.0
<b>8,710</b>	<b>15,581</b>	<b>18,354</b>	<b>2,774</b>	<b>17.8</b>
(520)	(1,249)	(1,249)	0	0.0
(891)	(2,139)	(2,139)	0	0.0
(4,693)	(11,264)	(11,264)	0	(0.0)
0	0	0	0	-
<b>2,606</b>	<b>929</b>	<b>3,702</b>	<b>2,774</b>	<b>298.7</b>
(586)	(1,428)	(1,332)	96	0.0
(48)	(300)	(150)	150	0.0
<b>1,972</b>	<b>(799)</b>	<b>2,220</b>	<b>3,020</b>	<b>(377.8)</b>
(188)	(449)	(449)	0	
0	1,249	1,249	0	
0	0	0	0	
<b>1,784</b>	<b>0</b>	<b>3,020</b>	<b>3,020</b>	

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### Position as at the end of August 2020 (Period 202105)

#### People & Places SDC Funded

Administrative Expenses - Communities & Business	11	8	3	22	22	-
All Weather Pitch	(2)	(2)	(0)	(5)	(5)	-
Community Development Service Provisions	(6)	(6)	-	(6)	(6)	-
Community Safety	91	87	4	209	209	-
Grants to Organisations	166	165	1	180	180	-
Leader Programme	2	2	0	5	5	-
Leisure Contract	65	35	30	108	108	-
Leisure Development	27	10	16	20	20	-
The Community Plan	23	25	(2)	60	60	-
Tourism	(42)	19	(62)	27	27	-
Youth	11	21	(10)	51	51	-
West Kent Partnership	(27)	(18)	(10)	-	-	-
<b>Total People &amp; Places (SDC Funded)</b>	<b>318</b>	<b>346</b>	<b>(28)</b>	<b>671</b>	<b>671</b>	<b>-</b>

### Position as at the end of August 2020 (Period 202105)

#### People & Places Externally Funded

Community Sports Activation Fund	16	8	8	-	-	-
Dunton Green Projects - S106	(1)	-	(1)	-	-	-
Partnership - Home Office	(6)	(20)	14	-	-	-
Sport Satellite Clubs	(1)	-	(1)	-	-	-
Sportivate Inclusive Archery Project	(0)	-	(0)	-	-	-
Troubled Families Project	(2)	-	(2)	-	-	-
West Kent Enterprise Advisor Network	31	14	17	-	-	-
West Kent Kick Start	(8)	-	(8)	-	-	-
West Kent Partnership Business Support	(5)	-	(5)	-	-	-
<b>Total People &amp; Places (Ext Funded)</b>	<b>26</b>	<b>2</b>	<b>24</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Total People & Places

Y-T-D	Y-T-D	Y-T-D	Annual	Annual	Forecast
Actual	Budget	Variance as at y-t-d	Budget	Forecast (including Accruals)	Annual Variance
£'000	£'000	£'000	£'000	£'000	£'000
318	346	(28)	671	671	-
Y-T-D	Y-T-D	Y-T-D	Annual	Annual	Forecast
Actual	Budget	Variance as at y-t-d	Budget	Forecast (including Accruals)	Annual Variance
£'000	£'000	£'000	£'000	£'000	£'000
26	2	24	-	-	-
<b>344</b>	<b>348</b>	<b>(4)</b>	<b>671</b>	<b>671</b>	<b>-</b>



## Agenda Item 8

### Position as at the end of August 2020 (Period 202105)

	Y-T-D	Y-T-D	Y-T-D	Annual	Annual	Forecast
	Actual	Budget	Variance as at	Budget	Forecast	Annual
			y-t-d		(including	Annual
	£'000	£'000	£'000	£'000	Accruals)	Variance
					£'000	£'000
<b>Finance &amp; Investments</b>						
Asset Maintenance Operatives	3	2	2	4	4	-
Asset Maintenance Support & Salaries	16	79	(63)	236	236	-
Asset Maintenance Public Toilets	-	3	(3)	7	7	-
Asset Maintenance Direct Services	10	17	(7)	41	41	-
Asset Maintenance Leisure	43	77	(35)	186	186	-
Asset Maintenance Playgrounds	2	4	(1)	8	8	-
Asset Maintenance Argyle Road	6	32	(27)	77	77	-
Asset Maintenance CCTV	1	8	(7)	18	18	-
Asset Maintenance Sewage Treatment Plants	-	4	(4)	9	9	-
Asset Maintenance Countryside	3	4	(1)	9	9	-
Asset Maintenance Hever Road	22	16	6	39	39	-
Asset Maintenance Other Corporate Properties	19	14	5	34	34	-
Dartford Audit Partnership Hub (SDC Costs)	64	92	(28)	-	-	-
Dartford Rev&Ben Partnership Hub (SDC costs)	741	774	(34)	-	16	16
Misc. Finance	(467)	660	(1,127)	1,492	624	(869)
Benefits Grants	489	489	(0)	(25)	(25)	-
Local Tax	62	(137)	199	(90)	287	377
Housing Advances	-	1		1	1	-
Treasury Management	52	49		125	125	-
Benefits Admin	141	148		52	45	(7)
Bus Station	15	10	5	7	7	-
Estates Management - Buildings	66	35	31	(2)	48	50
Housing Other Income	(9)	(6)	(3)	(14)	(14)	-
Housing Premises	(7)	(2)	(5)	16	16	-
Support - General Admin	-	2	(2)	5	5	-
Support - Legal Function	83	106	(23)	255	232	(23)
Support - Property Function	24	22	2	53	53	-
Support - Finance Function	87	98	(11)	234	234	-
Support - Exchequer and Procurement	63	59	3	151	151	-
Support - Counter Fraud	23	23	-	56	56	-
Support - Rev & Ben Control	90	90	(0)	217	217	-
Support - Audit Function	82	77	4	189	181	(8)
Support - Procurement	-	3	(3)	6	6	-
Administrative Expenses - Chief Executive	0	7	(6)	22	22	-
Economic Development Property	0	-	0	-	-	-
Administrative Expenses - Finance	21	20	1	32	32	-
Administrative Expenses - Revenues and Benefits	(0)	-	(0)	-	-	-
Administrative Expenses - Property	1	1	(0)	3	3	-
<b>Total Finance &amp; Investments</b>	<b>1,746</b>	<b>2,880</b>	<b>(1,130)</b>	<b>3,451</b>	<b>2,987</b>	<b>(464)</b>



**Position as at the end of August 2020  
(Period 202105)**

	Y-T-D	Y-T-D	Y-T-D	Annual	Annual	Forecast
	Actual	Budget	Variance as at	Budget	Forecast	Annual
	£'000	£'000	y-t-d	£'000	(including	Annual
Cleaner & Greener			£'000		Accruals)	Variance
					£'000	£'000
Car Parks	302	(723)	1,025	(1,985)	(142)	1,843
Refuse Collection	1,211	1,192		2,826	2,851	25
Car Parking - On Street	147	(221)	367	(480)	165	645
CCTV	136	127	9	277	277	-
Civil Protection	21	31	(10)	69	69	-
Dartford Environmental Hub (SDC Costs)	269	293	(24)	-	-	-
EH Commercial	118	117	1	281	285	4
EH Animal Control	4	(1)	5	4	18	14
EH Environmental Protection	160	158	3	387	391	4
Emergency	28	29	(0)	69	69	-
Parking Enforcement - Tandridge DC	(59)	(7)	(51)	(29)	(51)	-
Estates Management - Grounds	52	52	(1)	125	125	-
Kent Resource Partnership	(194)	(193)	(1)	-	-	-
Licensing Partnership Hub (Trading)	21	15	5	-	-	-
Licensing Partnership Members	-	-	-	-	-	-
Licensing Regime	(27)	(29)	3	(7)	18	25
Markets	(61)	(73)	12	(192)	(192)	-
Parks and Recreation Grounds	49	55	(5)	132	132	-
Parks - Greensand Commons Project	5	-	5	-	-	-
Parks - Rural	52	67	(14)	163	163	-
Public Transport Support	-	0	(0)	0	0	-
Administrative Expenses - Direct Services	(0)	-	(0)	-	-	-
Administrative Expenses - Health	1	4	(3)	9	0	(9)
Administrative Expenses - Transport	1	2	(1)	7	7	-
Administrative Expenses - Licensing	0	3	(3)	8	1	(7)
Street Cleansing	625	625	0	1,495	1,495	-
Support - Central Offices	317	356	(39)	488	488	-
Support - Central Offices - Facilities	104	110	(7)	275	275	-
Support - General Admin (Post/Scanning)	53	79	(26)	189	174	(15)
Support - Health and Safety	4	8	(4)	19	19	-
Support - Direct Services	14	19	(5)	49	49	-
Direct Services Trading account	(156)	(145)		(91)	13	
Taxis	14	5	9	35	90	55
Public Conveniences	24	23	2	47	47	-
<b>Total Cleaner and Greener</b>	<b>3,235</b>	<b>1,976</b>	<b>1,251</b>	<b>4,172</b>	<b>6,838</b>	<b>2,584</b>

## Agenda Item 8

### Position as at the end of August 2020 (Period 202105)

	Y-T-D Actual £'000	Y-T-D Budget £'000	Y-T-D Variance as at y-t-d £'000	Annual Budget £'000	Annual Forecast (including Accruals) £'000	Forecast Annual Variance £'000
<b>Improvement &amp; Innovation</b>						
Economic Development	2	24	(22)	37	37	-
Economic Development Property	191	190	1	415	415	-
Corporate Management	357	388	(31)	1,083	1,036	(48)
Asset Maintenance IT	66	120	(54)	289	289	-
Action and Development	0	3	(3)	8	8	-
Corporate Projects	51	43	8	102	102	-
Consultation and Surveys	-	-	-	4	4	-
Democratic Services	66	67	(1)	161	161	-
Land Charges	(7)	(44)	37	(108)	(38)	70
Street Naming	(0)	1	(1)	1	1	-
Civic Expenses	15	16	(1)	17	17	-
Elections	28	43	(15)	145	145	-
Register of Electors	72	109	(37)	237	215	(22)
Corporate - Other	-	(35)	35	36	76	40
Support - Local Offices	0	-	0	-	-	-
Support - IT	652	660	(8)	1,116	1,116	-
Support - Nursery	0	-	0	-	-	-
Support - Human Resources	172	165	7	367	367	-
External Communications	84	99	(15)	216	209	(7)
Members	173	193	(20)	464	459	(5)
Performance Improvement	7	7	1	(0)	(0)	-
Support - Contact Centre	226	236	(10)	565	555	(10)
Support - General Admin (Print Shop)	23	6	18	(34)	39	73
Support - General Admin	11	19	(7)	179	179	-
Administrative Expenses - Human Resources	9	6	3	9	9	-
Administrative Expenses - Corporate Services	2	9	(7)	23	23	-
Administrative Expenses - Legal and Democratic	29	50	(21)	70	60	(10)
Administrative Expenses - Transformation and Strategy	0	2	(2)	5	5	-
<b>Total Improvement &amp; Innovation</b>	<b>2,230</b>	<b>2,375</b>	<b>(146)</b>	<b>5,406</b>	<b>5,488</b>	<b>82</b>

**Position as at the end of August 2020  
(Period 202105)**

Y-T-D	Y-T-D	Y-T-D	Annual	Annual	Forecast	
Actual	Budget	Variance as at y-t-d	Budget	Forecast (including Accruals)	Annual Variance	
£'000	£'000	£'000	£'000	£'000	£'000	
<b>Development &amp; Conservation</b>						
Administrative Expenses - Planning Services	15	10	5	48	86	39
Conservation	54	49	5	118	135	17
Planning Performance Agreement	20	-	20	-	25	25
LDF Expenditure	1	-	1	-	-	-
Planning - Appeals	74	72	2	212	216	4
Planning - CIL Administration	11	14	(3)	(67)	(53)	14
Planning - Counter	-	(3)	3	(6)	(2)	4
Planning - Development Management	130	90	40	252	417	165
Planning - Enforcement	135	123	12	299	316	17
Planning Policy	160	183	(23)	535	465	(70)
Building Control Partnership Members	-	-	-	-	-	-
Building Control Partnership Hub (SDC Costs)	164	165	(1)	-	-	-
Building Control	(58)	(53)	(5)	(127)	(82)	45
Dangerous Structures	0	1	(1)	3	3	-
Administrative Expenses - Building Control	1	5	(4)	12	2	(10)
<b>Total Development &amp; Conservation</b>	<b>706</b>	<b>657</b>	<b>49</b>	<b>1,279</b>	<b>1,528</b>	<b>250</b>

#### 4. Cumulative Salary Monitoring

Position as at the end of August 2020  
(Period 202105)

	Y-T-D	Annual	Annual	Annual	Annual
	Actual	Budget	Forecast	Variance	Variance
	£'000	£'000	£'000	£'000	%
<b>Development and Conservation</b>					
Building Control	148	373	373	0	-
Planning Services	894	2,071	2,021	(50)	(2)
	<b>1,042</b>	<b>2,444</b>	<b>2,394</b>	<b>(50)</b>	<b>(2)</b>
<b>Finance and Investments</b>					
Economic Development Property	180	447	447	0	-
Chief Executive	86	210	210	0	-
Finance	344	885	885	0	-
Property	243	606	606	0	-
Revenues and Benefits	640	1,618	1,633	16	1
	<b>1,494</b>	<b>3,765</b>	<b>3,781</b>	<b>16</b>	<b>1</b>
<b>Cleaner and Greener</b>					
Direct Services	1,608	4,298	4,263	(35)	(1)
Health	266	696	696	0	-
Licensing	196	463	463	0	-
Transport	227	501	501	0	-
	<b>2,298</b>	<b>5,958</b>	<b>5,923</b>	<b>(35)</b>	<b>(1)</b>
<b>Housing and Health</b>					
Housing	194	576	576	0	-
	<b>194</b>	<b>576</b>	<b>576</b>	<b>0</b>	<b>0</b>
<b>Improvement and Innovation</b>					
Corporate Services	651	1,759	1,765	6	0
Legal and Democratic	240	633	594	(39)	(6)
Transformation and Strategy	239	609	592	(17)	(3)
Human Resources	157	358	358	0	-
	<b>1,287</b>	<b>3,359</b>	<b>3,309</b>	<b>(50)</b>	<b>(9)</b>
<b>People and Places</b>					
People & Places	331	532	532	0	-
	<b>331</b>	<b>532</b>	<b>532</b>	<b>0</b>	<b>0</b>
<b>Subtotal</b>	<b>6,645</b>	<b>16,633</b>	<b>16,514</b>	<b>(119)</b>	<b>(11)</b>
Council Wide - Vacant Posts	0	(102)	(42)	60	-
Staff Recruitment and Retention	0	72	72	0	-
<b>TOTAL SDC Funded Salary Costs</b>	<b>6,645</b>	<b>16,603</b>	<b>16,544</b>	<b>(59)</b>	<b>(11)</b>
Externally Funded & Funded from other sources (gross figures). Overspendings here are matched by external funding and represent additional resources secured for the Council since the budget was set.					
People & Places	201	505	505	0	-
Housing	57	178	178	0	0
Direct Services	50	123	123	0	0
Sub Total	308	806	806	0	0
<b>TOTAL All Salary Costs</b>	<b>6,953</b>	<b>17,409</b>	<b>17,350</b>	<b>(59)</b>	<b>(11)</b>

**Staffing Stats**

*Position as at the end of August 2020  
(Period 202105)*

	Budget FTE*	Staff FTE	Agency FTE	Casual FTE	Total
<b>Development and Conservation</b>					
Building Control	8.00	7.00			7.00
Planning Services	43.47	39.66	1.00		40.66
<b>Finance and Investments</b>					
Economic Development Property	7.00	6.35		0.61	6.96
Chief Executive	1.00	1.00			1.00
Finance	15.00	14.08			14.08
Property	15.98	15.68			15.68
Revenues and Benefits	43.14	39.99	1.00	0.52	41.51
<b>Cleaner and Greener</b>					
Direct Services	127.16	109.78	19.71	0.92	130.41
Health	12.57	11.24	1.00		12.24
Licensing	10.59	12.19			12.19
Transport	13.00	14.97			14.97
<b>Housing and Health</b>					
Housing	13.21	15.33			15.33
<b>Improvement and Innovation</b>					
Corporate Services	49.66	46.99		0.38	47.37
Legal and Democratic	7.50	6.00			6.00
Transformation and Strategy	14.41	13.14			13.14
Human Resources	7.56	10.00			10.00
<b>People and Places</b>					
Communities & Business	8.08	8.08	1.00		9.08
<b>Sub Total</b>	<b>397.33</b>	<b>371.50</b>	<b>23.71</b>	<b>2.43</b>	<b>397.64</b>
<b>Externally Funded</b>					
People & Places	12.96	9.61		0.32	9.93
People & Places - Housing	4.39	4.36			4.36
KRP	2.00	2.00			2.00
<b>Sub total</b>	<b>19.35</b>	<b>15.97</b>	<b>0.00</b>	<b>0.32</b>	<b>16.29</b>
<b>Total</b>	<b>416.68</b>	<b>387.47</b>	<b>23.71</b>	<b>2.75</b>	<b>413.93</b>

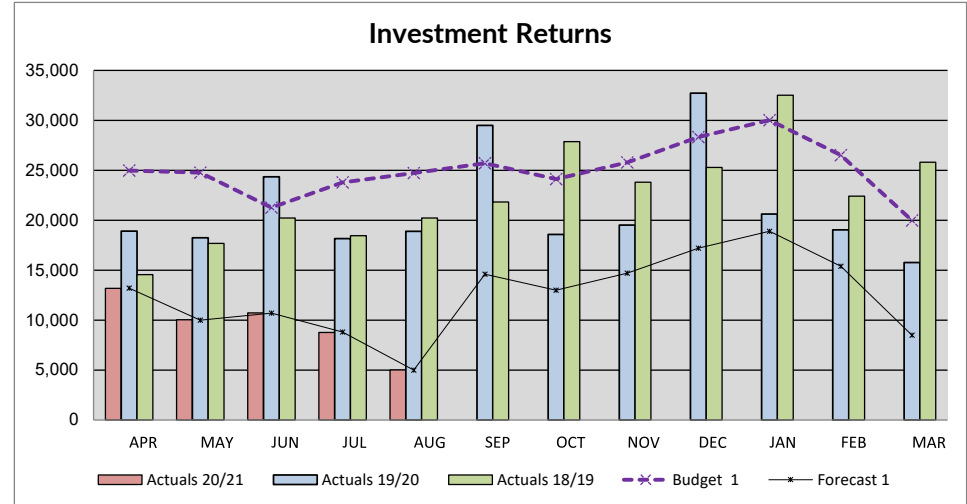
2 maternity covers

Number of staff paid in August 2020:  
418 permanent, 6 casuals

FTE updated to reflect change in structure

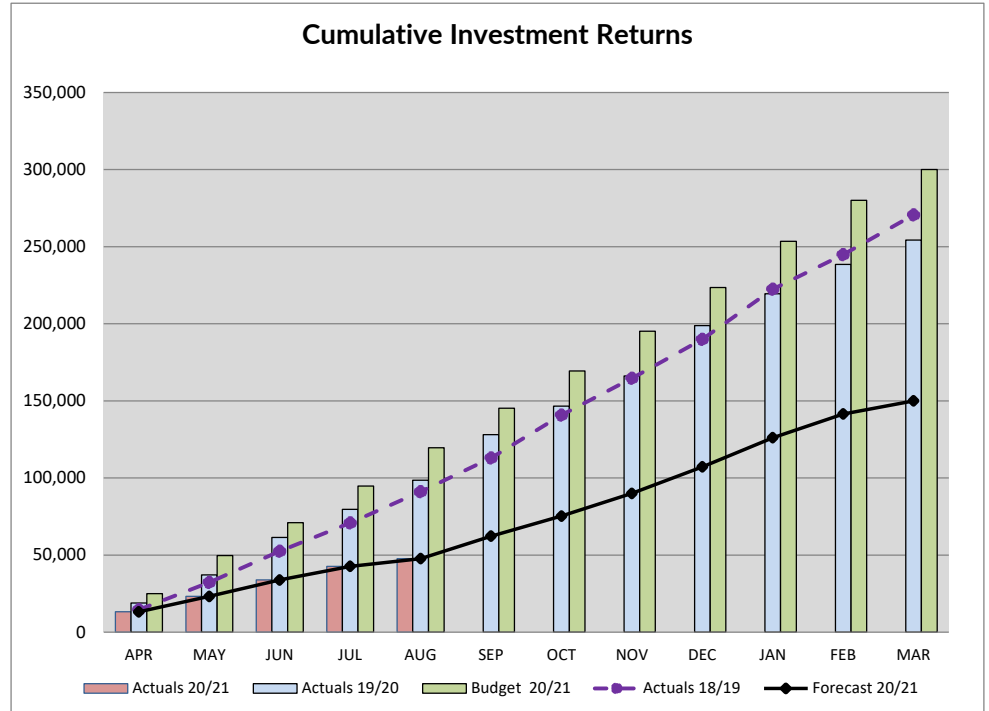
## 6 Investment Returns

	Actuals 18/19	Actuals 19/20	Actuals 20/21	Budget 1	Variance	Forecast 1
APR	14,566	18,908	13,190	24,977	-11,787	13,200
MAY	17,690	18,243	10,041	24,770	-14,729	10,000
JUN	20,233	24,341	10,719	21,274	-10,555	10,700
JUL	18,443	18,166	8,761	23,790	-15,029	8,800
AUG	20,224	18,891	5,010	24,730	-19,720	5,000
SEP	21,831	29,495		25,700		14,600
OCT	27,864	18,586		24,127		13,000
NOV	23,808	19,520		25,789		14,700
DEC	25,281	32,723		28,331		17,200
JAN	32,513	20,620		30,020		18,900
FEB	22,411	19,034		26,511		15,400
MAR	25,803	15,768		19,981		8,500
	270,667	254,295	47,721	300,000	-71,820	150,000



### INVESTMENT RETURNS (CUMULATIVE)

	Actuals 18/19	Actuals 19/20	Actuals 20/21	Budget 20/21	Variance	Forecast 20/21
APR	14,566	18,908	13,190	24,977	-11,787	13,200
MAY	32,256	37,151	23,231	49,747	-26,516	23,200
JUN	52,489	61,492	33,950	71,021	-37,071	33,900
JUL	70,932	79,658	42,711	94,811	-52,100	42,700
AUG	91,156	98,549	47,721	119,541	-71,820	47,700
SEP	112,987	128,044		145,241		62,300
OCT	140,851	146,630		169,368		75,300
NOV	164,659	166,150		195,157		90,000
DEC	189,940	198,873		223,488		107,200
JAN	222,453	219,493		253,508		126,100
FEB	244,864	238,527		280,019		141,500
MAR	270,667	254,295		300,000		150,000



BUDGET FOR 2019/20                    300,000  
 FORECAST OUTTURN                    150,000

CODE:-                    **YHAA    96900**

**N.B.**

These are the gross interest receipts rather than the interest remaining in the General Fund

Fund Average                    0.5049%  
 7 Day LIBID                    -0.0540%  
 3 Month LIBID                    0.1420%

10. Capital

*Position as at the end of August 2020  
(Period 202105)*

Y-T-D Actual	Annual (19/20) Budget	Annual For Var	Annual (19/20) Forecast (including Accruals)
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## 8 Income Graphs Summary

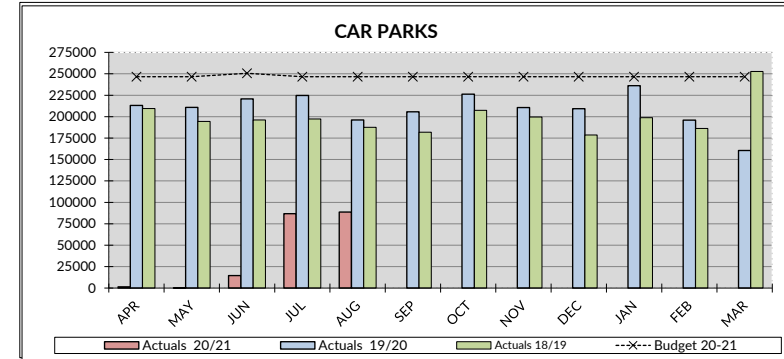
	ACTUAL	Comparison of 18/19 and 19/20, where brackets show increased income	MANAGER'S PROFILED BUDGET	Variance, where brackets are favourable	ANNUAL BUDGET 2019/20	Annual Forecast
CAR PARKS	191,772	873,639	1,237,015	1,045,243	2,963,237	(1,909,286)
ON-STREET PARKING	107,653	353,091	457,067	349,414	1,096,960	(662,083)
LAND CHARGES	52,833	22,336	89,745	36,912	215,388	-
BUILDING CONTROL	209,841	27,493	204,540	(5,301)	490,896	-
DEVELOPMENT MANAGEMENT	323,456	121,558	385,182	61,726	924,437	-
	<b>885,555</b>	<b>1,398,117</b>	<b>2,373,549</b>	<b>1,487,994</b>	<b>5,690,918</b>	<b>(2,571,369)</b>



CAR PARKS (HWCARPK)

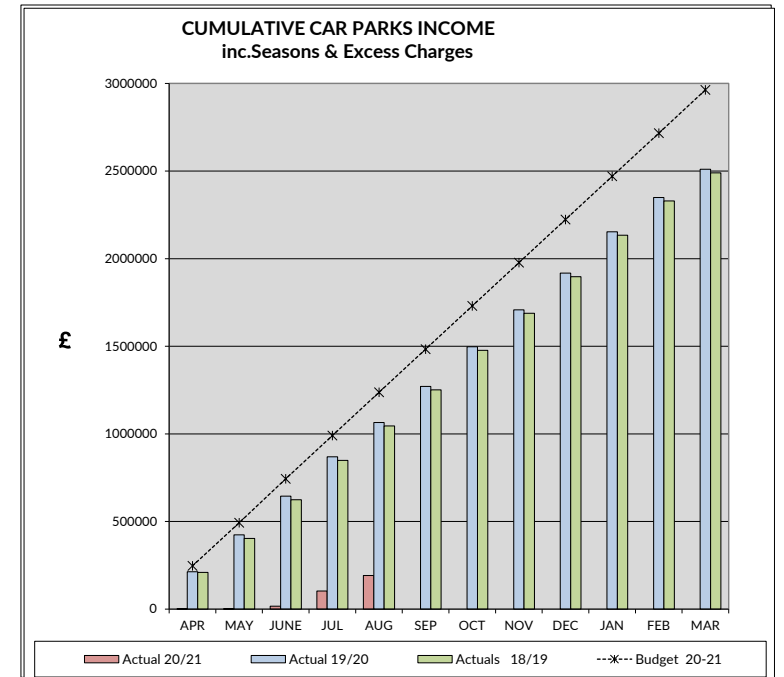
	Actuals 18/19	Actuals 19/20	Actuals 20/21	Increase / decrease from 19/20 to 20/21	Budget 20-21	Variance (Budget-Actuals)	Manager's Forecast
1 APR	209,387	213,119	1513	211,606	246,603	245,090	
2 MAY	194,451	210,813	158	210,655	246,603	246,445	
3 JUN	196,119	220,637	14588	206,049	250,603	236,015	
4 JUL	197,332	224,678	86759	137,919	246,603	159,844	
5 AUG	187,490	196,164	88754	107,410	246,603	157,850	
6 SEP	181,917	205,737			246,603		
7 OCT	207,316	226,210			246,603		
8 NOV	199,634	210,651			246,603		
9 DEC	178,551	209,265			246,603		
10 JAN	198,858	236,228			246,603		
11 FEB	186,163	195,940			246,603		
12 MAR	252,653	160,439			246,603		
	2,389,870	2,509,881	191,772	873,639	2,963,237	1,045,243	-1,909,286

NOTE: Budget Profiles to be reviewed



CAR PARKS (CUMULATIVE)

	Actuals 18/19	Actual 19/20	Actual 20/21	Cumulative increase / decrease from 19/20 to 20/21	Budget 20-21	Variance (Budget-Actuals)	Manager's Forecast
APR	209,387	213,119	1513	211,606	246,603	245,090	
MAY	403,838	423,932	1671	422,261	493,206	491,535	
JUNE	624,475	644,570	16260	628,310	743,809	727,550	
JUL	849,153	869,247	103018	766,229	990,412	887,394	
AUG	1,045,317	1,065,411	191772	873,639	1,237,015	1,045,243	
SEP	1,251,053	1,271,148			1,483,618		
OCT	1,477,263	1,497,358			1,730,222		
NOV	1,687,914	1,708,009			1,976,825		
DEC	1,897,180	1,917,274			2,223,428		
JAN	2,133,408	2,153,502			2,470,031		
FEB	2,329,348	2,349,442			2,716,634		
MAR	2,489,787	2,509,881			2,963,237		
							-1,909,286



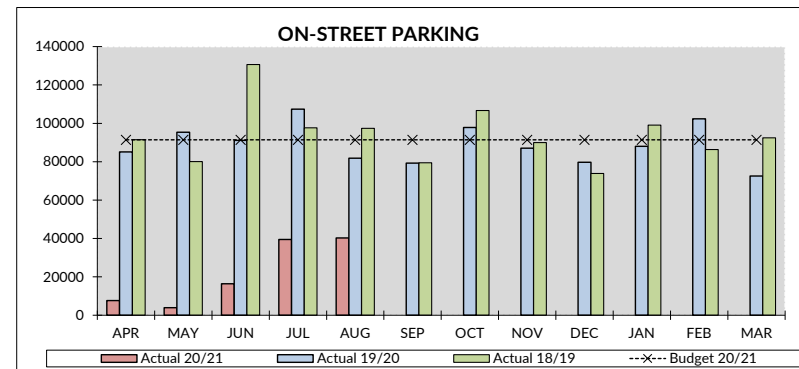
Aug-20

HWCARPK

	Actual (Cumulative)	Budget	(Monthly)	
DAY TICKETS	3300	154,075	1,062,850	76,244
EXCESS / PENALTY CHARGES	****1/****3	-	-	-
SEASON TICKETS	***2	(3,562)	-	-
SEASON TICKET CAR PARK	3310	34,697	161,086	11,259
OTHER (inc.Res.Pkg)	****9	-	2,829	-
WAIVERS	3404	290	-	-
RENT	94500	6,272	10,250	1,250
Business Permits	3406 /3408	-	-	-
		191,772	1,237,015	88,754

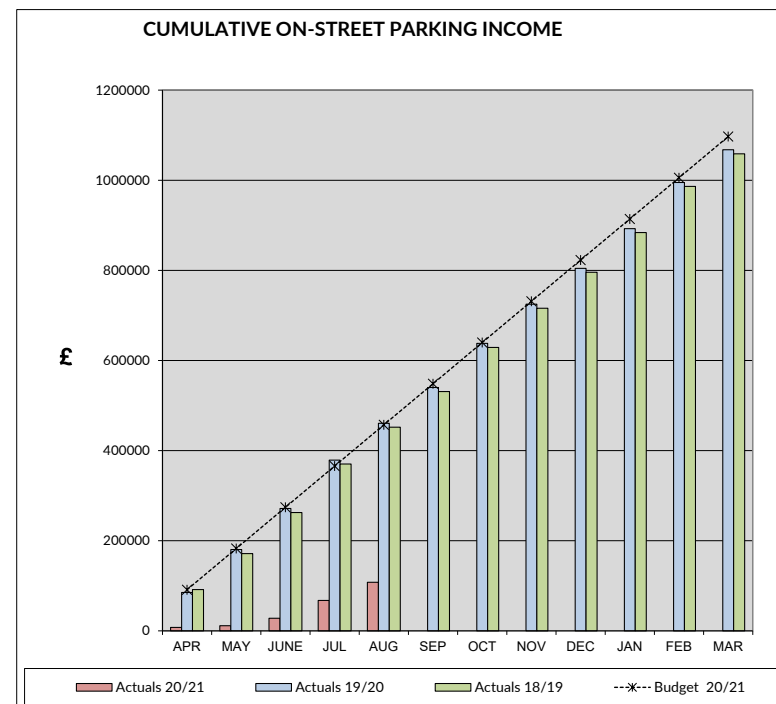
ON-STREET PARKING (HWDCRIM / HWENFORC)

	Actual 18/19	Actual 19/20	Actual 20/21	Increase / decrease from 19/20 to 20/21	Budget 20/21	Variance (Budget-Actuals)	Manager's Forecast
1 APR	91,515	85,115	7676	77,439	91,413	83,737	
2 MAY	80,099	95,338	3884	91,454	91,413	87,529	
3 JUN	130,688	91,102	16355	74,747	91,413	75,058	
4 JUL	97,678	107,391	39461	67,930	91,413	51,952	
5 AUG	97,434	81,797	40276	41,520	91,413	51,137	
6 SEP	79,445	79,308			91,413		
7 OCT	106,690	97,818			91,413		
8 NOV	89,993	87,032			91,413		
9 DEC	73,861	79,729			91,413		
10 JAN	99,112	88,036			91,413		
11 FEB	86,373	102,372			91,413		
12 MAR	92,426	72,578			91,413		-662,083
<b>TOTAL</b>	<b>1,125,314</b>	<b>1,067,616</b>	<b>107,653</b>	<b>353,091</b>	<b>1,096,960</b>	<b>349,414</b>	<b>-662,083</b>



ON-STREET PARKING (CUMULATIVE)

	Actuals 18/19	Actuals 19/20	Actuals 20/21	Cumulative increase / decrease from 19/20 to 20/21	Budget 20/21	Variance (Budget-Actuals)	Manager's Forecast
APR	91,515	85,115	7675.99	77,439	91,413	83,737	
MAY	171,613	180,453	11,560	168,893	182,827	171,266	
JUNE	262,715	271,555	27,915	243,640	274,240	246,325	
JUL	370,107	378,947	67,377	311,570	365,653	298,277	
AUG	451,904	460,744	107,653	353,091	457,067	349,414	
SEP	531,212	540,052			548,480		
OCT	629,030	637,870			639,893		
NOV	716,061	724,901			731,307		
DEC	795,790	804,630			822,720		
JAN	883,826	892,666			914,133		
FEB	986,198	995,038			1,005,547		
MAR	1,058,776	1,067,616			1,096,960		



Aug-20

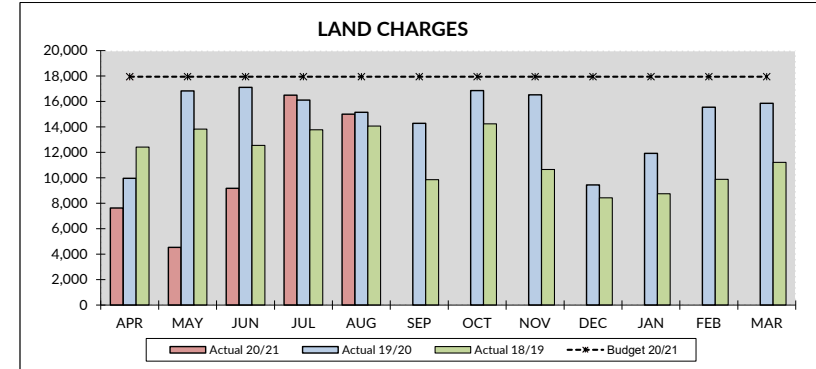
HWDCRIM / HWENFORC

	Actual (Cumulative)	Budget	(Monthly)
PENALTY NOTICES & EXCESS CH. 3403/****1	29,516	148,823	12,589
WAIVERS	3404	9,571	4,714
RESIDENTS PERMITS	3406	29,217	22,628
ON STREET PARKING	3300	39,119	241,774
BUSINESS PERMITS	3408	(11)	39,128
Driveway Access Protection Lines	3405	240	75
OTHER	9999	-	-
<b>TOTAL</b>	<b>107,653</b>	<b>457,067</b>	<b>40,276</b>

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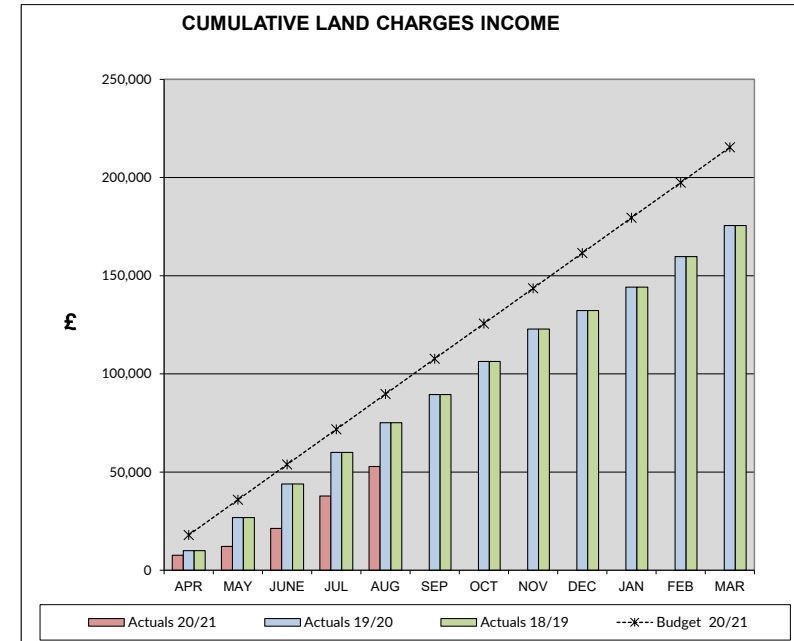
LAND CHARGES (LPLNDCH)

	Actual 18/19	Actual 19/20	Actual 20/21	Increase / decrease from 19/20	Budget 20/21	Variance (Budget-Actuals)	Manager's Forecast
1 APR	12,416	9,967	7,630	2,337	17,949	10,319	
2 MAY	13,827	16,828	4,532	12,296	17,949	13,417	
3 JUN	12,546	17,112	9,171	7,941	17,949	8,778	
4 JUL	13,782	16,113	16,500	(387)	17,949	1,449	
5 AUG	14,070	15,149	14,999	150	17,949	2,950	
6 SEP	9,855	14,286			17,949		
7 OCT	14,249	16,854			17,949		
8 NOV	10,650	16,519			17,949		
9 DEC	8,425	9,444			17,949		
10 JAN	8,755	11,917			17,949		
11 FEB	9,882	15,554			17,949		
12 MAR	11,220	15,857			17,949		
<b>TOTAL</b>	<b>139,678</b>	<b>175,599</b>	<b>52,833</b>	<b>22,336</b>	<b>215,388</b>	<b>36,912</b>	<b>-</b>



LAND CHARGES (CUMULATIVE)

	Actuals 18/19	Actuals 19/20	Actuals 20/21	Cumulative increase / decrease from 19/20	Budget 20/21	Variance (Budget-Actuals)	Manager's Forecast
APR	9,967	9,967	7,630	2,337	17,949	10,319	
MAY	26,795	26,795	12,162	14,633	35,898	23,736	
JUNE	43,907	43,907	21,334	22,573	53,847	32,513	
JUL	60,020	60,020	37,834	22,187	71,796	33,962	
AUG	75,169	75,169	52,833	22,336	89,745	36,912	
SEP	89,455	89,455			107,694		
OCT	106,309	106,309			125,643		
NOV	122,828	122,828			143,592		
DEC	132,272	132,272			161,541		
JAN	144,188	144,188			179,490		
FEB	159,742	159,742			197,439		
MAR	175,599	175,599			215,388		



Aug-20

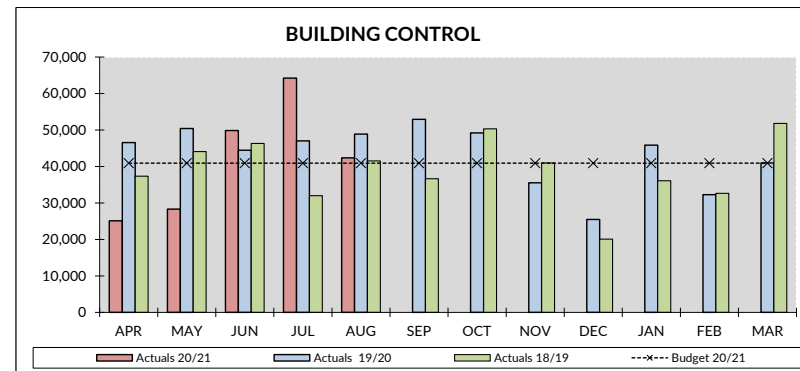
LPLNDCH

Searches Received - Paper  
 Searches Received - Electronic  
 Searches Received - Personal

Received (Month)	Percentage (Month)	Percentage (Month 20/21)	(Cumulative)
1	%	1%	6
102	36%	38%	358
181	64%	61%	572
<b>284</b>	<b>100%</b>	<b>100%</b>	<b>936</b>

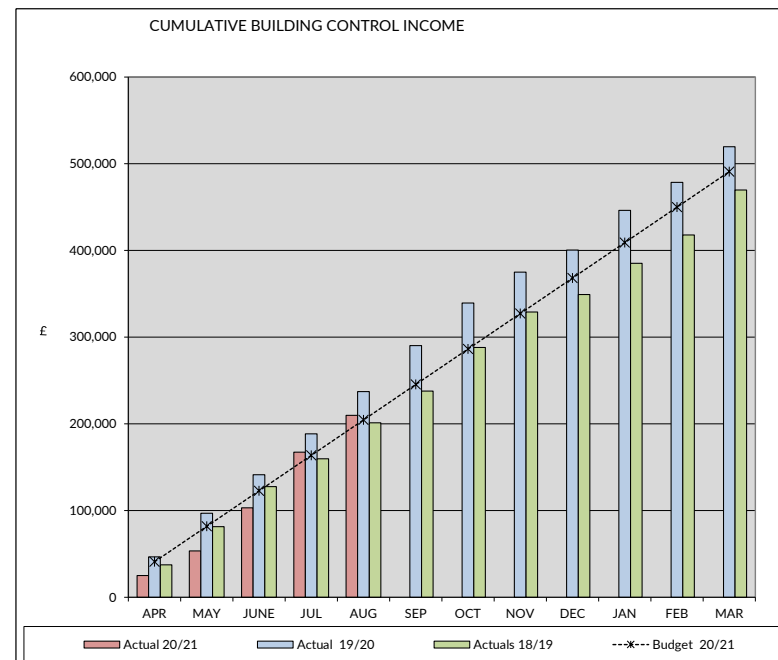
**BUILDING CONTROL (DVBCFEE)**

	Actuals 18/19	Actuals 19/20	Actuals 20/21	Increase / decrease from 19/20 to 20/21	Budget 20/21	Variance (Budget-Actuals)	Manager's Forecast
1 APR	37,342	46,552	25,107	21,445	40,908	15,801	
2 MAY	44,099	50,427	28,305	22,121	40,908	12,603	
3 JUN	46,293	44,461	49,857	(5,396)	40,908	(8,949)	
4 JUL	32,009	47,025	64,205	(17,180)	40,908	(23,297)	
5 AUG	41,516	48,869	42,367	6,502	40,908	(1,459)	
6 SEP	36,624	52,900			40,908		
7 OCT	50,302	49,220			40,908		
8 NOV	40,944	35,500			40,908		
9 DEC	20,059	25,489			40,908		
10 JAN	36,097	45,849			40,908		
11 FEB	32,648	32,288			40,908		
12 MAR	51,799	40,975			40,908		
<b>TOTAL</b>	<b>469,732</b>	<b>519,556</b>	<b>209,841</b>	<b>27,493</b>	<b>490,896</b>	<b>(5,301)</b>	<b>0</b>



**BUILDING CONTROL (CUMULATIVE)**

	Actuals 18/19	Actual 19/20	Actual 20/21	Cumulative increase / decrease from 19/20-20/21	Budget 20/21	Variance (Budget-Actuals)	Manager's Forecast
APR	37,342	46,552	25,107	21,445	40,908	15,801	
MAY	81,441	96,978	53,412	43,566	81,816	28,404	
JUNE	127,734	141,439	103,269	38,170	122,724	19,455	
JUL	159,743	188,464	167,474	20,991	163,632	(3,842)	
AUG	201,259	237,334	209,841	27,493	204,540	(5,301)	
SEP	237,883	290,234			245,448		
OCT	288,185	339,454			286,356		
NOV	329,129	374,954			327,264		
DEC	349,188	400,444			368,172		
JAN	385,285	446,292			409,080		
FEB	417,933	478,580			449,988		
MAR	469,732	519,556			490,896		0



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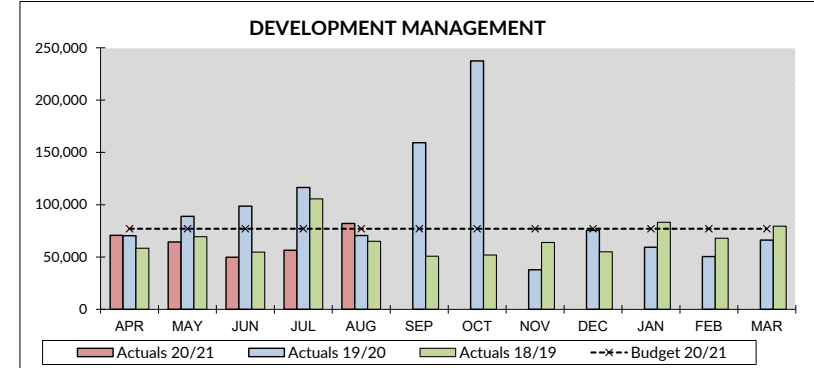
**DVBCFEE**

**CUMULATIVE BREAKDOWN**

	Actual (Cumulative)	Budget	(Monthly)	
Plan Fee	3066	145,557	126,971	33,208
Inspection Fee	3067	63,024	77,569	9,159
Other	9999	1,260		
New Burdens Grant	3905			
<b>TOTAL</b>	<b>209,841</b>	<b>204,540</b>	<b>42,367</b>	

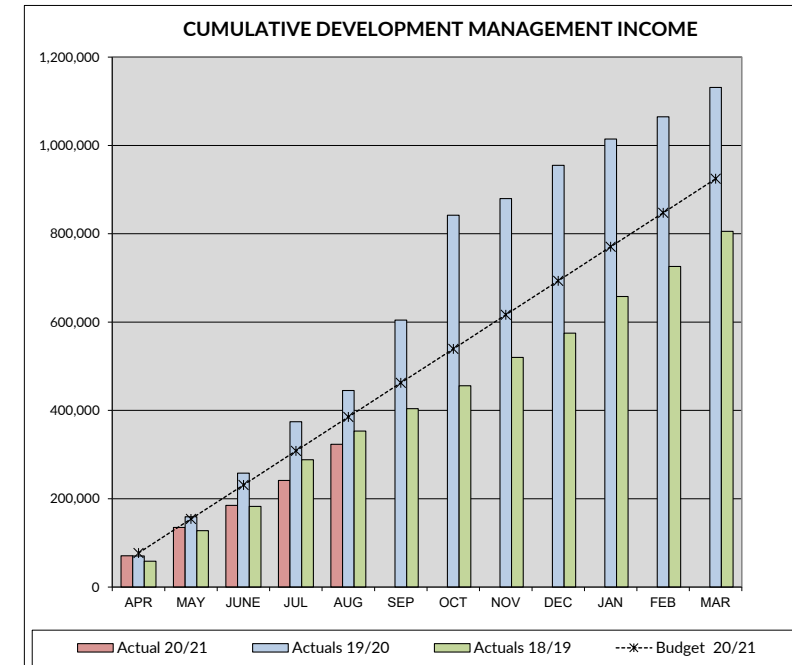
DEVELOPMENT MANAGEMENT (DVDEVCT/DVDEVRND)

	Actuals 18/19	Actuals 19/20	Actuals 20/21	Increase / decrease from 19/20 -20/21	Budget 20/21	Variance (Budget-Actuals)	Manager's Forecast
1 APR	58,404	70,363	70,765	(402)	77,036	6,271	
2 MAY	69,455	88,827	64,358	24,469	77,036	12,678	
3 JUN	54,668	98,710	49,790	48,920	77,036	27,246	
4 JUL	105,667	116,501	56,443	60,057	77,036	20,593	
5 AUG	64,977	70,614	82,100	(11,486)	77,036	(5,063)	
6 SEP	50,827	159,361			77,036		
7 OCT	51,985	237,506			77,036		
8 NOV	63,941	37,774			77,036		
9 DEC	54,926	75,475			77,036		
10 JAN	83,258	59,329			77,036		
11 FEB	67,922	50,534			77,036		
12 MAR	79,480	66,253			77,036		
<b>TOTAL</b>	<b>805,509</b>	<b>1,131,247</b>	<b>323,456</b>	<b>121,558</b>	<b>924,437</b>	<b>61,726</b>	



DEVELOPMENT MANAGEMENT (CUMULATIVE)

	Actuals 18/19	Actuals 19/20	Actual 20/21	Cumulative increase / decrease from 19/20 -20/21	Budget 20/21	Variance (Budget-Actuals)	Manager's Forecast
APR	58,404	70,363	70,765	(402)	77,036	6,271	
MAY	127,859	159,190	135,123	24,066	154,073	18,949	
JUNE	182,526	257,900	184,913	72,986	231,109	46,196	
JUL	288,193	374,400	241,356	133,044	308,146	66,789	
AUG	353,170	445,014	323,456	121,558	385,182	61,726	
SEP	403,997	604,376			462,219		
OCT	455,982	841,882			539,255		
NOV	519,923	879,656			616,291		
DEC	574,849	955,131			693,328		
JAN	658,107	1,014,460			770,364		
FEB	726,029	1,064,994			847,401		
MAR	805,509	1,131,247			924,437		0



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DVDEVCT/DVDEVRND

	Actual (Cumulative)	Budget	(Monthly)	
Planning Application Fees	94300/3009	283,746	338804	69855
Other	94300/9999	(1,047)	0	(152)
Pre-application Fees	94301	37,757	41513	12397
Monitoring Fees	94302	3,000	4865	
RECH-Other A/C'S	98100			
<b>TOTAL</b>	<b>323,456</b>	<b>385,182</b>	<b>82,100</b>	

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