



AGENDA

POLICY AND RESOURCES CABINET COMMITTEE

Wednesday, 27 November 2024, at 10.00 am
Council Chamber, Sessions House, County Hall, Maidstone

Ask for: **Emily Kennedy**
Telephone: **03000 419625**

Membership (17)

Conservative (12): Mr D L Brazier (Chairman), Mr M Dendor (Vice-Chairman), Mr P V Barrington-King, Mr P Bartlett, Mr T Bond, Mr N J D Chard, Mr G Cooke, Mr P C Cooper, Mrs S Hudson, Mr J A Kite, MBE, Mr J P McInroy and Mr H Rayner

Labour (2): Mr A Brady and Ms M Dawkins

Liberal Democrat (1): Mr A J Hook

Green and Independent (2): Rich Lehmann and Mr P Stepto

UNRESTRICTED ITEMS

(During these items the meeting is likely to be open to the public)

- 1 Introduction/Webcast announcement
- 2 Apologies and Substitutes
- 3 Declarations of Interest by Members in items on the Agenda
- 4 Minutes of the meeting held on 10 September 2024 (Pages 1 - 6)
- 5 Draft Revenue and Capital Budget and Medium Term Financial Plan (Pages 7 - 48)
- 6 24/00088 - Disposal - Freehold disposal of land at the Long Field, Quaker Lane, Cranbrook, Kent (Pages 49 - 66)

- 7 24/00090 - Formal Lease for Electricity Sub Station at the proposed replacement school site at Crete Hall Road, Northfleet, for Rosherville Church of England Primary School (Pages 67 - 78)
- 8 24/00091 - Formal Lease for an Electricity Sub Station at Teynham Parochial Church of England Primary School, near Sittingbourne (Pages 79 - 90)
- 9 24/00100 - Property Accommodation Strategy - Strategic Headquarters (SHQ) (Pages 91 - 170)
- 10 Work Programme (Pages 171 - 174)

Motion to exclude the press and public for exempt business

Where consideration and discussion of exempt information is necessary during items on this agenda, the Committee will be asked to resolve;

That, under Section 100A of the Local Government Act 1972, the press and public be excluded from the meeting for the following business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of part 1 of Schedule 12A of the Act.

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)

EXEMPT ITEMS

There are no entirely exempt items on this agenda but exempt documents feature within some items – as appropriate, the Committee may resolve to exclude the press and public as set out above

Ben Watts,
General Counsel
03000 416814

Tuesday, 19 November 2024

KENT COUNTY COUNCIL**POLICY AND RESOURCES CABINET COMMITTEE**

MINUTES of a meeting of the Policy and Resources Cabinet Committee held in the Council Chamber, Sessions House, County Hall, Maidstone on Tuesday, 10 September 2024

PRESENT: Mr D L Brazier (Chairman), Mr M Dendor (Vice-Chairman), Mr P V Barrington-King, Mr P Bartlett, Mr A Brady, Mr G Cooke, Mr P C Cooper, Ms M Dawkins, Mr A J Hook, Mrs S Hudson, Ms L Parfitt (Substitute for Mr J P McInroy), Mr H Rayner and Mr P Stepto

ALSO PRESENT: Mr P J Oakford, Mrs C Bell and Mr D Jeffrey

IN ATTENDANCE: Mrs A Beer (Chief Executive), Mrs R Spore (Director of Infrastructure), Mr B Watts (General Counsel), Mr D Whittle (Director of Strategy, Policy, Relationships and Corporate Assurance), Mr J Betts (Acting Corporate Director Finance), Ms R Anderson (Head of Business Information, Strategy and Assurance), Ms M Odeleye (Hard FM and Security Contracts Manager), Mr H D'Alton (Programme Manager (Strategic Programmes)), Mr Edwards (Infrastructure Strategy Manager), Ms Da Silva (Refugee Resettlement Business Support Manager), Mr M Thomas-Sam (Corporate Lead Adult's and Children's Policy and Strategy), Wagner (Chief Analyst), Ms P Blackburn-Clarke (Delivery Manager - Engagement & Consultation), Ms L McPherson (Policy Officer (Equality)), Miss K Phillips (Corporate Lead - Business Planning & Corporate Policy), Mr A Feacey (Resilience and Emergency Planning Manager) and Mr A Jeffery (Head of Resilience & Emergency Planning)

UNRESTRICTED ITEMS**219. Apologies and Substitutes**

(Item 2)

Apologies were received from Mr Lehmann, Mr Bond and Mr McInroy for whom Ms Parfitt-Reid was present as substitute.

220. Declarations of Interest by Members in items on the Agenda

(Item 3)

There were no declarations of interest.

221. Minutes of the meeting held on 10 July 2024

(Item 4)

RESOLVED that the minutes of the meeting held on 10 July 2024 were a correct record and that a paper copy be signed by the Chairman.

222. Facilities Management Bi-Annual Update

(Item 5)

1. Ms Spore introduced the report that provided a bi-annual update on the Council's facilities management arrangements to provide services across the corporate and schools estate, for which KCC had responsibility. It included an update on the performance of the current contract and detailed changes over the last six months.
2. In response to questions and comments from Members it was noted that:
 - a) A review of security services was underway looking at how the service could be delivered. A decision whether or not to continue to deliver the service in-house was expected shortly.
 - b) Although the border Entry/Exit System (EES) was not a KCC responsibility, there was a need to ensure that any potential disruption for the introduction of the new system did not impede the Council's ability to respond to incidents involving the Council's estate.
 - c) The Council had a dedicated cleaning team who undertook spot checks and cleaning audits, as well as investigation into any concerns raised. Members and officers were encouraged to use the QR codes, that were distributed around the buildings, to submit anonymous feedback on cleaning standards.
 - d) Consideration would be given to how members of the public could provide feedback on the cleanliness of the Council's buildings.
 - e) Dip testing was carried out each month and reporting from contractors was found to be largely accurate.
 - f) It would be useful for the report to include data on how long it took for completion of late tasks, as this would help provide more context.
 - g) The costs relating to the cleaning and maintenance of the new reception centres for Unaccompanied Asylum Seeking Children sites were funded by Government.
3. RESOLVED to note the report.

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223. 24/00069 - Asset Management Strategy 2024 - 2030

(Item 6)

1. Ms Spore introduced the report that provided an update on the new 2024-2030 Asset Management Strategy.
2. In response to questions and comments from Members it was noted that:
 - a) Progress to reduce the Council's carbon footprint was being tracked and actions were being taken to reduce energy consumption.
 - b) The Strategy was intended to be used to develop a better understanding of the long term costs of managing the Council's assets. This information would be used to inform discussions and future decision making.
 - c) The strategy was an aspirational document and detailed a desired direction of travel.
 - d) There was an existing detailed and rigorous process that was followed for the disposal of buildings. Service provision dictated the Council's property requirements, and when required the public were consulted when changes to services were proposed.
 - e) Officers were working with South East Water to establish where water regulators could be installed in the Council's estate.

- f) It was intended that there would be more shared use of buildings to generate more efficient use of buildings.
 - g) There were a lot of buildings currently being underutilised, the strategy looked to make the portfolio leaner, and officers were working with partner agencies to identify opportunities for more joint working.
3. RESOLVED to endorse that the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services agree the adoption of the new Asset Management Strategy 2024-2030, subject to the inclusion of the wording 'where budgets allow' to more clearly indicate that the strategy was an aspirational document.
 4. In accordance with paragraph 16.31 of the constitution, Ms Dawkins and Mr Brady wished for it to be recorded in the minutes that they abstained from voting to endorse the proposed decision.

224. Performance Dashboard for the Chief Executive's Department and Deputy Chief Executive's Department

(Item 8)

1. Mr Wagner introduced the Performance Dashboard for the Chief Executive's Department and Deputy Chief Executive's Department. It showed performance against targets set for Key Performance Indicators (KPIs).
2. In response to questions and comments from Members it was noted that:
 - a) The three red rated KPIs were:
 - a. CS07: Complaints responded to in timescale
 - b. GL02: Freedom of Information (Fol) Act requests completed within 20 working days.
 - c. GL03: Data Protection Act Subject Access Requests (SARs) completed within statutory timescales.
 - b) The majority of SARs and complaints related to the CYPE directorate. The CYPE directorate was working through the EHCP backlog and expected to be back to a business as usual position by the end of the year.
 - c) There was a need to ensure that services were adequately resourced to meet their targets. A lot of work went into setting targets appropriately, they were benchmarked against other councils and were sometimes determined by statutory responsibilities.
 - d) Internal Audit assessed KPI targets and would conduct a review.
 - e) The Fol team worked with services to respond to Fol requests. Many Fol requests were received from journalists and companies.
 - f) Government should allow a small amount to be charged for each Fol request.
 - g) Officers were looking at ways to make the Fol request process more efficient and automated. This included putting more information online. There have been improvements in the services despite the increase in requests received. Consideration would be given to offering an informal Members Briefing on the topic.
3. RESOLVED to note the performance position for the Chief Executive's Department and Deputy Chief Executive's Department.

225. 24/00071 - Afghan Resettlement (ARAP and ACRS) and United Kingdom Resettlement Scheme (UKRS) - proposed service delivery from February 2025
(Item 9)

1. Mr Whittle introduced the report that set out proposals for delivering the Afghan Resettlement Schemes and United Kingdom Resettlement Scheme from 1st February 2025.
2. In response to questions and comments from Members it was noted that:
 - a) Officers were exploring how the 'no use empty' scheme could be used to provide additional accommodation.
 - b) The removal of Council Tax single person discount to individuals living on their own when they take in refugees would not encourage uptake. Council Tax collection and discounts were managed by district and borough council.
 - c) The result of the Government's recent consultation on the refugee and asylum numbers per district for 2025, would be circulated to Members for information.
3. RESOLVED to endorse to the Leader of the Council on the proposed decision to:
 1. Approve the acceptance of Home Office grant funding for the Afghan Resettlement Schemes (ARAP and ACRS) and the United Kingdom Resettlement Scheme (UKRS) and to determine the appropriate delivery model.
 2. Agree to Kent County Council continuing to be the 'Lead Recipient' for the Home Office grant for all districts in Kent with the exception of Ashford, Canterbury and individuals resettled to the Ministry of Defence and Local Authority Housing Fund properties in Dover.
 3. Approve that the Afghan Resettlement Schemes (ARAP and ACRS) and the United Kingdom Resettlement Scheme (UKRS) be delivered based on the preferred option (recommissioning using a new commissioning delivery model).
 4. Delegate authority to the Chief Executive Officer, in consultation with the Leader to take relevant actions, including but not limited to, entering into the relevant contracts or other legal agreements, as necessary, to implement the decision.

226. Annual Equality & Diversity Report 2023-24
(Item 10)

1. Mr Whittle introduced the report that set out how the Council met its public sector equality duty responsibilities. The report included examples of good practice and actions that would lead to improvement.
2. In response to questions and comments it was noted that:
 - a) The work on inclusion and accessibility were good to see.
 - b) Consideration would be given to adding more detail about the support available to women going through the menopause.

- c) Inclusion and equality training for Members had been organised in response to comments and concerns raised by Members.
 - d) A management action has been identified to increase the number of EQIA completed through the designated EQIA application.
 - e) The EQIA reports were published online, and Members had the opportunity to view and challenge them before decisions were made.
3. RESOLVED to approve the Annual Equality & Diversity Report for 2023-24, attached as Appendix A to the report.

227. Customer Feedback Policy

(Item 11)

1. Mrs Beer and Mrs Blackburn-Clarke introduced the report that outlined the changes to the Customer Feedback Policy, and the key reasons for the Council not adopting the LGSCO's Code for Complaints Handling timescales. Mrs Blackburn-Clarke noted that there would be change to the way complaints were reported to the Governance and Audit Committee, and there would be changes to the classification of complaints.
2. RESOLVED to note the updated Policy, including the direction of travel with regards to the Ombudsman's code, and to note the self-assessment form attached as Appendix A to the report.

228. Decisions taken between Cabinet Committee meetings

(Item 12)

1. RESOLVED to note that decisions 24/00070 - Nuclear Compliance 2024, and 24/00078 - Disposal of Land at Intersection of M20/M25, were taken in accordance with sections 12.32 and 12.35 of the Council's constitution.

229. Work Programme 2024/25

(Item 13)

1. RESOLVED to note the planned work programme for 2024.

Motion to Exclude the Press and Public

RESOLVED that the Press and Public be excluded from the meeting for the following business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of part 1 of Schedule 12A of the Act.

EXEMPT ITEMS

(Open access to minutes)

230. 24/00079 - Sevenoaks Land East of High Street - Pre-Consultation and the next steps

(Item 7)

1. Ms Spore and Mr D'Alton introduced the report that provided an update on activity relating to the Sevenoaks Land East of High Street project, including a

memorandum of understanding with Sevenoaks District Council who were leading on the project.

2. In response to questions and comments from Members it was noted that:
 - a) The project looked to combine the interests of KCC and Sevenoaks District Council.
 - b) It was proposed that the Leisure Centre and Library would be improved and combined with other developments including some housing.
 - c) Once complete, the project was expected to generate a financial surplus that would be used to provide services.
3. RESOLVED to endorse the proposed decision by the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services to:
 1. Note the feedback from the community consultation exercise conducted by Sevenoaks District Council.
 2. Support the objectives and principles of the regeneration of the Sevenoaks Town centre, subject to KCC's red line requirements, which includes the potential relocation of County Council services to new build facilities within a future scheme.

From: Roger Gough, Leader of the Council
Peter Oakford, Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services
Dylan Jeffrey, Cabinet Member for Communications and Democratic Services.

To: Policy and Resources Cabinet Committee
27th November 2024

Subject: **Draft Revenue Budget 2025-26 and Medium Term Financial Plan (MTFP) 2025-28**

Classification: **Unrestricted**

Summary:

This report sets out key policy considerations within the administration's draft revenue budget proposals for 2025-26 (together with any full year consequences in subsequent years) for the Cabinet portfolios and departments relevant to this committee for scrutiny. Unlike recent years this is a tailored report for each committee with the overall draft budget proposals contained within appendices and in particular, choices about spending growth and savings/income. The draft proposals have been prepared before the Chancellor's Autumn Budget based on assumptions about future spending requirements, government grant settlement, and council tax referendum levels. These assumptions are likely to change but overall it is still likely that a balanced budget can only be achieved with significant savings and income generation as spending growth is likely to continue to exceed the funding available from the government settlement and local taxation.

Recommendations:

The Policy and Resources Cabinet Committee is asked to:

- a) NOTE the administration's draft revenue budgets including responses to consultation
- b) SUGGEST any changes which should be made to the administration's draft budget proposals related to the Cabinet Committee's portfolio area before the draft is considered by Cabinet on 30th January 2025 and presented to Full County Council on 13th February 2025.

1. Background and Context

1.1 The setting of the budget is a decision reserved for Full Council. The Council's Budget and Policy Framework requires that a draft budget is issued for consultation with the Cabinet and Scrutiny Committees to allow for their comments to be considered before the final budget proposals are made to Full Council.

1.2 The Council is under a legal duty to set a balanced and sustainable budget within the resources available from local taxation and central government grants and to maintain adequate reserves. This duty applies to the final draft budget presented for Full Council approval at the annual budget meeting. The overall strategy for the budget is to ensure that the Council continues to plan for revenue and capital budgets which are affordable, reflect the Council's strategic priorities, allow the Council to fulfil its statutory responsibilities and continue to maintain and improve the Council's financial resilience.

1.3 An MTFP covering the entirety of the resources available to the Council is the best way that resource prioritisation and allocation decisions can be considered and agreed in a way that provides a stable and considered approach to service delivery and takes into account relevant risks and uncertainty.

1.4 The administration's initial draft budget proposals have been prepared in advance of the government's Autumn Budget and Spending Review 2024 (announced 30th October 2024) and in the absence of a provisional local government finance settlement or detailed spending plans inherited from the previous government. This draft budget is based on an assumed grant settlement and council tax referendum limits.

1.5 The administration's draft budget 2025-26 and MTFP over the three years are not yet completely balanced. The factors causing the plans to be unbalanced are principally due to undelivered savings within Adult Social Care and the timing of the £19.8m policy savings previously agreed to replace the use of one-offs to balance 2024-25 budget. These two factors are covered in more depth in Appendix A. Other than these issues, the 2025-26 budget is broadly balanced within acceptable tolerances, given the number and range of forecasts within the plan at this stage. Other than adult social care, the MTFP is broadly balanced over the three years, but as yet not necessarily in each individual year. The Adult Social Care challenge will be covered in more depth in the report for the relevant Cabinet Committee. These factors do not preclude scrutiny of the remainder of the Administration's draft budget plans. There is a balance to be struck between planning for what is currently known (which are the factors cited above) and the likelihood of an improvement in the financial position via any additional Government support or improved tax take, with the risk being managed through reserves.

1.6 This report focuses on the key policy considerations within the administration's draft budget proposals for each Cabinet portfolio in a timely manner in November. This is a more focussed report to address previous concerns that presenting the entire budget proposals for the whole Council does not allow for sufficient scrutiny on key service issues by individual Cabinet and Scrutiny Committees. To assist this, a summary of the 2025-26 proposals for the relevant Cabinet portfolio is included in this report, together with a more detailed table setting out the key policy considerations and accompanying narrative (in the next section of this report). An interactive dashboard is also provided to Members, enabling the details of all proposals to be examined and scrutinised.

1.7 Separate appendices are included which set out:

- the key assumptions within the administration's overall initial draft budget (appendix A)
- how the proposals are consistent with the Council's strategic priorities and legal requirements (appendix B)
- a summary of the responses from the recent budget consultation (appendix C)
- a summary of the Administration's Draft Budget proposals (appendix D)
- a high-level summary of the overall MTFP covering 2025-28 (appendix E)
- a summary of the proposals for CED and DCED departments for 2025-26 (appendix F)
- a detailed list of the key policy considerations for CED and DCED departments (spending and savings proposals) (appendix G)
- an assessment of financial resilience (appendix H)

This provides the same level of background information as presented to Cabinet and Scrutiny committees in previous years. A more detailed report on the budget consultation, which closed on 7th August 2024, is provided as a background document.

1.8 Following the November scrutiny process, a revised draft of the administration’s final budget proposals will be published in January for further consideration prior to final approval at County Council in February 2025. This will include:

- resolution of the outstanding issues in this draft
- the outcome of the Chancellor’s Autumn 2024 Budget and Local Government Finance Settlement for 2025-26
- the provisional council tax base information for council tax precepts
- any other updates since this initial draft

Wherever possible, draft key decisions will be presented for consideration by Cabinet Committees in principle (pending final budget approval) in January together with the opportunity for scrutiny of the key changes arising from the above points, with those draft key decisions that cannot be considered in January reported to the March round of meetings.

2. Key Policy Considerations

The tables below do not show all information pertaining to each Cabinet Member but instead, focus on the key policy considerations and items with an element of choice. All Members can access the complete set of budget proposals through the Member Dashboards released on Wednesday 30th October.

SPENDING & SAVINGS PROPOSALS REQUIRING A DECISION - PETER OAKFORD

| Headline description | Brief description | 2025-26 | 2026-27 | 2027-28 | Base budget for context (£k) * | | |
|--|---|-------------|-------------|-------------|--------------------------------|--------|-------|
| | | £k | £k | £k | Gross | Income | Net |
| 2025-26 LOCAL CHOICE SPENDING PROPOSALS | | | | | | | |
| Local Democracy - Grants to District Councils | Annual uplift in grant covering contribution for Retriever (debt tracing) contract (CPI linked) and staff resources grant (pay linked) related to Council Tax collection to help increase levels of council tax raised via improving tax base/collection rates. | 9.5 | 10.6 | 7.5 | 479.4 | -81.7 | 397.7 |
| | | 80.2 | 61.5 | 69.4 | | | |

| Headline description | Brief description | 2025-26 | 2026-27 | 2027-28 | Base budget for context (£k) * | | |
|--|---|-----------------|-----------------|-----------------|--------------------------------|----------|------------------|
| | | £k | £k | £k | Gross | Income | Net |
| 2025-26 POLICY & TRANSFORMATION SAVINGS PROPOSALS | | | | | | | |
| Reduced spend on agency staff | Reduction in the volume and duration of agency staff | -250.0 | 0.0 | 0.0 | 8,198.5 | 0.0 | 8,198.5 |
| Review of embedded staff | Review of embedded teams in Directorates, to establish opportunities for consolidation and/or centralisation of practice | -1,300.0 | 0.0 | 0.0 | 391,889.6 | 0.0 | 391,889.6 |
| Spans and layers | Review of structures across the Council to ensure adherence to the Council's organisation design policy | -500.0 | -1,500.0 | 0.0 | 391,889.6 | 0.0 | 391,889.6 |
| Corporately Held 2024-25 saving | Removal of corporately held saving from part year impact of further discretionary policy decisions and deep dive into contract renewals with consideration of reducing service specifications, as these savings are reflected within the individual directorate proposals | 2,300.0 | 0.0 | 0.0 | | | |
| KCC Estate - Community Assets | Corporate Landlord review of Community Delivery including Assets | -979.4 | -232.1 | 0.0 | 22,787.1 | -8,597.0 | 14,190.1 |
| KCC Estate - office assets | Corporate Landlord review of Office Assets. 2025-26 includes the re-phasing of £388.8k prior year savings into future years and -£189k saving. | 199.8 | -343.1 | -1,144.9 | 15,742.3 | -1,217.7 | 14,524.6 |
| Finance - Other Council Tax Incentives | Terminate current arrangements to provide annual incentive to collection authorities to reduce/remove empty property council tax discounts and charge premiums on long-term empty properties | -1,450.0 | 0.0 | 0.0 | 1,623.7 | -22.1 | 1,601.6 |
| Finance – Support for Council Tax Reduction Schemes (CTRS) | Terminate the current £1.5m annual support provided to collection authorities towards the administration of local CTRS. The current arrangements provide each district with a fixed sum of £70k plus share of £660k based on number of eligible low income pensioner and working age households. The payments are funded by all major precepting authorities pro rata to share of council tax. There is a separate share of £0.5m funded solely by KCC allocated according weighted number of working age eligible households as incentive to align local CTR schemes with other welfare conditions. | -1,746.7 | 0.0 | 0.0 | 2,000.0 | -253.3 | 1,746.7 |
| | | -3,726.3 | -2,075.2 | -1,144.9 | | | |

| Headline description | Brief description | 2025-26 | 2026-27 | 2027-28 | Base budget for context (£k) * | | |
|---|---|------------------|-----------------|-----------------|--------------------------------|-----------|-------------|
| | | £k | £k | £k | Gross | Income | Net |
| 2025-26 CONTRIBUTIONS TO RESERVES | | | | | | | |
| General Reserves | Contribution to general reserves to rebuild financial resilience and provide for future risks, with a reserve balance of between 5% and 10% of net revenue budget considered acceptable | 4,300.0 | 13,500.0 | 23,800.0 | | | 1,496,958.2 |
| General Reserves repayment | Repay the General Reserve over two years (2024-25 & 2025-26) for the drawdown required in 2022-23 to fund the overspend | 11,050.0 | 0.0 | 0.0 | | | 1,496,958.2 |
| Dedicated Schools Grant (DSG) Deficit - Safety Valve | KCC Contribution towards funding the DSG deficit as agreed with DfE as part of the Safety Valve agreement | 14,600.0 | 11,100.0 | 10,100.0 | 103,431.0 | 0.0 | 103,431.0 |
| Facilities Management | Contribution to reserves to smooth the impact of the mobilisation costs of the Facilities Management contracts over the life of the contracts (due to be fully repaid by 2025-26) | 90.9 | 0.0 | 0.0 | 16,528.5 | 0.0 | 16,528.5 |
| | | 30,040.9 | 24,600.0 | 33,900.0 | | | |
| | | 30,040.9 | 24,600.0 | 33,900.0 | | | |
| 2025-26 DRAWDOWNS FROM RESERVES | | | | | | | |
| Budget Stabilisation smoothing reserve - timing of policy savings | One off use of budget stabilisation smoothing reserves in 2025-26 to compensate for a delay in delivering all of the £19,835.2k policy savings required in 2025-26 to replace the use of one-off solutions in the 2024-25 budget. £6,591.5k of these savings have been identified and are planned for delivery in 2026-27 and £7,503.7k are to be identified by the new Council Administration following the May 2025 local elections, requiring £14,095.2k to be met from reserves in 2025-26 until they are delivered in 2026-27. | -14,095.2 | 0.0 | 0.0 | 166,947.8 | -71,000.3 | 95,947.5 |
| | | -14,095.2 | 0.0 | 0.0 | | | |
| | | -14,095.2 | 0.0 | 0.0 | | | |

* The contextual gross & income budget information includes both core and externally funded but the budget proposal figures focus just on core funded

SPENDING & SAVINGS PROPOSALS REQUIRING A DECISION - ROGER GOUGH

| Headline description | Brief description | 2025- | 2026- | 2027- | Base budget for context (£k) * | | |
|---|---|---------------|------------|------------|--------------------------------|--------|---------|
| | | 26 | 27 | 28 | Gross | Income | Net |
| | | £k | £k | £k | | | |
| 2025-26 LOCAL CHOICE SPENDING PROPOSALS | | | | | | | |
| Internal Audit Resourcing | The core business of the Internal Audit service is the delivery of assurance and consultancy services to Kent County Council. This assessment of future needs is broadly based on resources required for the current KCC and external client base. Any additional opportunities would need to be assessed on the basis that they would need to be addressed by cost effective recruitment of resources. | 110.7 | 0.0 | 0.0 | 1,507.9 | -207.8 | 1,300.1 |
| | | 110.7 | 0.0 | 0.0 | | | |
| 2025-26 MIXTURE OF LOCAL CHOICE & UNAVOIDABLE SPENDING PROPOSALS | | | | | | | |
| Procurement - Compliance & Reporting | Additional transparency and performance requirements in line with the implementation of the Procurement Act 2023 | 40.0 | 0.0 | 0.0 | 3,382.0 | -328.5 | 3,053.5 |
| | | 40.0 | 0.0 | 0.0 | | | |
| 2025-26 POLICY & TRANSFORMATION SAVINGS PROPOSALS | | | | | | | |
| Commercial and Procurement | Explore alternative sources of funding for the administration of the Kent Support & Assistance Service | -262.0 | 0.0 | 0.0 | 262.0 | 0.0 | 262.0 |
| | | -262.0 | 0.0 | 0.0 | | | |

* The contextual gross & income budget information includes both core and externally funded but the budget proposal figures focus just on core funded

Key Spending Proposals

Review of Agency spend, Embedded staff and Spans and layers

All of the above savings relate to centrally held savings which will be delivered from reviews across the whole Council and allocated to specific Divisions once the reviews are concluded.

Internal Audit Resourcing

To ensure a 'fit for purpose' structure, from which the service can provide the necessary level of assurance to reflect current risks faced by the Council.

Procurement – Compliance and Reporting

Requirement for a Compliance officer to meet the publication of transparency information and adherence to the implementation of the Procurement Act 2023.

Pay

The pay bargaining process is currently on-going.

Key Savings Proposals

The contributions that KCC currently provides to districts to support Council Tax Reduction Schemes and Empty Property Discounts and Premiums, pays for circa 70 fte staff working in district's council tax collection teams. District councils have reported that if the current support is removed they would likely have to reduce the size of collection teams as a result of this proposed saving. Reductions in collection teams would lead to considerable delays in dealing with claims and helping tax payers manage their payments and would reduce capacity to take recovery action. This combination of less support for residents (particularly those on low incomes) and reduced recovery capacity, is likely to impact on collection rates (and therefore could reduce the taxbase built into current funding assumptions).

Support for Council Tax Reduction Schemes

These arrangements were introduced in April 2013 when responsibility for council tax benefit (CTB) transferred to local councils from the Department for Work and Pensions (DWP). The transfer required collection authorities (district councils) to develop and implement local Council Tax Reduction Schemes (CTRS) to provide low income households with a discount on council tax bills. Legislation required that discounts for pensioner households had to be the same as CTB, a default scheme for working age households also offered the same discounts as CTB or collection authorities could consult on and agree their own local discount schemes.

To support the introduction of local schemes it was agreed locally in Kent that £1.5m grant would be paid to collection authorities towards the cost of setting up and administering local schemes. In return districts agreed to develop schemes which included a minimum contribution from working age households which together with changes in empty property discounts increased the taxbase to offset the 10% reduction in funding transferred from DWP and covered the cost of the support payments to districts. The £1.5m was provided by all major precepting authorities (KCC, Police and Fire) pro rata to their share of council tax, KCC's share being approx. £1.25m.

An additional incentive scheme was introduced in 2017. This amounted to £0.5m solely funded by KCC. This was intended to encourage districts to align schemes with welfare reforms and to incentivise districts to reduce the working age discounts and other criteria limiting access to discounts e.g. levels of household savings. These changes led to an increase in the council tax base for all authorities to offset further funding reductions since the original scheme was introduced.

District councils have indicated that terminating the existing support arrangements could impact on their ability to administer their current council tax reduction schemes. These schemes are already under local scrutiny to provide low income working age households with larger discounts (the level of the current discounts is part of the joint agreement between the major precepting authorities and collection authorities as a condition of the support arrangements). Changing local CTRS requires consultation and the statutory deadline for collection authorities to agree their local schemes for the forthcoming year is 11th March.

Empty Property Discounts and Long Term Empty Premiums

All districts in Kent have removed empty property discounts entirely and charge the maximum permitted premiums on long-term empty properties. Under the current arrangement KCC has agreed to pay 25% of its share of the increased council tax base to those districts that made additional changes over and above those included in the CTRS agreement. The amounts are historical and are not recalculated each year based on discounts that would otherwise have been granted on empty properties.

District councils have indicated that as well as reducing collection rates that terminating the incentive could lead to discounts being reintroduced (reducing the tax base) due to the additional administration involved in rebilling council tax bills the day a building becomes unoccupied and rebilling again once a building is reoccupied.

KCC Estate – Community Assets

Review of Community Assets as part of the Kent Communities programme strand of the Future Assets Strategic Reset Programme. There will be some co-location of services into buildings to release others and options for disposal will always consider alternative use for KCC initially.

KCC Estate – Office Assets

The review of Office Assets will deliver the MTFP target over the medium term but has had to be re-phased due to unforeseen costs at an alternative building, making the business case for an assumed move, unviable.

Kent Support and Assistance Service (KSAS)

A saving was proposed in the MTFP for 2023-26 relating to the funding of the KSAS service. Ultimately this was endorsed as part of the 2023-26 MTFP and budget approved at County Council on the 9th February 2023. Currently the staff supporting this service work in the Commercial and Procurement team (with costs in CED budget), whilst the expenditure on assistance provided is within the ASCH budget. The saving proposed was to find an alternative funding source, from an external grant provision, to fund both staff and expenditure. If none were identified within a two year period, the proposal was to cease the service. The service was funded by drawdowns from reserves in 2023/24 and 2024/25 whilst other funding was sought. Although no alternative external funding has yet been identified the Chancellor of the Exchequer has announced that the Household Support Fund (HSF) will be extended for a further year in 2025-26 which means that

current spending could be absorbed within the extended HSF for 2025-26. An EQIA is being undertaken and a paper written to be presented for decision at Policy and Resources Cabinet Committee in January 2025. It is likely that the few staff impacted will be redeployed.

Corporately Held Savings

The 2024-25 budget included a centrally held saving for anticipated cost reductions on contracts coming up for renewal. These savings are now being reflected in individual service budgets and consequently the centrally held provision needs to be replaced in the CHB budget for 2025-26. In future it is intended that the budget does not include any centrally held savings and all savings will be allocated to services to avoid this need to replace the central provision.

3. Contact details

Report Authors:

Dave Shipton (Head of Finance Policy, Planning and Strategy)
03000 419418
dave.shipton@kent.gov.uk

Jackie Hansen (Finance Business Partner for Chief Executive's and Deputy Chief Executive's Departments)
03000 416198
jackie.hansen@kent.gov.uk

Relevant Corporate Directors:

John Betts (Interim Corporate Director Finance)
03000 410066
john.betts@kent.gov.uk

Amanda Beer (Chief Executive)
03000 415835
amanda.beer@kent.gov.uk

Background documents

Below are click-throughs to reports, more information, etc.
Click on the item title to be taken to the relevant webpage.

- 1 [KCC's Budget webpage](#)
- 2 [KCC's Corporate Risk Register](#) (Governance and Audit Committee 16th May 2024)
- 3 [KCC's Risk Management Strategy, Policy and Programme](#) (Governance and Audit Committee 19th March 2024)
- 4 [KCC's approved 2024-25 Budget](#)
- 5 [2025-26 Budget Consultation \(Let's Talk Kent\)](#), which includes a report summarising the responses to the recent Budget Consultation
- 6 [Summary of budget engagement exercise with KCC management cohort \(known](#)

- as T200)
- 7 [2024-25 Budget Monitoring Report](#) (Cabinet 26th September 2024 – item 5)
 - 8 [Securing Kent's Future – Budget Recovery Strategy](#)
 - 9 [Securing Kent's Future – Budget Recovery Report](#)
 - 10 [Member Budget Dashboards](#) (access restricted and available from 2pm on 30 October)

Key Budget Assumptions

| | | |
|-----|--|--|
| 1.1 | Current plan includes high-level assumptions for 2025-26 and 2026-27 | The 2024-27 medium term financial plan (MTFP), presented to County Council in February 2024, was based on assumptions regarding the funding settlement, spending growth, savings and income, and contributions/drawdowns from reserves. These included a combination of corporate and directorate assumptions. At the time the plan was prepared the later years (2025-26 and 2026-27) it represented a high-level balanced position, and it was acknowledged that the full detail of some elements e.g. £19.8m of policy savings necessary to replace the use of one-offs to balance 2024-25 budget, would be developed for subsequent updates. |
| 1.2 | Initial update as at 30th September 2024 in advance of Chancellor's Autumn Budget 2024 | The plans have been updated based on the latest available information as at end of September 2024. The timetable for updating the plan and publishing draft 2025-26 budget proposals for scrutiny was agreed before the announcement that Chancellor of the Exchequer's Autumn Budget would be on 30 th October 2024. This date is too late to include the impact in the draft budget for scrutiny and any consequences will have to be included in the final draft budget in January. The Chancellor's Autumn statement is unlikely to have a significant impact on KCC spending or savings/income plans for 2025-26. It is more likely to impact on the funding settlement and the need to balance the budget from reserves and one-off measures. |
| 1.3 | Corporate assumptions for Business Rates, Council Tax and funding settlement | <p>On Council Tax income, the plans for each of the three MTFP years assume an increase of 5% (3% general referendum limit and 2% adult social care levy), alongside a taxbase increase of 1.5% plus an additional assumption from the introduction, from 1 April 2025, of 100% premiums on 2nd Homes. There are no assumed impacts from changes to discounts or premiums.</p> <p>On Business Rates, the plan assumes no growth in the taxbase.</p> <p>We have assumed that Government Grants which attracted an inflationary uplift in 2024-25 will continue to receive an inflationary uplift in each year, and we have based these increases on the Bank of England's forecasts.</p> |
| 1.4 | Corporate assumptions for spending growth | <p>Inflation is based on May 2024 Bank of England CPI forecasts</p> <p>Demand and cost drivers based on same methodology as 2024-25 assuming current trends continue.</p> <p>Pay costs are based on transition to the new pay strategy approved for April 2025 plus assumed pay award (which is subject to bargaining with the recognised trade unions) and maintaining the link to the Foundation Living wage for the lowest pay rate.</p> |

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| 1.5 | Corporate assumptions for reserves | <p>Assumes general reserve is restored to 5% of net revenue.</p> <p>No assumed replenishment of reserves drawn down to balance 2023-24 outturn.</p> <p>Treatment of safety valve contributions is consistent with the latest external audit advice, which was received in April 2024, after the final 2024-25 budgeted position was reported to Cabinet on 21st March 2024. The advice in March was to show these contributions as spending growth within the government and legislative category. The latest advice from our external auditors is to show these as contributions to reserves rather than spending increases. The impact of this latest advice means that our core funded spending growth in 2025-26 of £117.2m has been reduced by £15.1m to remove the 2024-25 contribution, and our contributions to reserves for 2025-26 includes the safety valve planned contribution £14.6m. Had this advice been received in time for the final 2024-27 plan, the core funded spending growth for 2025-26 forecast would have been £132.2m (as opposed to the £147.3 in the published plan) and contributions to reserves would have been £33.1m (as opposed to £18.5m in the published plan). To compare like with like, the movement between the original published plan for 2025-26 and this latest draft needs to be based on these revised calculations taking account of the latest guidance e.g. core funded spending growth has reduced from £132.2m to £117.2m.</p> <p>Priority over medium term needs to be given to restoring reserves closer to average for similar authorities as % of net revenue and to better reflect enhanced risks.</p> |
| 1.6 | £19.8m policy savings | <p>The 2024-25 budget was balanced by three one-offs (£9.1m from reserves, £7.7m from capital receipts and £2.0m from New Homes Bonus grant) which was acknowledged at the time must be replaced by sustainable and ongoing savings/income in subsequent years.</p> <p>The administration's draft budget includes £5.7m of additional policy proposals as part of this replacement impacting in 2025-26. These proposals are set out in detail in the papers for the Children's Young People & Education Cabinet Committee, Growth, Economic Development & Communities Cabinet Committee, and Policy & Resources Cabinet Committee. Some of the policy options which were originally flagged for 2025-26 are now recommended not to be pursued until 2026-27 for contractual and legal reasons.</p> <p>The savings proposed for 2025-26 relate to removing subsidies from partner organisations where there is no statutory requirement or to secure full cost recovery through charges on discretionary services.</p> |

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| | | <p>This leaves a balance of £14.1m which is still to be agreed. At this stage this has been shown in the draft plan as a temporary loan from reserves in 2025-26 which must be replaced with sustainable and ongoing savings/income in 2026-27 to replace the use of reserves. The loan must be repaid, which will require further savings or alternative solutions, which at this stage is shown as an unresolved balance in the plan for 2026-27. Potential further savings are still being assessed and we will still be exploring all avenues to reduce the amount needed to be loaned from reserves in 2025-26.</p> |
| 1.7 | Adult Social Care | <p>The Adult Social care budget in recent years has included significant transformation, efficiency and policy savings, as well as income generation from client charges and health. The 2023-24 ASC directorate budget included £22.3m of new savings and income, and the 2024-25 ASC directorate budget included a further £53.2m of savings and income.</p> <p>Delivery of savings plans of this magnitude has proved to be challenging and some savings need to be rephased into subsequent years, whilst others have been deemed irrecoverable. This has contributed to an in-year overspend and, in the case of irrecoverable savings, require the base budget to be increased in subsequent years. Rollovers increase the in-year savings that need to be achieved in subsequent years.</p> <p>Savings of this magnitude are necessary to balance the significant year on increases in costs for and demands on adult social care services. These costs largely arise from annual increases in the fees paid to providers for care services for all clients, increased costs for the fees for new clients compared to average fees for existing clients (partly due to complexity and partly due to availability of placements), increasing numbers of clients or increases in hours per week to meet client needs.</p> <p>These costs have been increasing significantly in excess of the specific funding available through social care grants in the local government finance settlement and the adult social care council tax precept, as well as a pro rata share of general grants in the settlement and general council tax precept. In recent years the pace of growth and under delivery of savings has meant adult social care has accounted for an increasing share of the council's overall budget.</p> <p>The challenge is whether, over the medium term, spending on adult social care can be contained within the available specific, and share of general, funding available. Targets have been set for each year of the MTFP based on this principle. This is shown as a savings target in the 2025-26 budget plan. The targets for subsequent years are reflected as an adult social care "challenge" (reflecting the unpredictability of forecasts into later years of the</p> |

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| | | <p>plan).</p> <p>The 2025-26 ASCH draft budget shows a net total of savings and income proposals of £24.0m. This comprises of £38.7m new savings and income proposals, netted off by realignments to reflect delays or reductions to previous years' savings. A further £12.9m of savings from 2024-25 are forecast to be rolled forward for delivery in 2025-26. This forecast roll forward together with the £38.7m of new savings and income for 2025-26 described above would mean that the adult social care directorate would need to find over £50m of savings and income in a single year.</p> <p>At this stage the forecast irrecoverable savings from 2024-25 of £8.65m are shown as the adult social care challenge for 2025-26, whilst further options to recover the original savings plans and / or identify other alternatives are explored.</p> |
|--|--|---|

Strategic Context

The setting of the budget is a decision reserved for Full Council. The Council's Budget and Policy Framework requires that a draft budget is issued for consultation with the Cabinet and Scrutiny Committees to allow for their comments to be considered before the final budget proposals are made to Full Council.

The overall strategy for the budget is to ensure that the Council continues to plan for revenue and capital budgets which are affordable, reflect the Council's strategic priorities, allow the Council to fulfil its statutory responsibilities and continue to maintain and improve the Council's financial resilience. This is consistent with the objectives set out in Securing Kent's Future – Budget Recovery Strategy. However, these aims are not always an easy combination and involves some difficult decisions about service levels and provision both for the forthcoming year and over the medium term. In reaching this balance it is essential that the Council has regard to bearing down on future spending growth (price uplifts, other non-inflation related cost increases, and demand increases), delivering efficiency & transformation savings, generating income to offset cost of services, and agreeing changes in policies to reduce current recurring spending and/or avoid future spending while making the necessary investments to support service improvement. In this context it is worth clarifying that savings relate to reducing current recurring spend whereas bearing down on future growth is cost avoidance, both amount to the same end outcome of reducing future spending from what it would otherwise have needed to be without action and intervention. The draft budget should be assessed against these aims recognising that the draft is based on assumptions which could subsequently change.

The Council is under a legal duty to set a balanced and sustainable budget within the resources available from local taxation and central government grants and to maintain adequate reserves. An MTFP covering the entirety of the resources available to the Council is the best way that resource prioritisation and allocation decisions can be considered and agreed in a way that provides a stable and considered approach to service delivery and takes into account relevant risks and uncertainty. At this stage the later years of MTFP is set out as a high-level plan showing the forecast strategic trajectory for changes in funding, spending, savings and income, and reserves with a focus for scrutiny on the detail for 2025-26 together with any full year impacts in subsequent years.

This first draft budget has been prepared in advance of the government's Autumn Budget and Spending Review 2024 (announced 30th October 2024) and in the absence of provisional local government finance settlement or detailed spending plans inherited from the previous government. This draft budget is based on an assumed grant settlement and council tax referendum limits. This means that funding forecasts for the forthcoming year are speculative, consequently planning has to be sufficiently flexible to respond accordingly. Even so, it is likely that 2025-26 and medium term to 2027-28 are likely to continue to be exceptionally challenging and will require real terms reductions if forecast spending continues to grow at a faster rate than available resources. The lack of a settlement does not prevent scrutiny of spending and savings plans at this stage and it likely that any changes in the settlement following the Autumn Budget 2024 will impact on one-off measures and reserves in the final draft budget rather than materially changing spending and savings plans.

As the Council develops its detailed proposals it must continue to keep under review those key financial assumptions which underpin the Council's MTFP particularly in the context of

wider public spending and geo-economic factors. Over the previous decade the Council had to become ever more dependent on locally raised sources of income through Council Tax and retained business rates, and it is only in recent years that additional central government funding has been made available to local authorities, primarily to address spending pressures in social care (albeit at a time when the national public sector deficit has been increasing). However, there is no certainty that this additional central government funding will be baselined for future years until the local government finance settlement is announced and multi-year settlements are reintroduced.

The administration's draft budget for 2025-26 (core funded) includes £117.2m (8.2% of 2024-25 approved budget) of forecast spending growth, funding is assumed to increase by £67.5m (4.7%). The £49.8m difference needs to be closed from savings, income and changes in reserves. At this stage the difference is not fully closed largely due to outstanding issues in adult social care which are still being resolved. Spending growth and savings/income are net and include new amounts for 2025-26 as well as some partially offsetting reversals of one-offs and realignment of current/previous plans. The vast majority of the spending growth (gross) is on adult social care (£67.3m, 10.8% increase), children's social care (£16.2m, 7.2% increase) and home to school transport (£16.9m, 17.7% increase). Spending pressures on these services are common across all upper tier councils. These services currently account for 71.0% of the 2024-25 budget (excluding non-attributable costs), the net increase in the 2025-26 draft budget for these services after savings and income (including assumed share of centrally held amounts, excluding unresolved issues) accounts for 83.3% of the overall net increase, as these three services continue to account for an ever increasing share of the Council's budget.

In the Council's submission to HM Treasury in advance of the Autumn 2024 budget we highlighted that this trend of spending growth exceeding the available funding from local taxation and central government cannot continue. We urged that either funding needs to increase to better reflect spending demands or the statutory requirements on councils need to be reduced as otherwise councils' role would be reduced to solely providing care services with no scope to provide community services which help make local places vibrant for residents and businesses. Council tax increases on their own cannot be expected to solve the shortfalls in funding.

In accordance with Financial Regulations, a medium-term capital programme and financing plan is prepared on an annual basis. Where capital estimates are included, funding must be secured and approved prior to any expenditure being incurred.

Setting the annual budget is one of the most significant decisions the County Council takes each year. It sets the County Council's share of council tax and the overall resource framework in which the Council operates. The administration's budget is the financial expression of the Council's strategic priorities. The budget gives delegated authority to manage the budget to Corporate Directors and Directors within the parameters set out in the Council's Constitution and Financial Regulations. Corporate Directors and Directors are accountable for spending decisions within delegated powers reporting to the Chief Executive, and these are monitored through the Council's budget monitoring arrangements regularly reported to Cabinet. The draft budget is developed, scrutinised and ultimately approved in compliance with the following six key considerations:

A) Strategic Priorities – Strategic Statement

In 2022, KCC published [Framing Kent's Future](#) (FKF) the council's high-level strategic statement. It sets out the challenges and opportunities Kent is faced with and the actions the Council will prioritise to address them over the next four years, focussing on four key priorities. Since this strategy was approved there has been a significant shift in the financial and operating landscape.

KCC's Budget Recovery Strategy, [Securing Kent's Future](#), was agreed at a Cabinet meeting on 5th October 2023. This updated the Council's ambitions in light of the changed landscape and given the significance of adults and children's social care within the Council's budget, and that spending growth pressures on the Council's budget overwhelming (but not exclusively) come from social care, that the priority of delivering New Models of Care and Support within FKF must take precedence over the other priorities.

The 2024-25 budget was based on the revised strategic ambitions set out in Securing Kent's Future (SKF) approved by Cabinet in October 2023 which recognised the necessity of the ambition to deliver New Models of Care and Support which must take precedence over the other priorities. This creates an expectation that council services across all directorates must collectively prioritise delivering the new models of care and support objective as a collective enterprise. All of the net growth in the 2024-25 budget went into adult social care, children's care and home to school transport consistent with the revised prioritisation of the Council's strategic objectives.

This does not mean that the other objectives of Levelling Up Kent, Infrastructure for Communities, and Environmental Step Change are not still important and all work on these must stop. However, the scope of these other three objectives will have to be scaled back in terms of additional investment and funding, and management time and capacity that can reasonably be given to them. It also does not mean that we can ignore unavoidable spending in other areas of council activity but policy ambitions in these areas may have to be limited.

The administration's draft budget for 2025-26 continues to prioritise the objectives set out in SKF. All of the adult social care council tax precept is passed into social care spending (along with an appropriate share of the general precept and other general sources of funding). Other spending increases focus on unavoidable costs and all local choices are clearly linked to the Council's strategic objectives. All areas of discretionary spending have been explored for savings again linked to the Council's strategic objectives.

B) Best Value

The Council has statutory Best Value duty to secure continuous improvement having regard to economy, efficiency and effectiveness. The latest guidance explicitly states that this covers delivering a balanced budget, providing statutory services, including adult social care and children's services, and securing value for money in all spending decisions. Those councils that cannot balance competing statutory duties, set a balanced budget, deliver statutory services, and secure value for money are not meeting their legal obligations under the Local Government Act 1999. The statutory Best Value duty must frame all financial, service and policy decisions and the council must pro-actively evidence the best value considerations, including budget preparation and approval.

C) Requirement to set a balanced budget

The Local Government Finance Act 1992 requires the Council to consult on and ultimately set a legal budget and Council Tax precept for the forthcoming financial year, 2025-26. This requirement applies to the final draft budget presented for County Council approval. It does not apply to interim drafts. Whilst there is no legal requirement to set a balanced MTFP, this is considered good practice with an expectation that the financial strategy is based on a balanced plan in the medium term (albeit based in planning assumptions)

Setting the Council's revenue and capital budgets for the forthcoming year will be incredibly challenging due to the fiscal environment with the government's stated objective to adhere to limit the annual budget deficit (borrowing) and for overall debt both to be falling as percentage of GDP. These fiscal targets are likely to restrict the scope for increased central government funding for local government. The current year's budget was balanced through a significant level of planned savings, income and one-off use of reserves/capital receipts. Delivery of these savings is crucial to delivering a balanced outturn without further draw down from reserves. A similar scenario is predicted for 2025-26 and subsequent years with forecast spending growth exceeding the likely funding requiring further significant annual recurring savings and income to balance the budget. The scope for savings of the required magnitude is increasingly limited unless the statutory obligations are changed...

What is meant by 'balanced' is not defined in law and relies on the professional judgement of the Chief Financial Officer to ensure that the budget is robust and sustainable. A prudent definition of a balanced budget would be a financial plan based on sound assumptions which shows how planned spending and income equals the available funding for the forthcoming year. Plans can take into account deliverable cost savings and/or local income growth strategies as well as useable reserves.

The previous government had confirmed that the Statutory Override for the Dedicated Schools Grant deficits was extended for a further 3 years from 2023-24 to 2025-26. It is unclear at this stage whether the new government will provide a further extension. Under the Safety Valve agreement the Council has made budget provision for its contribution for 2024-25 and subsequent years in the MTFP for the duration of the agreement which together with planned actions to reduce the annual deficit and DfE contributions would see the accumulated DSG deficit cleared by 2027-28.

While there is no legal definition of a balanced budget, legislation does provide a description to illustrate when a budget is considered not to balance:

- where the increased uncertainty leads to budget overspends of a level which reduce reserves to unacceptably low levels, or
- where an authority demonstrates the characteristics of an insolvent organisation, such as an inability to pay creditors.

To avoid the risk of an unbalanced budget the Council has to be financially resilient. Good financial management is fundamental in establishing confidence in the budget and ensuring that savings plans are achievable, and the finances can withstand unexpected shocks.

The draft budget continues to include an assessment of financial risks. The 2025-26 budget also includes a new assessment of the financial resilience of the Council based on

latest CIPFA guidance on building financial resilience. Both of these measures show that the Council has some way to go to improve its financial resilience.

D) Equalities Considerations

The Equality Act 2010 requires the Council, in the exercise of its functions to have due regard to eliminate unlawful discrimination, harassment and victimisation, advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not.

To help meet its duty under the Equality Act the council undertakes equality impact assessments to analyse a proposed change to assess whether it has a disproportionate impact on persons who share a protected characteristic. As part of our budget setting process an equality impact assessment screening will be completed for each savings proposal to determine which proposals will require a full equality impact analysis (with mitigating actions set out against any equality risks) prior to a decision to implement being made.

The amounts for some savings can only be confirmed following consultation and completion of an equalities impact assessment. Consequently, amounts are only planned at the time the budget is approved and can change. Any changes will be reported through the in-year budget monitoring reports which will include separate and specific consideration of delivery of savings plans.

E) Treasury Management Strategy

The Treasury Management Strategy Statement will be included as an appendix to the report for approval by full Council in accordance with the CIPFA Treasury Management Code of Practice. The Statement sets out the proposed strategy with regard to borrowing, the investment of cash balances and the associated monitoring arrangements.

The prudential indicators set out in the Treasury Management Strategy and Capital Strategy will be based on the first three years of the 10 year Capital Programme.

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Summary of Budget Consultation

The Council's 2025-26 budget public consultation ran from 13th June to 7th August 2024. It was hosted on the Council's Let's talk Kent website and can still be viewed via this link <https://letstalk.kent.gov.uk/budget-consultation-2025-26>.

In total, 2,389 people responded to the questionnaire, which is 8.8% lower than the response rate to last year's budget consultation. Responses were received from Kent residents, KCC staff, and a range of local businesses and organisations. 30% of respondents found out about the consultation via Facebook, and 25% via an email from Let's talk Kent or the Council's engagement and consultation team.

A supporting document was provided, which set out the background to the consultation including: key facts about Kent; KCC's strategic priorities; the financial challenges the council has had to address in recent years including areas of significant spending growth in particular in providing services for the most vulnerable residents; an overview of how the Council plans to spend the 2024-25 budget and how we are funded; and the 2025-26 financial challenge. The document included information on the council tax referendum principles, the assumed increases for 2025-26, and the impact on council tax bills. The document sets out the financial outlook for the forthcoming year and that difficult decisions will be needed to balance significant forecast spending increases with the forecast resources from council tax and central government settlement.

The consultation sought views on council tax proposals for both general council tax and the adult social care levy, and asked respondents to indicate their level of support for increases in line with, above (for general council tax only), or below the referendum level, or whether they are opposed to an increase. The consultation sought views on how services should be prioritised and savings should be made, by asking for levels of comfortableness with making spending reductions across the Council's different service areas, as well as which of these service areas to prioritise if there was only £1 of investment left to make. The consultation also sought views on some specific approaches to saving the Council money or generating more income and asked for any other suggestions on ways to make savings or increase income.

A detailed report setting out the responses received from the public consultation is included as a background document to this report along with feedback from engagement with VCSE sector. An exercise with KCC management cohort is reported separately from the public consultation.

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Summary of Administration's Draft Budget Proposals

The administration's initial draft budget proposals are subject to Cabinet Committee scrutiny process in November. The estimates in the draft budget at this stage are early forecasts which can, and in all likelihood will, change in the final draft budget. This includes the estimates for local government finance settlement and local taxation the details of which had not been announced in time for the initial publication.

Following the scrutiny process the administration's final draft budget for approval will be considered by Cabinet on 30th January 2025 and by full County Council on 13th February 2025. As required by the Council's Constitution and Financial Regulations, the final draft budget for County Council approval will be proposed by the Leader and published in a format recommended by the Corporate Director, Finance and agreed by the Leader.

The draft proposed ten-year capital spending plans for 2025-35 are being updated to reflect the recent monitoring position and are currently work in progress. The updated plans will also include the changes as detailed below, with the comprehensive refresh scheduled to be published in January:

- Roll overs from the 2023-24 outturn position,
- Addition of two fully funded bids: Ebbsfleet Development Corporation Landscaping and Manston to Haine Link Road,
- Addition of the invest to save proposal - Project Athena,
- To include pressures identified on Essella Road Rail Bridge and Tunnels

The presentation of the administration's draft revenue budget focuses on the key policy and strategic implications of the proposals, with much greater emphasis on the choices within each portfolio presented to the relevant Cabinet Committee for scrutiny. These choices are set out in the body of the report for each cabinet committee. In response to comments expressed by members the additional spending/savings/income have been put into context of the current budget. The full details of individual proposals can be examined through the member dashboard which is published alongside the reports. The dashboard provides a much more flexible tool to scrutinise proposals and includes a number of enhancements from last year (again including contextual budgets where there are choices) although until this process becomes fully embedded there will still be some variations in quality of information within the individual entries some fields.

The same high level overall council three-year plan is presented as an appendix for each committee. A separate appendix shows the individual elements for 2025-26 for the relevant directorate and Cabinet portfolios using the same spending and saving categories as the high level plan. The definitions for these categories are set out later in this appendix. The high level three-year plan shows KCC core funded and externally funded spending saving/income separately and individual directorate/portfolio appendix for 2025-26 shows just core funded.

It is not feasible or appropriate to produce a key service presentation in the initial draft budget for scrutiny as the scrutiny process needs to focus on the proposed changes from the approved budgets for 2024-25 before more detailed delivery plans are completed and these plans will inform the key service budgets for 2025-26.

Additional proposed spending growth includes the impact of decisions and activities already being delivered in the current year not included in the current base budget and

known future contractual obligations. It also includes forecasts for future cost or activity changes for the forthcoming year, or changes in Council policy. These are set out in fuller detail in dashboards including an explanation of the reasons for the change, key impacts and risks, dependencies and sensitivities.

The savings and income options in the tables in the reports and dashboards follow a similar pattern with amounts for the full year effect of 2024-25 plans; new savings and income for 2025-26 from the original 2024-27 MTFP (albeit updated); savings/income from the application of existing policies; new savings/income that do not require any changes in policy; and those that require policy changes presented as policy savings, efficiency/transformation savings, income or financing savings. Given the scale of the savings, enhanced detailed delivery plans will be required and monitored.

The table below sets out the high-level equation for changes in forecast spending for 2025-26 (growth, savings, income and net contributions to reserves) compared to forecast changes in funding. This shows the net balance still to be resolved of £11.4m, which includes the £8.65m ASC challenge from irrecoverable savings and small £2.8m remaining balance which is considered acceptable within tolerances at this stage.

Table – Net Change in Spending and Funding

| Change in Net Spending | Core Funded | External Funded | Change in Net Funding | Core Funded |
|---|----------------|-----------------|--|----------------|
| Change in forecast spending | +£117.2m | +12.6m | Estimated change in Social Care grants | -£5.3m |
| Proposed savings from spending reductions and future cost avoidance | -£34.5m | -£0.1m | Estimated change in other government grants | +£4.7m |
| Proposed changes in income | -£7.1m | - | Estimated change in council tax base | +£16.0m |
| Assumed changes in specific government grants | - | +£7.4m | Assumed increase in general council tax charge | +£28.5m |
| Base transfer between core and external | -£0.8m | +£0.8m | Assumed increase in ASC council tax charge | +£19.0m |
| Proposed net change in reserves | +£4.1m | -£20.8m | Estimated change in retained business rates | +£2.7m |
| | | | Estimated change in CT & BR collection fund balances | +£1.8m |
| Sub Total - Total Change in Net Spending | +£78.9m | £0m | Sub Total – Total Change in Net Funding | +£67.5m |
| Balance to be resolved including ASC challenge | -£11.4m | - | | |
| Total Change in Net Spending | +£67.5m | £0m | Total Change in Net Funding | +£67.5m |

Pressures arising from Special Education Needs & Disabilities (SEND) impact upon both the Dedicated Schools Grant (DSG) and the General Fund. Pressures on DSG are addressed primarily by the Safety Valve mechanism, whereby Department for Education (up to £140m) and local authority (up to £82.3m) both provide a substantial contribution to resolve the accumulated deficit in return for improvements to the SEND system to bring annual recurring spending back to within the level of DSG high needs grant. Pressures on the General Fund are reflected primarily on the number of requests to assess, produce

and then annually review Education & Health Care Plans (EHCP) and the associated increased SEND home to school transport costs. There is already substantial work being undertaken to manage down this financial pressure and additional work will focus on identifying and reviewing changes to existing policy and practice so that we are meeting statutory minimum requirements, but ceasing discretionary services where they are not cost effective and only issuing EHCPs where they are necessary, and needs cannot be met by other means.

The additional assumed core funded spending growth (i.e. excluding the changes arising from external funding) of £117.2m for 2025-26 is set out in detail in the member dashboard and where there are local choices or a mixture of choice and unavoidable detailed in the tables in individual reports. It has been subdivided into the following categories:

| | |
|--|---|
| Net base budget changes £11.2m | Changes to reflect full year effect of cost and activity spending variations in the current year's monitoring forecast compared to approved budget. These adjustments are necessary to ensure the draft budget is based on a robust and sustainable basis. The net base changes include both increases and reductions. The net base changes do not include variations on savings delivery as these are included as positive amounts within the savings section. |
| Demand and Cost drivers £71.2m | Forecast estimates for future non-inflationary cost and demand increases such as increased population & eligible clients, additional care hours, increased costs for new placements (complexity and availability of placements), increased journey lengths and vehicle occupancy, etc. across a range of services most significantly in adult social care, integrated children's services, home to school transport and waste tonnage. |
| Price uplifts £34.0m | Obligatory and negotiated price increases on contracted services, including full year effect of planned mid-year uplifts in current year, forecast future price uplifts. Also includes provision for price uplifts on contracts due for retender. |
| Pay £12.1m | Additional net cost of assumed Kent Scheme pay award that is subject to local bargaining with the recognised trade unions, transition to new Kent pay structure and increase to lower pay scales in line with Foundation Living Wage after savings from appointing new staff lower in pay ranges. |
| Service Strategies & Improvements £4.2m | Other assumed spending increases to deliver strategic priorities and/or service improvements and outcomes including most significantly replacing grant funding that has temporarily supported maintaining bus services, investment leading to increased divided from trading companies, mobilisation costs for new contracts |
| Government & Legislative -£15.5m | Additional spending to meet compliance with legislative and regulatory changes and, most significantly, a change in accounting treatment for the local authority contribution to High Needs Safety Valve which needs to be treated as contribution to reserve rather than revenue spending pressure. |

The proposed savings, income and future cost increase avoidance of £41.6m for 2025-26 is set out in detail in the member dashboard and where there are local policy choices or transformation detailed in the tables in individual reports. It has been subdivided into the following categories:

| | |
|-----------------------------------|---|
| Policy Savings -£8.1m | Comprises of £16.0m of new savings including £5.7m policy choices towards the £19.8m requirement to replace one off savings and £10.3m from full year effect of previous policy choices or policy choices which were already identified for 2025-26 in the original 2024-27 plan. New savings are partially offset by £7.9m realignment to reflect of previous savings now deemed unachievable. |
| Transformation Savings -£36.9m | Savings aimed at achieving improved or the same outcomes at less cost comprising £43.6m of new, or continuing, proposals and £6.7m partially offset from removing unachieved savings from previous years (part of the £8.65m irrecoverable ASCH savings from 2024-25, with the remainder being shown as reversals in policy and efficiency savings). The new proposals include the 2025-26 target for ASCH to contain spending growth within the available share of specific and general funding available. New proposals also include £10.3m transformation from cost avoidance on home to school transport, and £2.1m staffing through the Securing Kent's Future (SKF) objectives. |
| Efficiency Savings +£1.4m | Comprises £2.8m of proposals which are more than offset by £4.2m realignment for unachieved savings from previous years. This includes rephasing of savings previously identified for 2025-26 in the original 2024-25 budget plan, full year effect of 2024-25 savings and new proposals for 2025-26. |
| Financing +£9.0m | Comprises £1.5m of savings from the review of amounts set aside for debt repayment (MRP) and reduced base budget. These are more than offset by £7.7m removal of one-off use of capital receipts to support the costs of transformation activity in 2024-25 and £2.8m reduction in investment returns |
| Income Generation -£7.1m | Comprises £10m increased income from fees and charges for council services from applying existing policies on fee uplifts (including contributions from other bodies), application of full cost recovery policy and new income generation proposals. Partially offset by £2.9m reversal of one-off additional divided income in 2024-25 and removal of project grant income. |

APPENDIX E - High Level 2025-28 Revenue Plan and Financing

| 2024-25 | | | | | | 2025-26 | | | INDICATIVE FOR PLANNING PURPOSES | | | | | |
|---------------|-------------------|----------------|---|-------------------|-----------------|------------------|-------------------|------------------|----------------------------------|-------------------|------------------|------------------|--|--|
| | | | | | | | | | 2026-27 | | | 2027-28 | | |
| Core £000s | External £000s | Total £000s | Core £000s | External £000s | Total £000s | Core £000s | External £000s | Total £000s | Core £000s | External £000s | Total £000s | | | |
| | | | | | | | | | | | | | | |
| | | | Original base budget | 1,429,506.8 | 0.0 | 1,429,506.8 | 1,496,958.2 | 0.0 | 1,496,958.2 | 1,566,679.1 | 0.0 | 1,566,679.1 | | |
| | | | internal base adjustments | -836.6 | 836.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | | |
| 1,315,610.6 | | 1,315,610.6 | Revised Base | 1,428,670.2 | 836.6 | 1,429,506.8 | 1,496,958.2 | 0.0 | 1,496,958.2 | 1,566,679.1 | 0.0 | 1,566,679.1 | | |
| | | | SPENDING | | | | | | | | | | | |
| 31,721.5 | | 31,721.5 | Base Budget Changes | 11,242.8 | -744.1 | 10,498.7 | -100.0 | 0.0 | -100.0 | 0.0 | 0.0 | 0.0 | | |
| 35.0 | | 35.0 | Reduction in Grant Funding | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | | |
| 10,798.4 | 505.1 | 11,303.5 | Pay | 12,112.5 | 626.9 | 12,739.4 | 12,340.2 | 0.0 | 12,340.2 | 11,901.7 | 0.0 | 11,901.7 | | |
| 49,568.4 | 1,695.6 | 51,264.0 | Prices | 33,987.2 | 1,944.4 | 35,931.6 | 28,618.5 | 0.0 | 28,618.5 | 21,216.2 | 0.0 | 21,216.2 | | |
| 85,349.7 | 284.7 | 85,634.4 | Demand & Cost Drivers - Cost | 48,209.4 | 0.0 | 48,209.4 | 46,631.1 | 0.0 | 46,631.1 | 46,631.1 | 0.0 | 46,631.1 | | |
| | | 0.0 | Demand & Cost Drivers - Demand | 22,983.5 | 24,150.3 | 47,133.8 | 23,014.5 | -15,600.0 | 7,414.5 | 22,968.7 | -14,200.0 | 8,768.7 | | |
| 16,393.1 | -10,327.3 | 6,065.8 | Government & Legislative | -15,548.0 | -13,687.9 | -29,235.9 | 192.0 | 0.0 | 192.0 | 3,212.0 | -1,898.1 | 1,313.9 | | |
| 15,712.2 | -1,538.8 | 14,173.4 | Service Strategies & Improvements | 4,217.4 | 269.2 | 4,486.6 | 7,187.4 | -836.5 | 6,350.9 | 173.9 | -4,142.2 | -3,968.3 | | |
| 209,578.3 | -9,380.7 | 200,197.6 | TOTAL SPENDING | 117,204.8 | 12,558.8 | 129,763.6 | 117,883.7 | -16,436.5 | 101,447.2 | 106,103.6 | -20,240.3 | 85,863.3 | | |
| | | | MEMORANDUM: | | | | | | | | | | | |
| | | | Unavoidable | 20,004.6 | 887.6 | 20,892.2 | | | | | | | | |
| | | | Local Choice | 2,612.9 | 423.8 | 3,036.7 | | | | | | | | |
| | | | Mixture of both | 95,311.1 | 26,273.4 | 121,584.5 | | | | | | | | |
| | | | Removal of temporary changes | -723.8 | -15,026.0 | -15,749.8 | | | | | | | | |
| | | | | 117,204.8 | 12,558.8 | 129,763.6 | | | | | | | | |
| | | | SAVINGS, INCOME & GRANT | | | | | | | | | | | |
| -36,454.8 | | -36,454.8 | Transformation - Future Cost Increase Avoidance | -32,375.9 | 0.0 | -32,375.9 | -10,788.7 | 0.0 | -10,788.7 | -10,300.0 | 0.0 | -10,300.0 | | |
| 2,068.7 | | 2,068.7 | Transformation - Service Transformation | -4,500.0 | 0.0 | -4,500.0 | -1,900.0 | 0.0 | -1,900.0 | -400.0 | 0.0 | -400.0 | | |
| -16,195.0 | | -16,195.0 | Efficiency | 1,412.0 | -65.0 | 1,347.0 | -3,963.5 | 0.0 | -3,963.5 | -151.0 | 0.0 | -151.0 | | |
| -15,406.6 | -281.3 | -15,687.9 | Income | -7,097.1 | 0.0 | -7,097.1 | -5,870.6 | 0.0 | -5,870.6 | -6,052.8 | 0.0 | -6,052.8 | | |
| -10,967.6 | | -10,967.6 | Financing | 9,022.0 | 0.0 | 9,022.0 | -767.7 | 0.0 | -767.7 | -2,166.3 | 0.0 | -2,166.3 | | |
| -11,910.2 | -9.2 | -11,919.4 | Policy | -8,094.1 | 0.0 | -8,094.1 | -17,078.1 | 0.0 | -17,078.1 | -9,586.0 | 0.0 | -9,586.0 | | |
| -88,865.5 | -290.5 | -89,156.0 | TOTAL SAVINGS & INCOME | -41,633.1 | -65.0 | -41,698.1 | -40,368.6 | 0.0 | -40,368.6 | -28,656.1 | 0.0 | -28,656.1 | | |
| | 7,210.7 | 7,210.7 | Increases in Grants and Contributions | 0.0 | 7,435.8 | 7,435.8 | 0.0 | 0.0 | 0.0 | 0.0 | -8,729.7 | -8,729.7 | | |
| -88,865.5 | 6,920.2 | -81,945.3 | TOTAL SAVINGS, INCOME & GRANT | -41,633.1 | 7,370.8 | -34,262.3 | -40,368.6 | 0.0 | -40,368.6 | -28,656.1 | -8,729.7 | -37,385.8 | | |

| 2024-25 | | | | 2025-26 | | | INDICATIVE FOR PLANNING PURPOSES | | | | | |
|--|-------------------|--------------------|--|--------------------|-------------------|--------------------|----------------------------------|-----------------|--------------------|--------------------|-----------------|--------------------|
| Core £000s | External £000s | Total £000s | | Core £000s | External £000s | Total £000s | 2026-27 | | | 2027-28 | | |
| | | | | | | Core £000s | External £000s | Total £000s | Core £000s | External £000s | Total £000s | |
| RESERVES | | | | | | | | | | | | |
| 27,481.5 | | 27,481.5 | Contributions to Reserves | 30,040.9 | 14,200.0 | 44,240.9 | 38,695.2 | 14,200.0 | 52,895.2 | 33,900.0 | 34,300.0 | 68,200.0 |
| -24,739.6 | | -24,739.6 | Removal of prior year Contributions | -26,524.8 | -10,640.0 | -37,164.8 | -30,040.9 | -14,200.0 | -44,240.9 | -38,695.2 | -14,200.0 | -52,895.2 |
| -14,877.4 | -1,350.5 | -16,227.9 | Drawdowns from Reserves | -14,255.2 | -25,598.1 | -39,853.3 | 0.0 | -9,161.6 | -9,161.6 | 0.0 | -291.6 | -291.6 |
| 5,318.9 | 3,811.0 | 9,129.9 | Removal of prior year Drawdowns | 14,877.4 | 1,271.9 | 16,149.3 | 14,255.2 | 25,598.1 | 39,853.3 | 0.0 | 9,161.6 | 9,161.6 |
| -6,816.6 | 2,460.5 | -4,356.1 | TOTAL RESERVES | 4,138.3 | -20,766.2 | -16,627.9 | 22,909.5 | 16,436.5 | 39,346.0 | -4,795.2 | 28,970.0 | 24,174.8 |
| 113,896.2 | 0.0 | 113,896.2 | NET CHANGE | 79,710.0 | -836.6 | 78,873.4 | 100,424.6 | 0.0 | 100,424.6 | 72,652.3 | 0.0 | 72,652.3 |
| | | | UNRESOLVED BALANCE | -2,771.5 | 0.0 | -2,771.5 | -13,503.7 | 0.0 | -13,503.7 | 16,566.3 | 0.0 | 16,566.3 |
| | | | ADULT SOCIAL CARE FUNDING UNRESOLVED BALANCE | -8,650.5 | | -8,650.5 | -17,200.0 | | -17,200.0 | -15,300.0 | | -15,300.0 |
| 1,429,506.8 | 0.0 | 1,429,506.8 | NET BUDGET | 1,496,958.2 | 0.0 | 1,496,958.2 | 1,566,679.1 | 0.0 | 1,566,679.1 | 1,640,597.7 | 0.0 | 1,640,597.7 |
| MEMORANDUM: | | | | | | | | | | | | |
| The net impact on our reserves balances is: | | | | | | | | | | | | |
| 27,481.5 | 0.0 | 27,481.5 | Contributions to Reserves | 30,040.9 | 14,200.0 | 44,240.9 | 38,695.2 | 14,200.0 | 52,895.2 | 33,900.0 | 34,300.0 | 68,200.0 |
| -14,877.4 | -1,350.5 | -16,227.9 | Drawdowns from Reserves | -14,255.2 | -25,598.1 | -39,853.3 | 0.0 | -9,161.6 | -9,161.6 | 0.0 | -291.6 | -291.6 |
| 12,604.1 | -1,350.5 | 11,253.6 | Net movement in Reserves | 15,785.7 | -11,398.1 | 4,387.6 | 38,695.2 | 5,038.4 | 43,733.6 | 33,900.0 | 34,008.4 | 67,908.4 |

| 2024-25 | | | 2025-26 | | | INDICATIVE FOR PLANNING PURPOSES | | | | | |
|---|--------------------|----------------------|---------------|-------------------|--------------------|----------------------------------|-------------------|--------------------|---------------|-------------------|--------------------|
| Core £000s | External £000s | Total £000s | Core £000s | External £000s | Total £000s | Core £000s | External £000s | Total £000s | Core £000s | External £000s | Total £000s |
| Funding per the Local Government Finance Settlement & Local Taxation | | | | | | | | | | | |
| | 11,806.0 | | | | 12,195.6 | | | 12,390.8 | | | 12,564.2 |
| | 117,046.1 | | | | 117,046.1 | | | 117,046.1 | | | 117,046.1 |
| | 26,969.4 | | | | 21,703.9 | | | 21,703.9 | | | 21,703.9 |
| | 11,686.6 | | | | 11,686.6 | | | 11,686.6 | | | 11,686.6 |
| | 1,311.9 | | | | 1,311.9 | | | 1,311.9 | | | 1,311.9 |
| | 147,382.5 | | | | 152,092.1 | | | 154,308.4 | | | 156,468.7 |
| | 50,014.7 | | | | 50,014.7 | | | 50,014.7 | | | 50,014.7 |
| | 51,080.2 | | | | 52,712.5 | | | 53,480.6 | | | 54,229.4 |
| | 2,058.5 | | | | 0.0 | | | 0.0 | | | 0.0 |
| | 3,544.6 | | | | 3,544.6 | | | 3,544.6 | | | 3,544.6 |
| | 65,740.7 | | | | 68,463.6 | | | 69,392.1 | | | 70,297.0 |
| | 2,682.8 | | | | 0.0 | | | 0.0 | | | 0.0 |
| | 800,320.3 | | | | 842,537.0 | | | 885,560.8 | | | 931,219.7 |
| | 135,347.0 | | | | 156,649.6 | | | 179,238.6 | | | 203,510.9 |
| | 2,515.5 | | | | 7,000.0 | | | 7,000.0 | | | 7,000.0 |
| | 1,429,506.8 | Total Funding | | | 1,496,958.2 | | | 1,566,679.1 | | | 1,640,597.7 |

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APPENDIX F - CED, DCED, NAC & CHB (CORE ONLY)

PROPOSED 2025-26 BUDGET CHANGES BY CABINET MEMBER

| | CED | DCED | NAC | CHB | TOTAL | Policy & Resources | | |
|---|-----------------|-----------------|------------------|-----------------|------------------|--------------------|------------------|---------------|
| | | | | | | Roger Gough | Peter Oakford | Dylan Jeffrey |
| | Core £000s | Core £000s | Core £000s | Core £000s | Core £000s | Core £000s | Core £000s | Core £000s |
| Original base budget | 29,540.9 | 81,942.6 | 102,759.4 | -2,386.0 | 211,856.9 | | | |
| internal base adjustments | -518.8 | 241.9 | 0.0 | -5.6 | -282.5 | | | |
| Revised Base | 29,022.1 | 82,184.5 | 102,759.4 | -2,391.6 | 211,574.4 | | | |
| SPENDING | | | | | | | | |
| Base Budget Changes | 0.0 | -805.1 | 4,307.0 | -158.4 | 3,343.5 | 0.0 | 3,343.5 | 0.0 |
| Pay | -93.0 | -75.5 | 65.5 | 12,400.0 | 12,297.0 | -25.8 | 12,347.2 | -24.4 |
| Prices | 9.5 | 638.2 | 85.5 | 0.0 | 733.2 | 0.0 | 652.2 | 81.0 |
| Demand & Cost Drivers - Cost | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Demand & Cost Drivers - Demand | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Government & Legislative | 40.0 | 0.0 | -15,100.0 | 0.0 | -15,060.0 | 40.0 | -15,100.0 | 0.0 |
| Service Strategies & Improvements | 226.4 | 1,298.1 | -184.1 | -500.0 | 840.4 | 155.7 | 614.0 | 70.7 |
| TOTAL SPENDING | 182.9 | 1,055.7 | -10,826.1 | 11,741.6 | 2,154.1 | 169.9 | 1,856.9 | 127.3 |
| <i>MEMORANDUM:</i> | | | | | | | | |
| <i>Unavoidable</i> | <i>45.0</i> | <i>2,482.1</i> | <i>-14,626.5</i> | <i>0.0</i> | <i>-12,099.4</i> | <i>45.0</i> | <i>-12,225.4</i> | <i>81.0</i> |
| <i>Local Choice</i> | <i>190.9</i> | <i>0.0</i> | <i>0.0</i> | <i>0.0</i> | <i>190.9</i> | <i>110.7</i> | <i>9.5</i> | <i>70.7</i> |
| <i>Mixture of both</i> | <i>40.0</i> | <i>0.0</i> | <i>0.0</i> | <i>12,400.0</i> | <i>12,440.0</i> | <i>40.0</i> | <i>12,400.0</i> | <i>0.0</i> |
| <i>Removal of temporary changes</i> | <i>-93.0</i> | <i>-1,426.4</i> | <i>3,800.4</i> | <i>-658.4</i> | <i>1,622.6</i> | <i>-25.8</i> | <i>1,672.8</i> | <i>-24.4</i> |
| | 182.9 | 1,055.7 | -10,826.1 | 11,741.6 | 2,154.1 | 169.9 | 1,856.9 | 127.3 |
| SAVINGS, INCOME & GRANT | | | | | | | | |
| Transformation - Future Cost Increase Avoidance | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transformation - Service Transformation | 0.0 | 0.0 | 0.0 | -2,050.0 | -2,050.0 | 0.0 | -2,050.0 | 0.0 |
| Efficiency | -105.5 | -309.4 | 0.0 | 0.0 | -414.9 | 0.0 | -414.9 | 0.0 |
| Income | -230.9 | 0.0 | 1,501.9 | 0.0 | 1,271.0 | 0.0 | 1,271.0 | 0.0 |
| Financing | 0.0 | 0.0 | 9,022.0 | 0.0 | 9,022.0 | 0.0 | 9,022.0 | 0.0 |
| Policy | -3,458.7 | -779.6 | 0.0 | 2,300.0 | -1,938.3 | -262.0 | -1,676.3 | 0.0 |
| TOTAL SAVINGS & INCOME | -3,795.1 | -1,089.0 | 10,523.9 | 250.0 | 5,889.8 | -262.0 | 6,151.8 | 0.0 |
| Increases in Grants and Contributions | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL SAVINGS, INCOME & GRANT | -3,795.1 | -1,089.0 | 10,523.9 | 250.0 | 5,889.8 | -262.0 | 6,151.8 | 0.0 |
| RESERVES | | | | | | | | |
| Contributions to Reserves | 0.0 | 90.9 | 29,950.0 | 0.0 | 30,040.9 | 0.0 | 30,040.9 | 0.0 |
| Removal of prior year Contributions | 0.0 | -160.0 | -26,364.8 | 0.0 | -26,524.8 | 0.0 | -26,524.8 | 0.0 |
| Drawdowns from Reserves | 0.0 | 0.0 | -14,095.2 | 0.0 | -14,095.2 | 0.0 | -14,095.2 | 0.0 |
| Removal of prior year Drawdowns | 262.0 | 0.0 | 13,573.2 | 0.0 | 13,835.2 | 262.0 | 13,573.2 | 0.0 |
| TOTAL RESERVES | 262.0 | -69.1 | 3,063.2 | 0.0 | 3,256.1 | 262.0 | 2,994.1 | 0.0 |
| NET CHANGE | -3,350.2 | -102.4 | 2,761.0 | 11,991.6 | 11,300.0 | 169.9 | 11,002.8 | 127.3 |
| UNRESOLVED BALANCE | | | | -2,771.5 | | | | |
| PROPOSED NET BUDGET | 25,671.9 | 82,082.1 | 105,520.4 | 6,828.5 | 222,874.4 | | | |

KEY:

CED - Chief Executive's Department

DCED - Deputy Chief Executive's Department

NAC - Non Attributable Costs

CHB - Corporately Held Budgets

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APPENDIX G - SPENDING & SAVINGS PROPOSALS REQUIRING A DECISION - CED, DCED, NAC & CHB (CORE ONLY)

| Directorate Reference | Direct orate | Cabinet Member | Headline description | Brief description | 2025-26 | 2026-27 | 2027-28 | MTFP Category | Base budget for context (£k) * | | | what is budget figure based on |
|---|--------------|----------------|---|---|---------------|-------------|------------|---|--------------------------------|--------|-----------|---|
| | | | | | £k | £k | £k | | Gross | Income | Net | |
| 2025-26 LOCAL CHOICE SPENDING PROPOSALS | | | | | | | | | | | | |
| Internal Audit Resourcing | CED | Roger Gough | Internal Audit Resourcing | The core business of the Internal Audit service is the delivery of assurance and consultancy services to Kent County Council. This assessment of future needs is broadly based on resources required for the current KCC and external client base. Any additional opportunities would need to be assessed on the basis that they would need to be addressed by cost effective recruitment of resources. | 110.7 | 0.0 | 0.0 | Service Strategies & Improvements | 1,507.9 | -207.8 | 1,300.1 | Internal Audit cost centres (50100 & 50101) |
| TOTAL ROGER GOUGH | | | | | 110.7 | 0.0 | 0.0 | | | | | |
| Grant Uplift - Retriever Contract, Staff Resource | CED | Peter Oakford | Local Democracy - Grants to District Councils | Annual uplift in grant covering contribution for Retriever (debt tracing) contract (CPI linked) and staff resources grant (pay linked) related to Council Tax collection to help increase levels of council tax raised via improving tax base/collection rates. | 9.5 | 10.6 | 7.5 | Prices | 479.4 | -81.7 | 397.7 | Compensation for 2nd homes discount / Counter Fraud Initiatives cost centre (59004) |
| TOTAL PETER OAKFORD | | | | | 9.5 | 10.6 | 7.5 | | | | | |
| TOTAL LOCAL CHOICE SPENDING PROPOSALS - CED, DCED, NAC & CHB DIRECTORATES | | | | | 120.2 | 10.6 | 7.5 | | | | | |
| 2025-26 MIXTURE OF LOCAL CHOICE & UNAVOIDABLE SPENDING PROPOSALS | | | | | | | | | | | | |
| Compliance with Procurement Act | CED | Roger Gough | Procurement - Compliance & Reporting | Additional transparency and performance requirements in line with the implementation of the Procurement Act 2023 | 40.0 | 0.0 | 0.0 | Government & Legislative | 3,382.0 | -328.5 | 3,053.5 | Contracting & Procurement Core Service |
| TOTAL ROGER GOUGH | | | | | 40.0 | 0.0 | 0.0 | | | | | |
| TOTAL MIXTURE OF LOCAL CHOICE & UNAVOIDABLE SPENDING PROPOSALS - CED, DCED, NAC & CHB DIRECTORATES | | | | | 40.0 | 0.0 | 0.0 | | | | | |
| 2025-26 POLICY & TRANSFORMATION SAVINGS PROPOSALS | | | | | | | | | | | | |
| KSAS Alternative funding source - CED | CED | Roger Gough | Commercial and Procurement | Explore alternative sources of funding for the administration of the Kent Support & Assistance Service | -262.0 | 0.0 | 0.0 | Policy | 262.0 | | 262.0 | KSAS staffing cost centre (46006) |
| TOTAL ROGER GOUGH | | | | | -262.0 | 0.0 | 0.0 | | | | | |
| Agency Staff reduction | CHB | Peter Oakford | Reduced spend on agency staff | Reduction in the volume and duration of agency staff | -250.0 | 0.0 | 0.0 | Transformation - Service Transformation | 8,198.5 | | 8,198.5 | 2023-24 outturn on agency staff excluding social care, asylum & SEN as these services are not included within this savings target # |
| Embedded staff review | CHB | Peter Oakford | Review of embedded staff | Review of embedded teams in Directorates, to establish opportunities for consolidation and/or centralisation of practice | -1,300.0 | 0.0 | 0.0 | Transformation - Service Transformation | 391,889.6 | | 391,889.6 | Total non delegated staffing budget |

| Directorate Reference | Direct orate | Cabinet Member | Headline description | Brief description | 2025-26 | 2026-27 | 2027-28 | MTFP Category | Base budget for context (£k) * | | | what is budget figure based on |
|--|--------------|----------------|--|--|-----------------|-----------------|-----------------|---|--------------------------------|-----------|-----------|---|
| | | | | | £k | £k | £k | | Gross | Income | Net | |
| Spans and Layers across the Council | CHB | Peter Oakford | Spans and layers | Review of structures across the Council to ensure adherence to the Council's organisation design policy | -500.0 | -1,500.0 | 0.0 | Transformation - Service Transformation | 391,889.6 | | 391,889.6 | Total non delegated staffing budget |
| CHB contract review saving | CHB | Peter Oakford | Corporately Held 2024-25 saving | Removal of corporately held saving from part year impact of further discretionary policy decisions and deep dive into contract renewals with consideration of reducing service specifications, as these savings are reflected within the individual directorate proposals | 2,300.0 | 0.0 | 0.0 | Policy | | | | N/A as this relates to the removal of a saving |
| Kent Community Asset review | DCED | Peter Oakford | KCC Estate - Community Assets | Corporate Landlord review of Community Delivery including Assets | -979.4 | -232.1 | 0.0 | Policy | 22,787.1 | -8,597.0 | 14,190.1 | Corporate Landlord Core Service excl 8DR |
| Office Assets review | DCED | Peter Oakford | KCC Estate - office assets | Corporate Landlord review of Office Assets. 2025-26 includes the re-phasing of £388.8k prior year savings into future years and -£189k saving. | 199.8 | -343.1 | -1,144.9 | Policy | 15,742.3 | -1,217.7 | 14,524.6 | Corporate Landlord service code (8DR) |
| List A Further Policy Savings to replace One Offs | CHB | Peter Oakford | Unidentified | Balance of the £19.8m policy savings target to be agreed with new Council administration following elections in May 2025 under objective 3 in Securing Kent's Future covering policy choices and scope of Council's ambitions. These savings will need to come from the budgets identified as those where there is scope for policy choices including purely discretionary services and statutory services where there is a choice regarding the extent of service delivery. It does not include those budgets in adult social care and children's services under objective 2 for service transformation opportunities, or those related to objective 4 for transforming the operating model of the Council. | 0.0 | -7,503.7 | 0.0 | Policy | 166,947.8 | -71,000.3 | 95,947.5 | Total 24-25 budget for List A services before any changes already in MTFP |
| List A Other Council Tax Incentives | CED | Peter Oakford | Finance - Other Council Tax Incentives | Terminate current arrangements to provide annual incentive to collection authorities to reduce/remove empty property council tax discounts and charge premiums on long-term empty properties | -1,450.0 | 0.0 | 0.0 | Policy | 1,623.7 | -22.1 | 1,601.6 | District Grants - Other Local Democracy cost centre (59007) |
| List A Support for Council Tax Reduction Schemes | CED | Peter Oakford | Finance – Support for Council Tax Reduction Schemes (CTRS) | Terminate the current £1.5m annual support provided to collection authorities towards the administration of local CTRS. The current arrangements provide each district with a fixed sum of £70k plus share of £660k based on number of eligible low income pensioner and working age households. The payments are funded by all major precepting authorities pro rata to share of council tax. There is a separate share of £0.5m funded solely by KCC allocated according weighted number of working age eligible households as incentive to align local CTR schemes with other welfare conditions. | -1,746.7 | 0.0 | 0.0 | Policy | 2,000.0 | -253.3 | 1,746.7 | Support for Local Council Tax Support Schemes cost centre (59006) |
| TOTAL PETER OAKFORD | | | | | -3,726.3 | -9,578.9 | -1,144.9 | | | | | |
| TOTAL POLICY & TRANSFORMATION SAVINGS PROPOSALS - CED, DCED, NAC & CHB DIRECTORATES | | | | | -3,988.3 | -9,578.9 | -1,144.9 | | | | | |

| Directorate Reference | Direct orate | Cabinet Member | Headline description | Brief description | 2025-26 | 2026-27 | 2027-28 | MTFP Category | Base budget for context (£k) * | | | what is budget figure based on |
|-----------------------|--------------|----------------|----------------------|-------------------|---------|---------|---------|---------------|--------------------------------|--------|-----|--------------------------------|
| | | | | | £k | £k | £k | | Gross | Income | Net | |

2025-26 CONTRIBUTIONS TO RESERVES

| | | | | | | | | | | | | |
|--|------|---------------|--|---|-----------------|-----------------|-----------------|---------------------------|-----------|-----|-------------|---|
| General at 5%-10% of NRE | NAC | Peter Oakford | General Reserves | Contribution to general reserves to rebuild financial resilience and provide for future risks, with a reserve balance of between 5% and 10% of net revenue budget considered acceptable | 4,300.0 | 13,500.0 | 23,800.0 | Contributions to reserves | | | 1,496,958.2 | Proposed 25-26 net revenue budget |
| 22-23 Overspend Repayment | NAC | Peter Oakford | General Reserves repayment | Repay the General Reserve over two years (2024-25 & 2025-26) for the drawdown required in 2022-23 to fund the overspend | 11,050.0 | 0.0 | 0.0 | Contributions to reserves | | | 1,496,958.2 | Proposed 25-26 net revenue budget |
| KCC Contribution to Safety Valve Agreement | NAC | Peter Oakford | Dedicated Schools Grant (DSG) Deficit - Safety Valve | KCC Contribution towards funding the DSG deficit as agreed with DfE as part of the Safety Valve agreement | 14,600.0 | 11,100.0 | 10,100.0 | Contributions to reserves | 103,431.0 | | 103,431.0 | 31-3-24 DSG Deficit Adjustment Account balance |
| FM Mobilisation | DCED | Peter Oakford | Facilities Management | Contribution to reserves to smooth the impact of the mobilisation costs of the Facilities Management contracts over the life of the contracts (due to be fully repaid by 2025-26) | 90.9 | 0.0 | 0.0 | Contributions to reserves | 16,528.5 | 0.0 | 16,528.5 | TFM budget (Corporate Landlord, CL* sub analysis) |
| TOTAL PETER OAKFORD | | | | | 30,040.9 | 24,600.0 | 33,900.0 | | | | | |
| TOTAL CONTRIBUTIONS TO RESERVES - CED, DCED, NAC & CHB DIRECTORATES | | | | | 30,040.9 | 24,600.0 | 33,900.0 | | | | | |

2025-26 DRAWDOWNS FROM RESERVES

| | | | | | | | | | | | | |
|--|-----|---------------|---|---|------------------|------------|------------|-------------------------|-----------|-----------|----------|---|
| drawdown to compensate for List A savings in 26-27 | NAC | Peter Oakford | Budget Stabilisation smoothing reserve - timing of policy savings | One off use of budget stabilisation smoothing reserves in 2025-26 to compensate for a delay in delivering all of the £19,835.2k policy savings required in 2025-26 to replace the use of one-off solutions in the 2024-25 budget. £6,591.5k of these savings have been identified and are planned for delivery in 2026-27 and £7,503.7k are to be identified by the new Council Administration following the May 2025 local elections, requiring £14,095.2k to be met from reserves in 2025-26 until they are delivered in 2026-27. | -14,095.2 | 0.0 | 0.0 | Drawdowns from reserves | 166,947.8 | -71,000.3 | 95,947.5 | Total 24-25 budget for List A services before any changes already in MTFP |
| TOTAL PETER OAKFORD | | | | | -14,095.2 | 0.0 | 0.0 | | | | | |
| TOTAL DRAWDOWNS FROM RESERVES - CED, DCED, NAC & CHB DIRECTORATES | | | | | -14,095.2 | 0.0 | 0.0 | | | | | |

* The contextual gross & income budget information includes both core and externally funded but the budget proposal figures focus just on core funded

The contextual figures provided for agency staff are 2023-24 outturn as we do not budget for agency staff separately from KCC staff.

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Building Financial Resilience

Financial resilience describes the ability of the authority to remain viable, stable and effective in the medium to long term in the face of pressures from growing demand, tightening funding and an increasingly complex and unpredictable financial environment.

The following table sets out the key 'symptoms' of financial stress identified by CIPFA and assesses the current position of the County Council against each indicator. Overall, the prognosis is that there has been a recent deterioration in resilience which needs to be reversed in particular on the delivery of savings and managing spending within approved budgets.

| Symptom | KCC Assessment |
|---|--|
| Running down reserves/a rapid decline in reserves | <p><u>Evidence</u></p> <p>The council maintained a relatively stable level of usable revenue reserves between April 2016 to March 2018 of approx. £0.2bn (excluding schools and capital reserves) with small net movements between years. This comprised general reserve of around £0.037bn (3% of net revenue) and earmarked reserves of between £0.159bn to £0.166bn</p> |
| Score 6/10 | |
| Scope for Improvement - Moderate | <p>Over the period April 2018 to March 2020 usable revenue reserves increased to £0.224bn at end of 2018-19 and £0.271bn end of 2019-20, although £0.037bn of the earmarked reserves in 2019-20 was the unspent balance of first tranche of Covid-19 emergency grant (general reserves remained around £0.037bn and all the increases were in earmarked reserves).</p> <p>There was a more rapid increase in usable revenue reserves in 2020-21 (largely due to underspends during lockdown and timing differences between the receipt of Covid-19 grants and spending, and impact of business rates reliefs/compensation for local taxation losses coming through from collection authorities) Usable revenue reserves at the end of 2020-21 were £0.398bn (of which general remained £0.037bn, earmarked reserves increased to £0.272bn, and Covid-19 reserves were £0.088bn).</p> <p>There was a further increase in total usable revenue reserves at end of 2021-22 up to £0.408bn. Most of the increase was in general reserve which was increased to £0.056bn (5% of net revenue) in line with agreed strategy to strengthen reserves due to heightened risks, with smaller increase in earmarked to £0.277bn, and small reduction in Covid-19 reserves to £0.075bn.</p> <p>This pattern of stable then increasing reserves over the period 2016-22 was despite between £0.009bn and £0.022bn drawn down each year to smooth delivery of revenue budget savings (£0.074bn over 6 years).</p> <p>In 2022-23 there was an overall reduction in usable revenue reserves to £0.391bn (£0.037bn general, £0.271bn earmarked, £0.047bn Covid-19 and £0.036bn in new partnership reserve from the excess safety valve contributions). The reductions included £0.047bn draw down from general reserves and earmarked reserves to balance 2022-23 outturn.</p> <p>In 2023-24 there was a further reduction in total usable reserves to</p> |

| | |
|--|---|
| | <p>£0.358bn (£0.043bn general, £0.268bn earmarked, £0.0.10bn Covid-19 and £0.036bn Safety Valve partnership reserve). The small increase in the general reserve reflected the overall increase in 2023-24 budget to maintain the reserve as % of net revenue but did not include any movement to restore the reserve to 5% of net revenue following the draw down in 2022-23. 2023-24 included a review of reserves to ensure balances in individual categories remained appropriate. This included transfer of £0.048bn from other earmarked reserves into the smoothing category which was partially drawn on by £0.012bn to balance the 2023-24 outturn.</p> <p>Quarter 1 monitoring for 2024-25 shows further forecast overspends which if not reduced or mitigated would require a third year of draw down. This would further reduce resilience from reserves.</p> <p><u>Conclusions</u> Two successive years of drawdowns from reserves to balance overspends represents a reduction in financial resilience (with only a partial restoration of reserves included in future medium term financial plans).</p> <p>The Council’s reserves have been deemed as adequate in the short-term by S151 officer pending those restoration plans being delivered in future budgets. In particular, the general reserve needs to be restored to 5% of net revenue within the 2025-28 MTFP.</p> <p>A small amount of smoothing within the annual revenue budget to reflect timing differences between spending and savings plans is considered acceptable provided these are replaced and replenished in future years through a balanced medium term financial plan.</p> |
| <p>A failure to plan and deliver savings in service provision to ensure the council lives within its resources</p> <p>Score 4/10</p> <p>Scope for Improvement - High</p> | <p><u>Evidence</u> The council has planned (and largely delivered) £0.883bn of savings and income since 2011-12 (up to 2023-24). The council has delivered a balanced outturn with a small surplus each year since 2000-01 up to 2021-22 (22 years) including throughout the years when government funding was reducing and spending demands were still increasing. This demonstrated that in the past savings were sustainable.</p> <p>The approved budget for 2022-23 included £33.9m of savings and income (3% of net budget) in order to balance spending growth (£93.0m) with increase in funding from core grants and local taxation (£59.1m). Separate savings monitoring was re-introduced in 2022-23 following suspension of previous monitoring arrangements during Covid-19.</p> <p>The 2022-23 outturn was the first year in 23 years that the authority ended the year with a significant overspend (£44.4m before rollover). This overspend was partly due to under delivery of savings but more materially was due to un-forecast increases in costs compared to when the budget was set particularly in adult social care, children in care and home to school transport. These unbudgeted costs increases have been a more material factor than under delivery of savings (although if they had been forecast would have increased the savings requirement which itself may not have been deliverable).</p> |

The approved budget for 2023-24 included £54.8m of savings and income (4.6% of net budget) to balance spending growth (£178.9m) and increase in funding (£124.1m). The higher spending growth included the full year effect of forecast overspend in 2022-23 and the impact of the rapid increase in inflation during 2022-23.

The 2023-24 outturn showed an overspend of £9.6m before rollover. This was significantly lower than had been forecast earlier in the year following agreement of revised strategic ambitions in Securing Kent's Future – Budget Recovery Strategy. These ambitions included reducing the 2023-24 overspend, focuses on ambitions for new models of care (addressing the unsustainable increases in sending in adults, children's and home to school transport), scope of the council's strategic ambitions and transforming the operating model of the council through Chief Executive model. Stringent spending controls were introduced in 2023-24 with the objective of reducing the overspend. As in 2023-24 the overspend arose from a combination of unbudgeted costs and under delivery/rephasing of savings.

The approved budget for 2024-25 includes £89.2m of savings and income (6.8% of net budget) to balance spending growth (£203.1m) and increased funding (£113.9m). The increased spending growth included revised approach to demand and cost drivers as well price uplifts (linked to inflation) and full year effect of 2023-24. Initial monitoring for 2024-25 shows further forecast underspends again from combination of unbudgeted spend and savings delivery. Under delivery of savings is now largest contributor to forecast overspends.

Savings planning and monitoring has been enhanced with greater emphasis on more detailed monitoring of progress on the most significant savings. Enhanced monitoring will not in itself ensure improved delivery performance, especially in the short-term.

Conclusions

The significant increase in the savings requirement over the last 3 years is cause for serious concern and is unsustainable. This savings requirement is driven by ever increasing gap between forecast spending growth and increase in available resources from core government grants and local taxation. This gap needs to be resolved either from reducing spending expectations and / or increased funding if resilience is to be improved.

The increased under delivery of savings indicates a lack of capacity within the organisation and that savings are put forward with over optimistic timescales (or inadequate resources to ensure delivery) and in some instances were not sustainable. This combination is weakening financial resilience.

As identified in Securing Kent's Future – Budget Recovery Strategy addressing these unsustainable growth increases that are leading to structural deficit are key to restoring financial resilience.

| | |
|---|--|
| <p>Shortening medium term financial planning horizons perhaps from three or four years to two or even one</p> <p>Score 7/10</p> <p>Scope for Improvement - Moderate</p> | <p><u>Evidence</u></p> <p>The council has traditionally produced a three year medium term financial plan (MTFP). This plan sets out forecast resources from central government and local taxation with spending forecasts balanced by savings, income generation and use of smoothing reserves.</p> <p>Generally funding forecasts have been robust (other than in 2016-17 when changes in the distribution of core grants were made with no prior consultation or notification) and tax yields have remained buoyant (other than a dip in 2021-22 due to delays in housebuilding, earnings losses leading to higher council tax reduction discounts and collection losses during Covid-19 lockdowns).</p> <p>Spending forecasts for later years of the plan have tended to be underestimated (albeit compensated through the inclusion of “emerging issues” contingency based on experience and risk assessment).</p> <p>Up until 2017 the three-year MTFP was a separate publication from the annual budget (albeit produced alongside the annual budget). Since 2018 the plan has been produced as a single slimmed down document within a single publication with the annual budget.</p> <p>A one-year plan was published in 2020-21 recognising the one-year settlement and the absence of spending plans following the December 2019 general election. The further one-year settlement for 2021-22 also impacted on the ability to produce a full three-year plan although a number of medium-term scenarios were set out based on the trajectory of the pandemic (similar to the trajectories used by Office for Budget Responsibility).</p> <p>High-level three year plans were produced in 2022-23, 2023-24 and 2024-25 although experience has proved that these have been less robust and susceptible to the un-forecast spending trends experienced in these years. Funding forecasts have continued to be speculative in the absence of multi-year settlements. Council tax base estimates have proved to be extremely reliable although business rates have been more volatile.</p> <p><u>Conclusions</u></p> <p>Medium term plans are still considered to be reasonable even if for forecasts for the later years are less reliable, as a broad indicator of direction of travel rather than a detailed plan. Plans should be less speculative if multi-year settlements are re-introduced.</p> <p>Draft budget proposals need to be made available for scrutiny and savings planning earlier (even if these have to be based on less up to date forecasts). The preplanning of savings needs to recognise lead-in times of 6 to 9 months from initial concept to final approval.</p> <p>Medium term plans will need to consider alternative potential scenarios for future plans reflecting the volatile and uncertain circumstances.</p> |
|---|--|

| | |
|--|--|
| <p>A lack of firm objectives for savings – greater “still to be found” gaps in savings plans</p> <p>Score 5/10</p> <p>Scope for Improvement – Good</p> | <p>It has been common that in later years of the plan there have been balancing “savings still to be found” and those savings that were identified have often lacked detailed plans, especially in later years and plans were held and maintained locally within directorates and services.</p> <p>Even where plans are detailed there have been evidence that some savings have subsequently not been implemented following further scrutiny. Greater emphasis needs to be placed on identifying consequences, risks, sensitivities, opportunities and actions in the early planning stages before plans are presented for scrutiny.</p> <p><u>Conclusions</u> Changes have been introduced to maintain a comprehensive central database of all savings plans over the three years which contain information about impacts, risks, dependencies, sensitivities as well as forecast financials, timescales and staffing. This database is backed up with detailed delivery plans.</p> |
| <p>A growing tendency for directorates to have unplanned overspends and/or carry forward undelivered savings into the following year</p> <p>Score 4/10</p> <p>Scope for Improvement - High</p> | <p><u>Evidence</u></p> <p>The Covid-19 pandemic had a significant impact on budgets in 2020-21 with savings undeliverable in the immediate aftermath albeit offset by significant underspends due to impact of lockdowns.</p> <p>2021-22 budget was delivered although there were early signs of underlying unbudgeted growth trends which were largely disguised by ongoing Covid-19 impacts and availability of additional Covid 19 grants.</p> <p>Significant and material overspends were reported in 2022-23. These had been partly anticipated and mitigated through the creation of a budget risk reserve and strengthening of general reserves in 2021-22, and the transfer of insecure funding into reserves in 2022-23 budget. The enhanced risks following the Russian invasion of Ukraine after 2022-23 budget had been set were reported to Cabinet on 31st March together with further strengthening of reserves from final local government finance settlement and final notification of retained share of business rates.</p> <p>The full consequences of global and national circumstances in 2022-23 could never have been fully foreseen when the budget was set, and it was acknowledged that reserves were only adequate and not as generous as other comparable councils. Initially work in 2022-23 focussed on verifying the forecasts rather than immediate remedial action on the basis that these were expected to be short-term temporary consequences.</p> <p>The 2023-24 budget included unprecedented levels of growth including the full year impact of 2022-23 overspends, historically high levels of inflation and other cost driver growth as best could be forecast at the time. This still proved insufficient and further unplanned overspends were reported in 2023-24 due to a combination of unbudgeted growth and under delivery of savings.</p> <p>“Securing Kent’s Future – Budget Recovery Strategy” was agreed in October 2023. This strategy includes immediate actions with the objective of bringing spending into balance in 2023-24 through spending reductions across the whole council for the remainder of the year and actions</p> |

expected to have impacts in 2024-25 and over the medium term to reduce the structural deficits in the areas of overspend. The plan recognises it may take time to reduce spending in key areas in adults and children's and thus further savings from contracts coming up for renewal and other areas of activity outside adults and children's in the interim.

SKF and the imposition of spending controls on uncommitted spending resulted in a reduction in the overspend by year end 2023-24 although within this there were still significant overspends in Adult Social Care and Children and Young People due to combination of unbudgeted growth and under delivery of savings.

Early forecasts for 2024-25 identify overspends in Adult Social Care and Growth Environment and Transport Directorates. Again these arise from a combination of unbudgeted growth and increasingly under delivery or rephasing of savings. Some savings included in the budget have subsequently been challenged and not agreed following publication of detailed options (including withdrawing consultation. Budget plans did not include alternative mitigations or any contingency to allow for variations from the original plan.

Conclusions

Failure to deliver to budgets is becoming a significant concern. Failure to deliver budget has multiple impacts in that it either requires "right-sizing" in future budgets (increasing spending growth), roll forward of savings (increasing the in-year savings requirement in future years to an extent that there may be inadequate capacity) and is a drain on reserves.

Table: Usable Revenue Reserves Balances

| | ACTUALS | | | | | | | | |
|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
| | £000s | £000s | £000s | £000s | £000s | £000s | £000s | £000s | £000s |
| General | -36,404 | -36,671 | -36,903 | -37,054 | -37,183 | -37,075 | -56,188 | -36,918 | -43,030 |
| Earmarked* | -163,914 | -159,357 | -155,319 | -180,424 | -190,656 | -261,165 | -259,933 | -254,219 | -251,339 |
| Covid | 0 | 0 | 0 | 0 | -37,307 | -88,209 | -75,122 | -47,100 | -10,000 |
| Public Health | -1,988 | -3,825 | -3,634 | -6,036 | -5,877 | -11,126 | -16,817 | -16,899 | -16,984 |
| Safety Valve | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -36,263 | -36,263 |
| Totals | -202,306 | -199,852 | -195,856 | -223,514 | -271,023 | -397,575 | -408,060 | -391,398 | -357,616 |

From: Peter Oakford, Deputy Leader and Cabinet Member for Finance,
Corporate and Traded Services

Rebecca Spore, Director of Infrastructure

To: Policy and Resources Cabinet Committee - 27 November 2024

Subject: Freehold Disposal of Land at the Long Field, Quaker Lane,
Cranbrook, Kent

Decision no: 24/00088

Key Decision: Yes, it involves expenditure or savings of maximum £1m – including if
over several phases

Classification: *Unrestricted report with exempt appendix, not for publication under
Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act
1972 - Information relating to the financial or business affairs of any
particular person (including the authority holding that information).*

Future Pathway of report: Cabinet Member Decision

Electoral Division: Cranbrook (Tunbridge Wells) - Seán Holden

Is the decision eligible for call-in? Yes

Summary: This report considers the proposed disposal of Land at the Long Field,
Quaker Lane, Cranbrook, Kent

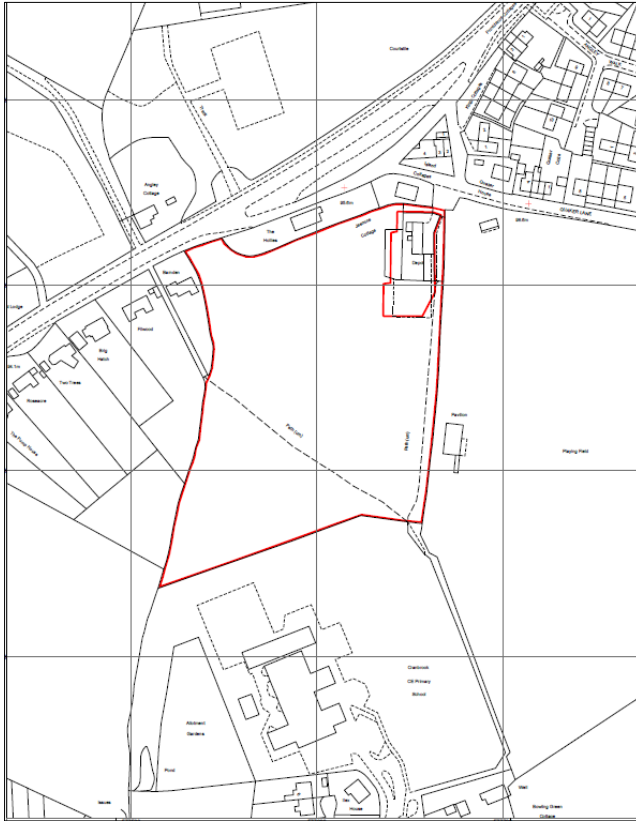
Recommendation(s):

The Policy and Resources Cabinet Committee is asked to consider and endorse or
make recommendations to the Deputy Leader and Cabinet Member for Finance,
Corporate and Traded Services on the proposed decision to agree:

1. the disposal of the property, Land at the Long Field, Quaker Lane, Cranbrook,
Kent; and
 2. to grant an extension of time (if required) to the promotion agreement relating to
land adjoining Cranbrook Primary School, Carriers Road, Cranbrook, dated
29th January 2020, or to enter into a new promotion agreement with the same
or a new developer
 3. delegate authority to the Director of Infrastructure, in consultation with the
Deputy Leader and Cabinet Member for Finance, Corporate and Traded
Services, to finalise the terms of the extension of time to the promotion
agreement and disposal and execution of all necessary or desirable
documentation required to implement the above.
-

1. Introduction

- 1.1 This report considers the Council's intention to sell Land at the Long Field, Quaker Lane, Cranbrook, Kent.
- 1.2 The property is located to the north of Cranbrook and south of Wisley Green within Tunbridge Wells Borough Council.
- 1.3 Site plan below shows redline boundary, appendix A.



- 1.4 An aerial photograph showing layout of the site and surrounding area.



2. Background

- 2.1 The property extends to approximately 2 hectares, comprising of grassland and was held for highways purposes over 10 years ago (the depot building is still in existence on the site but has been converted into a children’s nursery). The site has been declared surplus as it is no longer required for operational purposes. In 2018 the site was marketed for disposal and on 29 January 2020, KCC entered a promotion and option to purchase agreement with Heyworth Properties Limited, expiring 29 January 2025.
- 2.2 The property was initially allocated within the Regulation 18 draft local plan (August 2019) for residential development (Policy AL/CR55) and was considered suitable for providing approximately 35-45 dwellings. The site was subsequently removed at the Regulation 19 stage, due to queries regarding access at that time.
- 2.3 Planning application reference 23/03246 has been submitted for a scheme comprising of 34 residential units, with a determination of the application anticipated in the last quarter of 2024 (see illustration below). In the event of granting satisfactory planning permission, Heyworth Properties Limited will either purchase the property, or it will be marketed and sold to a third party, and the purchaser will pay a proportion of net sale receipts to KCC, in accordance with the terms of the agreement.



- 2.4 If planning consent is not granted, but there is a reasonable prospect that the proposed scheme or similar scheme could result in a satisfactory planning

outcome, then Heyworth Properties Limited may seek an extension of time, whereby KCC would have to consider its position and if necessary, agree an extension of time or new promotion contract.

- 2.5 This report seeks a decision to enable a sale of the asset in Quaker Lane, to grant an extension of time to its current promotion and option to purchase agreement or agree terms for a new promotion agreement with either Heyworth Properties Limited, or another organisation following a S123 compliant process. Given that the current promotion agreement expires at the end of January 2025 and the planning application decision is imminent, a decision now will ensure that KCC's position can be considered and acted upon without a delay in a timely way.

3. Options considered and dismissed, and associated risk

- 3.1 **OPTIONS FOR THE ASSET:** Following internal consideration, no operational requirement for the site was established, with the property being marketed in 2018 and to test whether using private sector expertise may result in an enhanced value position; an option agreement for the sale of the property to Heyworth Properties was agreed in January 2020, expiring in January 2025. Other options to be considered were limited to holding the property for investment return or disposal, both options were dismissed at the time since existing use value was less than what may be the case in the event of development of the land, and given the relatively low holding costs this option was worth exploring.
- 3.2 **CONTRACTUAL OPTIONS:** Whilst under contract, a decision not to perform under its terms would be possible, however this would have both legal and cost implications, which if planning consent were granted, could reach into the hundreds of thousands. The recommendation in this case therefore is to perform under the contractual agreement for the sale of the property unless the contract expires in the meantime.
- 3.3 **CONTRACT EXPIRY OPTIONS:** If the contract expires then KCC would need to re-evaluate its position regarding this asset. Options may include holding the asset, selling the asset for its existing use value or (if conditions for development looked favourable) seek to extend the existing promotion agreement, renew or reach an agreement with new terms. Given that KCC may need to act quickly to seek its optimal position, an early decision will enable time to undertake a proper assessment once facts crystallise. In addition, should a planning consent be forthcoming there may be opportunity to fast track a completion within the current budget year (although the more realistic timetable is set out in section 10 below).
- 3.4 **HOLDING OPTIONS:** KCC must continue holding the property until at least the present contract term expires or it is sold as per the contractual terms. Continuing to hold the site would leave the Council exposed to ongoing costs for securing the site against unauthorised access and potential claims for injuries arising from any trespassing, and if KCC requires to reassess its position, these factors will be weighed up along with wider considerations.

4. Financial Implications

- 4.1 The sale of the property will result in a capital receipt which will be reinvested back into the Council's Capital Programme.
- 4.2 The disposal of the property will remove holding costs associated with the site, easing pressure on revenue budgets.
- 4.3 Further financial information is set out in the exempt appendix A.

5. Legal implications

- 5.1 The Council has an overarching duty under Section 123 of the Local Government Act 1972 to secure not less than best consideration in respect of property disposals. It also has a fiduciary duty to the residents of Kent.
- 5.2 KCC is under contract to sell the site to a promoter subject to its expiration date.
- 5.3 External legal advisors will be appointed in consultation with General Counsel.

6. Equalities implications

- 6.1 An Equalities Impact Assessment (EqIA) has been undertaken and identified no direct equalities implications arising from the disposal of the site.

7. Data Protection Implications

- 7.1 As part of this approval process and in the handling of marketing/conveyancing of the site Data Protection regulations will be observed. No data or records are stored on site.
- 7.2 A Data Protection Implication Assessment (DPIA) screener has confirmed that there are no DPIA implications and that a further DPIA assessment is not required in respect of this decision.

8. Other corporate implications

- 8.1 This decision will not have any impact on other areas of the Council's work.

9. Governance

- 9.1 A Key Decision is being sought in line with the constitution and the Council's governance processes. The views of the local Member in accordance with the property management protocol will be sought and will be reported to the Cabinet Member before a Key Decision is offered.
- 9.2 As shown in the recommendation, delegated authority is to be given to the Director of Infrastructure, in consultation with the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, to finalise the terms of the extension, new promotion agreement and disposal and execution of all necessary or desirable documentation required to implement the decision.

10. Next Steps and Conclusions

10.1 An indicative timetable for the planned disposal is set out below:

| Stage | Timescale |
|--|-------------------|
| Determination of planning application | Q4 2024 – Q1 2025 |
| Marketing of site by promoter (if planning application approved) | Q2 2025 |
| Exchange of contracts | Q3 2025 |
| Completion of sale | Q4 2025 |

11. Conclusions

11.1 The sale of the property will result in a capital receipt which will be reinvested back into the Council's Capital Programme.

11.2 The disposal of the property will remove holding costs associated with the property easing pressure on revenue budgets.

Recommendation(s):

The Policy and Resources Cabinet Committee is asked to consider and endorse or make recommendations to the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services on the proposed decision to agree:

1. the disposal of the property, Land at the Long Field, Quaker Lane, Cranbrook, Kent; and
2. to grant an extension of time (if required) to the promotion agreement relating to land adjoining Cranbrook Primary School, Carriers Road, Cranbrook, dated 29th January 2020, or to enter into a new promotion agreement with the same or a new developer
3. delegate authority to The Director of Infrastructure, in consultation with the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, to finalise the terms of the extension of time to the promotion agreement and disposal and execution of all necessary or desirable documentation required to implement the above.

12. Appendices / Background Documents

- 12.1 Appendix A – Exempt Appendix A
- 12.2 Appendix B – Site Plan
- 12.3 Appendix C – Proposed Record of Decision
- 12.4 Appendix D – Equalities Impact Assessment

13. Contact details

| | |
|--|--|
| <p>Report Author(s):</p> <p>Mark Cheverton Job title: Head of Real Estate Services Telephone number: 03000 41 59 40 Email address: mark.cheverton@kent.gov.uk</p> <p>Niral Patel Job title: Acquisition and Investment Surveyor, Investment & Disposals Telephone number: 03000 41 11 85 Email address: niral.patel@kent.gov.uk</p> | <p>Director:</p> <p>Rebecca Spore Job title: Director of Infrastructure Telephone number: 03000 41 67 16 Email address: rebecca.spore@kent.gov.uk</p> |
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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

DECISION TO BE TAKEN BY:

Peter Oakford, Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services

DECISION NO:

24/00088

For publication

Key decision: YES

Key decision criteria: The decision will result in savings or expenditure which is significant having regard to the budget for the service or function (currently defined by the Council as in excess of £1,000,000)

Title: Freehold Disposal of Land at the Long Field, Quaker Lane, Cranbrook, Kent.

Proposed decision:

The Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, to agree to:

1. the disposal of the property, Land at the Long Field, Quaker Lane, Cranbrook, Kent; and
2. to grant an extension of time (if required) to the promotion agreement Relating to land adjoining Cranbrook Primary School, Carriers Road, Cranbrook, dated 29th January 2020, or to enter into a new promotion agreement with the same or a new developer; and
3. delegate authority to The Director of Infrastructure, in consultation with the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, to finalise the terms of the extension of time to the promotion agreement and disposal and execution of all necessary or desirable documentation required to implement the above.

Reason(s) for decision:

The property is surplus to the Council's operational requirements and due to its projected value, a key decision is now required as set out in Kent County Council's Constitution. The sale of the property will result in a capital receipt which will be reinvested back into the Council's Capital Programme.

Cabinet Committee recommendations and other consultation:

The matter is due to be considered by the Policy and Resources Cabinet Committee 27 November 2024. The views of the Local Member will be sought and reported to the Cabinet Committee and the decision taker.

Any alternatives considered and rejected:

The Council has an overarching duty under Section 123 of the Local Government Act 1972 to secure not less than best consideration in respect of property disposals. It also has a fiduciary duty to the residents of Kent.

As the property is not required for the Council's operational purposes, the only alternative option would be to continue to hold the site, however, this would leave the Council exposed to ongoing costs and for securing it against unauthorised access and potential claims for injuries arising from trespassing. Given that this approach does not align with the Council's investment strategy and a disposal provides an opportunity to reinvest capital in agreed priorities as set out in the Council's Capital Programme, it is proposed to proceed with the latter.

Whilst under contract, a decision not to perform under its terms would be possible, however this would have legal and cost implications. The recommendation therefore will be to perform under the contractual agreement for the sale of the property unless it expires in the meantime.

Any interest declared when the decision was taken and any dispensation granted by the Proper Officer: None

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EQIA Submission – ID Number

Section A

EQIA Title

FREEHOLD DISPOSAL OF LAND AT THE LONG FIELD QUAKER LANE CRANBROOK

Responsible Officer

Niral Patel - DCED INF

Approved by (Note: approval of this EqIA must be completed within the EqIA App)

Daniel Parkes - DCED INF

Type of Activity

Service Change

No

Service Redesign

No

Project/Programme

No

Commissioning/Procurement

No

Strategy/Policy

No

Details of other Service Activity

Disposal

Accountability and Responsibility

Directorate

Strategic and Corporate Services

Responsible Service

Infrastructure

Responsible Head of Service

Daniel Parkes - DCED INF

Responsible Director

Rebecca Spore - DCED INF

Aims and Objectives

To obtain authority to dispose of the property asset.

To seek the delegation of authority for agreeing the specific terms of the disposal to the Director of Infrastructure in consultation with the Cabinet Member for Finance, Corporate and Traded Services.

Section B – Evidence

Do you have data related to the protected groups of the people impacted by this activity?

Yes

It is possible to get the data in a timely and cost effective way?

No

Is there national evidence/data that you can use?

Yes

Have you consulted with stakeholders?

Yes

Who have you involved, consulted and engaged with?

We are required to consult with the local division member per the Council's constitution.

As part of the key decision process other members of the authority are made aware of the decision to be taken and are able to raise queries in respect of the proposed decision.

It is our current intention that formal member consultation will take place at the next Policy and Resources Cabinet Committee

Has there been a previous Equality Analysis (EQIA) in the last 3 years?

No

Do you have evidence that can help you understand the potential impact of your activity?

Yes

Section C – Impact

Who may be impacted by the activity?

Service Users/clients

No

Staff

No

Residents/Communities/Citizens

Residents/communities/citizens

Are there any positive impacts for all or any of the protected groups as a result of the activity that you are doing?

Yes

Details of Positive Impacts

A residential redevelopment on the site is expected to add to the well-being of the area in economic terms by employment generation and improvement of the local economy, due to the presence & increased spending of an increased local population. It is anticipated that the environment will also be improved, as redevelopment should include the future restoration, management and preservation of the woodland areas - some of which will benefit the local public through local access

Negative impacts and Mitigating Actions

19. Negative Impacts and Mitigating actions for Age

Are there negative impacts for age?

No

Details of negative impacts for Age

Not Applicable

Mitigating Actions for Age

Not Applicable

Responsible Officer for Mitigating Actions – Age

Not Applicable

20. Negative impacts and Mitigating actions for Disability

Are there negative impacts for Disability?

No

Details of Negative Impacts for Disability

Not Applicable

Mitigating actions for Disability

Not Applicable

Responsible Officer for Disability

Not Applicable

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| 21. Negative Impacts and Mitigating actions for Sex |
| Are there negative impacts for Sex |
| No |
| Details of negative impacts for Sex |
| Not Applicable |
| Mitigating actions for Sex |
| Not Applicable |
| Responsible Officer for Sex |
| Not Applicable |
| 22. Negative Impacts and Mitigating actions for Gender identity/transgender |
| Are there negative impacts for Gender identity/transgender |
| No |
| Negative impacts for Gender identity/transgender |
| Not Applicable |
| Mitigating actions for Gender identity/transgender |
| Not Applicable |
| Responsible Officer for mitigating actions for Gender identity/transgender |
| Not Applicable |
| 23. Negative impacts and Mitigating actions for Race |
| Are there negative impacts for Race |
| No |
| Negative impacts for Race |
| Not Applicable |
| Mitigating actions for Race |
| Not Applicable |
| Responsible Officer for mitigating actions for Race |
| Not Applicable |
| 24. Negative impacts and Mitigating actions for Religion and belief |
| Are there negative impacts for Religion and belief |
| No |
| Negative impacts for Religion and belief |
| Not Applicable |
| Mitigating actions for Religion and belief |
| Not Applicable |
| Responsible Officer for mitigating actions for Religion and Belief |
| Not Applicable |
| 25. Negative impacts and Mitigating actions for Sexual Orientation |
| Are there negative impacts for Sexual Orientation |
| No |
| Negative impacts for Sexual Orientation |
| Not Applicable |
| Mitigating actions for Sexual Orientation |
| Not Applicable |
| Responsible Officer for mitigating actions for Sexual Orientation |
| Not Applicable |
| 26. Negative impacts and Mitigating actions for Pregnancy and Maternity |
| Are there negative impacts for Pregnancy and Maternity |
| No |
| Negative impacts for Pregnancy and Maternity |
| Not Applicable |

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| Mitigating actions for Pregnancy and Maternity |
| Not Applicable |
| Responsible Officer for mitigating actions for Pregnancy and Maternity |
| Not Applicable |
| 27. Negative impacts and Mitigating actions for Marriage and Civil Partnerships |
| Are there negative impacts for Marriage and Civil Partnerships |
| No |
| Negative impacts for Marriage and Civil Partnerships |
| Not Applicable |
| Mitigating actions for Marriage and Civil Partnerships |
| Not Applicable |
| Responsible Officer for Marriage and Civil Partnerships |
| Not Applicable |
| 28. Negative impacts and Mitigating actions for Carer's responsibilities |
| Are there negative impacts for Carer's responsibilities |
| No |
| Negative impacts for Carer's responsibilities |
| Not Applicable |
| Mitigating actions for Carer's responsibilities |
| Not Applicable |
| Responsible Officer for Carer's responsibilities |
| Not Applicable |

From: Peter Oakford, Deputy Leader and Cabinet Member for Finance,
Corporate and Traded Services
Rebecca Spore, Director of Infrastructure

To: Policy and Resources Cabinet Committee - 27 November 2024

Subject: Granting of formal lease for Electricity Substation at the proposed
replacement school site at Crete Hall Road, Northfleet, for
Rosherville Church of England Primary School.

Decision No.: 24/00090

Non-Key Decision

Classification: *Unrestricted with Exempt Appendix A, under Paragraph 3 of
Part 1 of Schedule 12A of the Local Government Act 1972 refers.*

Future Pathway of report: Cabinet Member Decision

Electoral Division: Northfleet and Gravesend West
Dr Sullivan – Northfleet
Mr Broadley – Gravesend West

Is the decision eligible for call-in? Yes

Summary: This report seeks endorsement from the Policy and Resources Cabinet Committee on the decision to grant a lease in excess of 20 years to UK Power Networks (UKPN) for occupation and use of a new electricity substation located within the grounds of the school.

Recommendation(s):

The Policy and Resources Cabinet Committee is asked to consider and endorse or make recommendations to the Deputy Leader and Cabinet Member for Finance on the proposed decision to:

1. authorise the granting of a lease in excess of 20 years to UKPN in order that a new electricity substation can be built within the grounds of the school, to serve the newly built development for operational educational requirements; and
 2. delegate authority to the Director of Infrastructure, in consultation with the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services to take necessary actions, including but not limited to entering into relevant contracts or other legal agreements, as required to implement this.
-

1. Introduction / Background

- 1.1 Kent County Council (KCC) has recently acquired the freehold ownership of land at the proposed replacement school site, Crete Hall Road, Northfleet for the Rosherville Church of England Primary School.
- 1.2 The existing Rosherville Church of England Primary School site on London Road, Northfleet needs expansion and relocation following considerable residential development in the locality and an increase in pupil numbers. This has necessitated the expansion and relocation of Rosherville Church of England Primary School.
- 1.3 KCC acquired the land via a Section 106 Agreement to construct a new school development in the locality which will provide modern, fit for purpose accommodation. This project is scheduled for delivery in September 2025.

2 Key considerations

- 2.1 The existing electrical grid at the present location is of insufficient capacity to provide the required supply to the proposed new development. To ensure a supply can be provided, a new substation needs to be installed within the school site. A very small part of the County Council's land has been identified for installation of a new substation which will exclusively serve the new school. A formal lease will need to be granted to UKPN, who have been appointed to erect and operate the substation which will remain their property. To enable the substation to be provided, UKPN require the County Council to grant them a lease of a term in excess of 20 years, to provide it with security of tenure for its desired legal estate in the land, having regard to the costs incurred in providing and maintaining the substation. UKPN also require the lease to be granted to them for a nominal consideration.
- 2.2 UKPN lease requirements accord with previous leases authorised and granted by the County Council for substations within school sites.
- 2.3 In order that UKPN can proceed with the provision, connection, use and maintenance of a new substation it first requires the County Council to commit to the granting of a lease in excess of 20 years.
- 2.4 The proposed lease terms are outlined in exempt appendix A, attached to this Report.

3 Options considered and dismissed and associated risk

- 3.1 The option of not offering the land to UKPN for its substation to serve the school was considered and rejected as there would be no other suitable sites available near to the new school buildings and it could not be operated without adequate electricity supply. The substation will be necessary to ensure the development can be completed and brought into use, which accords with a recommendation to offer the land and grant a lease to UKPN.

4 Financial Implications

4.1 UKPN to cover the County Council's reasonable legal fees.

4.2 A rent as set out in the Exempt Appendix A.

5 Legal Implications

5.1 The County Council is the current owner of the land upon which the substation is to be located, together with all necessary rights of access. Appropriate documentation will be executed to ensure KCC's, and UKPN's legal land holding relationship is properly documented as agreed under delegated authority.

6 Equalities Implications

6.1 The substation is required to provide power to the school at this location. This benefits all users of the school and the local community and has no impacts to groups identified under the Equalities screening process.

6.2 An Equality Impact assessment (EqIA) has been completed.

7 Data Protection Implications

7.1 A data protection impact assessment (DPIA) screening tool has confirmed that there are no DPIA implications.

8 Other Corporate Implications

8.1 This decision supports the Framing Kent's Future - Our Council Strategy 2022-2026 as the decision will enable the provision and operation of a brand new School. This supports KCC's commitment to maintaining its strategic role in supporting schools in Kent to deliver accessible, high-quality education provision.

8.2 Infrastructure for communities will be improved by the new substation, using modern materials and technologies associated with prevailing substation design and construction and protected for long term use by the presence of a long lease.

8.3 Environmental Step Change objectives will also be achieved, as the proposed lease will compel the operator to use sustainable materials and reduce any carbon emissions compared to the existing substation, which will help the County Council achieve its Net Zero targets.

8.4 The land on which the new school is being built has been provided under a s106 and so there will be no requirement for KCC to fund the land acquisition. The substation necessary to power the school will be supplied at no cost to KCC other than cost for the preparation of the leases etc. and therefore supports Securing Kents Future 2022-2026 - Budget Recovery Strategy.

9 Governance

9.1 The Local Members, Dr Sullivan and Mr Broadley, have been formally notified of the intention to allocate land under a lease to UKPN in order to power the new school.

10 Conclusions

10.1 The granting of the proposed lease in excess of 20 years will provide UKPN with an estate interest in a small area at the school and enable the facilities to be brought into full operational use.

Recommendation(s):

The Policy and Resources Cabinet Committee is asked to consider and endorse or make recommendations to the Deputy Leader and Cabinet Member for Finance on the proposed decision to:

1. authorise the granting of a lease in excess of 20 years to UKPN in order that a new electricity substation can be built within the grounds of the school, to serve the newly built development for operational educational requirements; and
 2. delegate authority to the Director of Infrastructure, in consultation with the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services to take necessary actions, including but not limited to entering into relevant contracts or other legal agreements, as required to implement this.
-

11. Appendices / Background Documents

11.1 EXEMPT Appendix A - initial lease terms to UK Power Network

11.2 Appendix B – PROD – Proposed Record of Decision

11.3 Appendix C – EqIA – Equality Impact Assessment

12. Contact details

Report Author(s):

Matthew Edwards
Job title: Assistant Estates Surveyor
(Education Estate)
Telephone number: 03000 42 19 52
Email address:
Matthew.Edwards@kent.gov.uk

Mark Cheverton
Job title: Head of Real Estate Services
Telephone number: 03000 41 59 40
Email address: mark.cheverton@kent.gov.uk

Relevant Director:

Director: Rebecca Spore
Job title: Director of Infrastructure
Telephone number: 03000 41 67 16
Email address:
rebecca.spore@kent.gov.uk

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

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KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

DECISION TO BE TAKEN BY:

Peter Oakford - Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services

DECISION NO:

24/00090

For publication

Key Decision: Non - Key decision

The granting of a lease of accommodation in excess of 20 years.

Subject: Granting of formal lease for Electricity Sub Station at the proposed replacement school site at Crete Hall Road, Northfleet, for Rosherville Church of England Primary School.

Decision:

The Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services to agree to:

1. authorise the granting of a lease in excess of 20 years to UK Power Networks (UKPN) in order that a new electricity substation can be built within the grounds of the school, to serve the newly built development for operational educational requirements; and
2. delegate authority to the Director of Infrastructure, in consultation with the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services to take necessary actions, including but not limited to entering into relevant contracts or other legal agreements, as required to implement this.

Reason(s) for decision:

In order that an adequate electricity supply can be provided to support new facilities, expansion and relocation of Rosherville Church of England Primary School, it is necessary for a new electricity substation to be provided on site by UKPN.

A lease in excess of 20 years will need to be granted for the provision and operation of the new substation.

The granting of a Formal Lease in excess 20 years requires a Key Decision in accordance with the County Council's Constitution (Property Management Protocol).

Cabinet Committee recommendations and other consultation:

This matter will be considered at Policy and Resources Cabinet Committee in November 2024.

The local Members for Northfleet, Dr Sullivan (Labour) and Gravesend West, Mr Broadley (Conservative,) have been formally notified of the proposed lease. Any comments will be reported to both the Cabinet Committee meeting and Cabinet Member taking the decision.

Any alternatives considered:

The option of not offering the land to UKPN for its substation to serve the school was considered and rejected as there would be no other suitable sites available near to the new school buildings and it could not be operated without adequate electricity supply. The substation will be necessary to ensure the development can be completed and brought into use, which accords with a recommendation to offer the land and grant a lease to UKPN.

Any interest declared when the decision was taken and any dispensation granted by the Proper Officer:

None.

.....
Signed

.....
date

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EQIA Submission – ID Number

Section A

EQIA Title

Proposed Granting of Formal Lease for Electricity Sub Station at the proposed replacement school site at Crete Hall Road Northfleet for Rosherville Church of England Primary School

Responsible Officer

Matthew Edwards - DCED INF

Approved by (Note: approval of this EqIA must be completed within the EqIA App)

Andrew White - DCED INF

Type of Activity

Service Change

No

Service Redesign

No

Project/Programme

Project/Programme

Commissioning/Procurement

No

Strategy/Policy

No

Details of other Service Activity

No

Accountability and Responsibility

Directorate

Strategic and Corporate Services

Responsible Service

Infrastructure

Responsible Head of Service

Andrew White - DCED INF

Responsible Director

Rebecca Spore - DCED INF

Aims and Objectives

The aim of the project is to provide sufficient electricity to a new School development. In order that an adequate electricity supply can be provided to the new facility, it is necessary for a new electricity substation to be provided on the Site which will exclusively serve the School.

The Land upon which the substation is to be installed comprises an amenity area which is not proposed to be used by the School for any of its statutory outdoor education requirements

Once the new substation has been installed this project will be fulfilled and will enable the School Site to be brought into use.

There will be no loss to the School's education requirements, nor to any of its staff, pupils and visitors as a result of the installation of the substation.

Section B – Evidence

Do you have data related to the protected groups of the people impacted by this activity?

No

| |
|--|
| It is possible to get the data in a timely and cost effective way? |
| Yes |
| Is there national evidence/data that you can use? |
| No |
| Have you consulted with stakeholders? |
| Yes |
| Who have you involved, consulted and engaged with? |
| The Local Members for Northfleet and Gravesend West – Dr Sullivan & Mr Broadley have been notified of the proposal and neither have expressed any concern at the proposal |
| Has there been a previous Equality Analysis (EQIA) in the last 3 years? |
| No |
| Do you have evidence that can help you understand the potential impact of your activity? |
| Yes |
| Section C – Impact |
| Who may be impacted by the activity? |
| Service Users/clients Service users/clients |
| Staff Staff/Volunteers |
| Residents/Communities/Citizens Residents/communities/citizens |
| Are there any positive impacts for all or any of the protected groups as a result of the activity that you are doing? |
| Yes |
| Details of Positive Impacts |
| The project will enable the provision of a new School. This supports KCC's commitment to maintaining its strategic role in supporting schools in Kent to deliver accessible, high-quality education provision representing a positive benefit for the School pupils and their education. |
| Negative impacts and Mitigating Actions |
| 19. Negative Impacts and Mitigating actions for Age |
| Are there negative impacts for age? |
| No |
| Details of negative impacts for Age |
| Not Applicable |
| Mitigating Actions for Age |
| Not Applicable |
| Responsible Officer for Mitigating Actions – Age |
| Not Applicable |
| 20. Negative impacts and Mitigating actions for Disability |
| Are there negative impacts for Disability? |
| No |
| Details of Negative Impacts for Disability |
| Not Applicable |
| Mitigating actions for Disability |
| Not Applicable |

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|--|
| Responsible Officer for Disability |
| Not Applicable |
| 21. Negative Impacts and Mitigating actions for Sex |
| Are there negative impacts for Sex |
| No |
| Details of negative impacts for Sex |
| Not Applicable |
| Mitigating actions for Sex |
| Not Applicable |
| Responsible Officer for Sex |
| Not Applicable |
| 22. Negative Impacts and Mitigating actions for Gender identity/transgender |
| Are there negative impacts for Gender identity/transgender |
| No |
| Negative impacts for Gender identity/transgender |
| Not Applicable |
| Mitigating actions for Gender identity/transgender |
| Not Applicable |
| Responsible Officer for mitigating actions for Gender identity/transgender |
| Not Applicable |
| 23. Negative impacts and Mitigating actions for Race |
| Are there negative impacts for Race |
| No |
| Negative impacts for Race |
| Not Applicable |
| Mitigating actions for Race |
| Not Applicable |
| Responsible Officer for mitigating actions for Race |
| Not Applicable |
| 24. Negative impacts and Mitigating actions for Religion and belief |
| Are there negative impacts for Religion and belief |
| No |
| Negative impacts for Religion and belief |
| Not Applicable |
| Mitigating actions for Religion and belief |
| Not Applicable |
| Responsible Officer for mitigating actions for Religion and Belief |
| Not Applicable |
| 25. Negative impacts and Mitigating actions for Sexual Orientation |
| Are there negative impacts for Sexual Orientation |
| No |
| Negative impacts for Sexual Orientation |
| Not Applicable |
| Mitigating actions for Sexual Orientation |
| Not Applicable |
| Responsible Officer for mitigating actions for Sexual Orientation |
| Not Applicable |
| 26. Negative impacts and Mitigating actions for Pregnancy and Maternity |
| Are there negative impacts for Pregnancy and Maternity |
| No |

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| Negative impacts for Pregnancy and Maternity |
| Not Applicable |
| Mitigating actions for Pregnancy and Maternity |
| Not Applicable |
| Responsible Officer for mitigating actions for Pregnancy and Maternity |
| Not Applicable |
| 27. Negative impacts and Mitigating actions for Marriage and Civil Partnerships |
| Are there negative impacts for Marriage and Civil Partnerships |
| No |
| Negative impacts for Marriage and Civil Partnerships |
| Not Applicable |
| Mitigating actions for Marriage and Civil Partnerships |
| Not Applicable |
| Responsible Officer for Marriage and Civil Partnerships |
| Not Applicable |
| 28. Negative impacts and Mitigating actions for Carer's responsibilities |
| Are there negative impacts for Carer's responsibilities |
| No |
| Negative impacts for Carer's responsibilities |
| Not Applicable |
| Mitigating actions for Carer's responsibilities |
| Not Applicable |
| Responsible Officer for Carer's responsibilities |
| Not Applicable |

From: Peter Oakford, Deputy Leader and Cabinet Member for Finance,
Corporate and Traded Services
Rebecca Spore, Director of Infrastructure

To: Policy and Resources Cabinet Committee - 27 November 2024

Subject: Formal Lease for an Electricity Substation at Teynham Parochial
Church of England Primary School, near Sittingbourne.

Decision No.: 24/00091

Non-Key Decision

Classification: ***UNRESTRICTED report with EXEMPT appendix A, under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.***

Future Pathway of report: Cabinet Member Decision

Electoral Division: Swale East - Mr Rich Lehmann

Is the decision eligible for call-in? Yes

Summary: This report seeks endorsement from the Policy and Resources Cabinet Committee on the decision to grant a lease in excess of 20 years to UK Power Networks (UKPN) for occupation and use of a new electricity substation located within the grounds of the school.

Recommendation(s):

The Policy and Resources Cabinet Committee is asked to consider and endorse or make recommendations to the Deputy Leader and Cabinet Member for Finance on the proposed decision to:

1. authorise the granting of a lease in excess of 20 years to UKPN in order that a new electricity substation can be built within the grounds of the school, to serve new education buildings to be built in 2025; and
2. delegate authority to the Director of Infrastructure, in consultation with the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services to take necessary actions, including but not limited to entering into relevant contracts or other legal agreements, as required to implement this.

1 Introduction / Background

- 1.1 Kent County Council (KCC) are the freehold owners of land and playing fields at Teynham Parochial Church of England Primary School. The buildings and tar paved areas are owned by Canterbury Diocesan Board.

- 1.2 The existing buildings at the school are beyond their economic life. The County Council have previously agreed to provide new education buildings on land at the school to provide modern, fit for purpose accommodation. This project is scheduled for delivery towards December 2025.
- 1.3 The existing electrical supply to the school buildings is of insufficient capacity to provide the required supply to the proposed new buildings. To ensure a supply can be provided, a new substation needs to be installed within the school site. A very small part of the County Council's land has been identified for installation of a new substation, with cables to extend into parts of the new education buildings to be built on part of the Diocesan Board's land.
- 1.4 A formal lease will need to be granted to UKPN, who have been appointed to erect and operate a substation on the school site to serve the new buildings and also supply the local electricity network in emergencies. UKPN have been appointed to install and connect a proposed substation, which will remain their property.
- 1.5 To enable the substation to be provided, UKPN require the County Council to grant them a lease in excess of 20 years, to provide security of tenure for their desired legal estate in the land, having regard to the costs incurred in providing and maintaining the substation. UKPN also require a long lease to be granted to them for nominal consideration.
- 1.6 UKPN lease requirements accord with previous leases authorised and granted by the County Council for substations within school sites.
- 1.7 In order that UKPN can proceed with the provision, connection, use and maintenance of a new substation it first requires the County Council to commit to the granting of a lease.
- 1.8 Cable rights will need to be reserved within the lease which will be located under land owned by Canterbury Diocesan Board. To achieve this, the Diocesan Board will also need to be a party to the lease; the Diocesan Board have agreed to this.
- 1.9 The proposed lease terms are outlined in exempt Appendix A.

2 Options considered and dismissed and associated risk

- 2.1 As the proposed substation will serve the new education buildings in the first instance, it is desired to locate the substation as close as possible to the new buildings. The land upon which the new buildings will be built is owned by the County Council.
- 2.2 Consideration was given to locating the substation on the Diocesan Board's land, though having regard to limited timescales (Spring 2025 latest) for provision of the substation, it is preferable to retain control of granting the lease by the County Council, to accord with such timescales. The value of the land to be taken is de minimus.
- 2.3 The provision of substations on school sites does not present an issue to the County Council whilst it remains operational. The precise location of the

substation is close to the site boundary and unlikely to prejudice any redevelopment potential for the school site should it close at a future date.

3 Financial Implications

3.1 UKPN to cover the County Council's reasonable legal fees.

3.2 A rent as set out in the exempt Appendix A.

4 Legal Implications

4.1 The County Council is the current owner of the land upon which the substation is to be located, together with all necessary rights of access. Part of the land required for associated cable rights is owned by Canterbury Diocesan Board. The various property holding relationships arising from this will be formalised appropriately.

5 Equalities Implications

5.1 The substation is required to provide power to the school at this location. This benefits all users of the school and the local community.

5.2 An Equality Impact Assessment (EqIA) has been completed and no issues have been identified.

6 Data Protection Implications

6.1 A data protection implication assessment (DPIA) screening tool has confirmed that there are no Data Protection implications.

7 Other Corporate Implications

7.1 This decision supports Framing Kent's Future – Our Council Strategy 2022-2026 as the decision assists in enabling the provision of new education buildings for use by the existing school. This supports KCC's commitment to maintaining its strategic role in supporting schools in Kent to deliver accessible, high-quality education provision.

7.2 Infrastructure for communities will be improved by the new substation, using modern materials and technologies associated with prevailing substation design and construction and protected for long term use by the presence of a long lease.

7.3 Environmental Step Change objectives will also be achieved, as the proposed lease will compel the operator to use sustainable materials and reduce any carbon emissions compared to the existing substation, which will help the County Council achieve its Net Zero targets.

7.4 The substation necessary to power the school will be supplied at no cost to KCC other than the preparation of the leases etc. and therefore supports Securing Kents Future 2022-2026 - Budget Recovery Strategy.

8 Governance

- 8.1 The local Member, Mr Rich Lehmann, has been formally notified of the proposed granting of the lease.

9 Conclusions

- 9.1 The granting of the proposed lease will provide UKPN with an estate interest in a small area at the school and enable the facilities to remain in full operational use.

Recommendation(s):

The Policy and Resources Cabinet Committee is asked to consider and endorse or make recommendations to the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services on the proposed decision to:

1. authorise the granting of a lease in excess of 20 years to UKPN in order that a new electricity substation can be built within the grounds of the school, to serve new education buildings to be built in 2025; and
2. delegate authority to the Director of Infrastructure, in consultation with the Deputy Leader and cabinet Member for Finance, Corporate and Traded Services to take necessary actions, including but not limited to entering into relevant contracts or other legal agreements, as required to implement this.

10. Appendices / Background Documents

- 10.1 Appendix A – EXEMPT initial lease terms
- 10.2 Appendix B – PROD – Proposed Record of Decision
- 10.3 Appendix C – EqIA – Equality Impact Assessment

11. Contact details

Report Author(s):

Andrew White
Job title: Principal Estates Manager
(Education Estate)
Telephone number: 03000 41 68 25
Email address: Andrew.White@kent.gov.uk

Mark Cheverton
Job title: Head of Real Estate Services
Telephone number: 03000 41 59 40
Email address: mark.cheverton@kent.gov.uk

Relevant Director:

Rebecca Spore
Job title: Director of Infrastructure
Telephone number: 03000 41 67 16
Email address: rebecca.spore@kent.gov.uk

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

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KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

DECISION TO BE TAKEN BY:

Peter Oakford - Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services

DECISION NO:

24/00091

For publication

Key decision: Non - Key decision

The granting of a lease of accommodation in excess of 20 years.

Subject: Formal Lease for an Electricity Sub Station at Teynham Parochial Church of England Primary School, near Sittingbourne.

Decision:

The Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services to agree to:

1. authorise the granting of a Lease in excess of 20 years to UK Power Networks in order that a new electricity substation can be built within the grounds of the school, to serve new education buildings to be built in 2025; and
2. delegate authority to the Director of Infrastructure, in consultation with the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services to take necessary actions, including but not limited to entering into relevant contracts or other legal agreements, as required to implement this.

Reason(s) for decision:

In order that an adequate electricity supply can be provided to support new facilities and expansion at Teynham Parochial Church of England Primary School, it is necessary for a new electricity substation to be provided on site by UK Power Networks.

A lease of in excess of 20 years will need to be granted for the provision and operation of the new substation.

The granting of a Formal Lease in excess 20 years requires a Key Decision in accordance with the County Council's Constitution (Property Management Protocol).

Cabinet Committee recommendations and other consultation:

This matter will be considered at Policy and Resources Cabinet Committee in November 2024.

The Local Member, Mr Lehmann, has been formally notified of the proposed granting of the lease.

Any comments will be reported to both the Cabinet Committee meeting and Cabinet Member taking the decision.

Any alternatives considered:

A new substation is required at this site for the provision of additional electricity consumption for new education buildings to be built on the site in 2025.

Consideration was given to locating the substation on the Diocesan Board's land, though having regard to limited timescales (Spring 2025 latest) for provision of the substation, it is preferable to retain control of granting the lease by the County Council, to accord with such timescales. The value of the land to be taken is de minimus.

Any interest declared when the decision was taken and any dispensation granted by the Proper Officer: None.

.....
Signed

.....
date

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EQIA Submission – ID Number

Section A

EQIA Title

Proposed Granting of Formal Lease for Electricity Sub Station for proposed replacement school buildings at Teynham Parochial Church of England Primary School

Responsible Officer

Matthew Edwards - DCED INF

Approved by (Note: approval of this EqIA must be completed within the EqIA App)

Andrew White - DCED INF

Type of Activity

Service Change

No

Service Redesign

No

Project/Programme

Project/Programme

Commissioning/Procurement

No

Strategy/Policy

No

Details of other Service Activity

No

Accountability and Responsibility

Directorate

Strategic and Corporate Services

Responsible Service

Infrastructure

Responsible Head of Service

Andrew White - DCED INF

Responsible Director

Rebecca Spore - DCED INF

Aims and Objectives

The aim of the project is to provide sufficient electricity to a new School Building development. In order that an adequate electricity supply can be provided to the new facility, it is necessary for a new electricity substation to be provided on the Site which will exclusively serve the new School Buildings.

The Land upon which the substation is to be installed comprises an amenity area which is not proposed to be used by the School for any of its statutory outdoor education requirements

Once the new substation has been installed this project will be fulfilled and will enable the School Buildings to be brought into use.

There will be no loss to the School's education requirements, nor to any of its staff, pupils and visitors as a result of the installation of the substation.

Section B – Evidence

Do you have data related to the protected groups of the people impacted by this activity?

No

| |
|--|
| It is possible to get the data in a timely and cost effective way? |
| Yes |
| Is there national evidence/data that you can use? |
| No |
| Have you consulted with stakeholders? |
| Yes |
| Who have you involved, consulted and engaged with? |
| The Local Member - Mr Rich Lehmann - has been notified of the proposal and not expressed any concern at the proposal |
| Has there been a previous Equality Analysis (EQIA) in the last 3 years? |
| No |
| Do you have evidence that can help you understand the potential impact of your activity? |
| Yes |
| Section C – Impact |
| Who may be impacted by the activity? |
| Service Users/clients Service users/clients |
| Staff Staff/Volunteers |
| Residents/Communities/Citizens Residents/communities/citizens |
| Are there any positive impacts for all or any of the protected groups as a result of the activity that you are doing? |
| Yes |
| Details of Positive Impacts |
| The project will enable the provision of new School Buildings. This supports KCC's commitment to maintaining its strategic role in supporting schools in Kent to deliver accessible, high-quality education provision representing a positive benefit for the School pupils and their education. |
| Negative impacts and Mitigating Actions |
| 19. Negative Impacts and Mitigating actions for Age |
| Are there negative impacts for age? |
| No |
| Details of negative impacts for Age |
| Not Applicable |
| Mitigating Actions for Age |
| Not Applicable |
| Responsible Officer for Mitigating Actions – Age |
| Not Applicable |
| 20. Negative impacts and Mitigating actions for Disability |
| Are there negative impacts for Disability? |
| No |
| Details of Negative Impacts for Disability |
| Not Applicable |
| Mitigating actions for Disability |
| Not Applicable |
| Responsible Officer for Disability |
| Not Applicable |
| 21. Negative Impacts and Mitigating actions for Sex |

| |
|--|
| Are there negative impacts for Sex |
| No |
| Details of negative impacts for Sex |
| Not Applicable |
| Mitigating actions for Sex |
| Not Applicable |
| Responsible Officer for Sex |
| Not Applicable |
| 22. Negative Impacts and Mitigating actions for Gender identity/transgender |
| Are there negative impacts for Gender identity/transgender |
| No |
| Negative impacts for Gender identity/transgender |
| Not Applicable |
| Mitigating actions for Gender identity/transgender |
| Not Applicable |
| Responsible Officer for mitigating actions for Gender identity/transgender |
| Not Applicable |
| 23. Negative impacts and Mitigating actions for Race |
| Are there negative impacts for Race |
| No |
| Negative impacts for Race |
| Not Applicable |
| Mitigating actions for Race |
| Not Applicable |
| Responsible Officer for mitigating actions for Race |
| Not Applicable |
| 24. Negative impacts and Mitigating actions for Religion and belief |
| Are there negative impacts for Religion and belief |
| No |
| Negative impacts for Religion and belief |
| Not Applicable |
| Mitigating actions for Religion and belief |
| Not Applicable |
| Responsible Officer for mitigating actions for Religion and Belief |
| Not Applicable |
| 25. Negative impacts and Mitigating actions for Sexual Orientation |
| Are there negative impacts for Sexual Orientation |
| No |
| Negative impacts for Sexual Orientation |
| Not Applicable |
| Mitigating actions for Sexual Orientation |
| Not Applicable |
| Responsible Officer for mitigating actions for Sexual Orientation |
| Not Applicable |
| 26. Negative impacts and Mitigating actions for Pregnancy and Maternity |
| Are there negative impacts for Pregnancy and Maternity |
| No |
| Negative impacts for Pregnancy and Maternity |
| Not Applicable |
| Mitigating actions for Pregnancy and Maternity |

| |
|--|
| Not Applicable |
| Responsible Officer for mitigating actions for Pregnancy and Maternity |
| Not Applicable |
| 27. Negative impacts and Mitigating actions for Marriage and Civil Partnerships |
| Are there negative impacts for Marriage and Civil Partnerships |
| No |
| Negative impacts for Marriage and Civil Partnerships |
| Not Applicable |
| Mitigating actions for Marriage and Civil Partnerships |
| Not Applicable |
| Responsible Officer for Marriage and Civil Partnerships |
| Not Applicable |
| 28. Negative impacts and Mitigating actions for Carer's responsibilities |
| Are there negative impacts for Carer's responsibilities |
| No |
| Negative impacts for Carer's responsibilities |
| Not Applicable |
| Mitigating actions for Carer's responsibilities |
| Not Applicable |
| Responsible Officer for Carer's responsibilities |
| Not Applicable |

From: Peter Oakford – Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services
 Rebecca Spore, Director of Infrastructure

To: Policy and Resources Cabinet Committee - 27 November 2024

Subject: Property Accommodation Strategy – Strategic Headquarters (SHQ)

Decision no: 24/00100

Key decision Yes - The delivery of the strategy is likely to involve expenditure / savings in excess of £1m.

Classification: Unrestricted Report with Exempt Appendix A and B – *not for publication. Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended, refers.*

Past Pathway of report:

Policy and Resources Cabinet Committee, 11 September 2020
 Policy and Resources Cabinet Committee, 6 November 2020
 Policy and Resources Cabinet Committee, 13 July 2021
 Policy and Resources Cabinet Committee, 24 March 2022
 Policy and Resources Cabinet Committee, 23 November 2022
 Policy and Resources Cabinet Committee, 26 July 2023

Future Pathway of report: Cabinet Member decision.

Electoral Division: All

Is the decision eligible for call-in? Yes

Summary:

This report updates the Policy and Resources Cabinet Committee following the decision 23-00072 on 12 September 2023, which set out a preferred option for the development of the Property Accommodation Strategy for Kent County Council (KCC) Strategic Headquarters. The report sets out the work that has taken place since the 2023 Key Decision and seeks the committee's comments on the next steps.

Recommendation(s):

The Policy and Resources Cabinet Committee is asked to consider and endorse or make recommendations to the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Service on the proposed decision to:

The Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services to:

- 1) **AGREE** to continue the disposal of Sessions House in its entirety (Blocks A-E);

- 2) **ALLOCATE** £20m as identified in the Council's 2023-33 Capital Programme Budget, approved by County Council on 9 February 2023 to deliver the proposed works, inclusive of costs incurred to date (£1.65m) as part of the SHQ Programme for Invicta House to accommodate the new Strategic Headquarters (SHQ) arrangement, followed by the award of a construction works contract as necessary to deliver the scheme and any required decant within the agreed budget limits;
 - 3) **NOTE** that the provision of a dedicated Council Chamber in Invicta House is additional to the scope of the previous decision and will require additional capital funding to be allocated through the Budget setting process;
 - 4) **AGREE** to progress with the inclusion of a new Council Chamber located in Invicta House within the approved SHQ plan, subject to completion of detailed design development at RIBA Stage 4 and appropriate capital funding allocation through the Budget setting process.
 - 5) **DELEGATE** authority to the Director of Infrastructure, subject to the above progression requirements being met and in consultation with the Leader, the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, s151 Officer and the Monitoring Officer, to approve required works and to negotiate, finalise and award relevant contracts in relation to the dedicated Council Chamber; and
 - 6) **DELEGATE** authority to the Director of Infrastructure in consultation with the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, s151 Officer and the Monitoring Officer, to authorise the execution of necessary contractual and land agreements and enter into other contracts or legal agreements as required to implement the decision.
-

1. Introduction

- 1.1 A report was provided to the Policy and Resources Cabinet Committee on 11 September 2020, on the preparation of a Strategic Outline Case (SOC) that reviewed the options for the future of the Headquarters Estate centred around Sessions House. This was reviewed by the Committee on the 6 November 2020, where it was agreed that the options appraisal should be revisited, taking into account accommodation changes following the COVID-19 pandemic.
- 1.2 The key policy drivers to change the office estate are as follows:
 - Kent County Council's commitment to an inclusive workplace
 - Carbon Neutral by 2030
 - Condition and suitability issues.
 - Reduced Requirement for office space which provides a more effective and affordable provision.
 - Supporting regeneration and Place making
- 1.3 In December 2020, the Council established its Strategic Reset Programme (SRP). Future Assets, including the future of SHQ, is one of the 13 strands of the SRP. The

future of SHQ will influence the accommodation provision across the remainder of the office estate and the delivery of £2.231m revenue savings, which was agreed by full Council and is in the Medium Term Financial Plan (MTFP), as a result of a smaller and more efficient office portfolio.

- 1.4 Following consideration of the revised options, on 13 July 2021, the Policy and Resources Cabinet Committee received an update on the Office Accommodation Strategy that specifically addressed KCC's Maidstone office assets, Invicta House and Sessions House (referred to collectively as SHQ).
- 1.5 Following this meeting, the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services took decision 21-00064 on 13 August 2021 to progress with the marketing of Blocks A, B and E of Sessions House for disposal and to develop an option for the refurbishment and modernisation of Blocks C and D, predominately for civic uses and Invicta House as a staff hub.
- 1.6 On 24 March 2022, the Policy and Resources Cabinet Committee received an update on the progress of the project following decision 21-00064. RIBA Stage 1 had been completed for the Masterplan, including development of design options for Blocks C and D of Sessions House and Invicta House, with RIBA Stage 2 designs due for completion in summer 2022. The marketing exercise for the disposal of Blocks A, B and E of Sessions House was noted to commence summer 2022.
- 1.7 RIBA Stage 2 design progression and subsequent Final Design Report for the '2021 Option' was completed in June 2022. The cost plan associated with RIBA stage 2 indicated a capital cost of £56.8m.
- 1.8 In October 2022, given the Council's significant financial challenges, the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services instructed officers to pause design work for the 2021 option, revisit the scope and present lower capital cost options. The £35m capital budget allocated to the project was reduced to £20m and endorsed by full Council in February 2023. This represented a capital cap in respect of the project.
- 1.9 On 23 November 2022, the Policy and Resource Cabinet Committee were presented with a longlist of 6 options for consideration. It was noted that Option 1 (the July 2021 Option) and Option 2 (Retain and expand Invicta House and utilise other KCC accommodation) were not being progressed further due to the high capital cost requirement of each, exceeding the revised maximum budget of £20m and were therefore discounted from further consideration as shortlisted options.
- 1.10 The four remaining lower capital cost options were shortlisted for further consideration and developed in further detail, with both qualitative and financial assessments to be undertaken.
- 1.11 On 26 July 2023, the updated Business Case report was provided to the Policy and Resources Cabinet Committee which summarised the options available for the Estates Strategy moving forwards, within the revised MTFP cap of £20m.
- 1.12 The report identified a preferred Option - the increased utilisation of Invicta House, and the disposal of Sessions House (in its entirety). No dedicated Council Chamber is provided as part of this option. This preferred option was subsequently agreed

under the Key Decision 23-00072 on 12 September 2023 with its viability tested further, as set out in this report.

Remarketing of Sessions House

- 1.13 The Key Decision identified the need to re-market the whole of Sessions House, which was subsequently completed in Q4 of 2023. A copy of the marketing brochure is attached for information in Appendix D. The Exempt Appendix B sets out the process and the current position in more detail.
- 1.14 Following an “all enquires” S.123 compliant marketing exercise of Sessions House, bidders were invited to submit bids for the whole or parts of Sessions House. Bids were only received for the whole of Sessions House and Albert Street car park (no bids were received for parts of the building). Following an evaluation of the bids received by the professional team a preferred bidder has been selected, subject to contract and formal Council approvals.
- 1.15 Confidential Heads of Terms are at an advanced stage with the whole of Sessions House and Albert Street car park now ‘under offer’ (subject to ongoing due diligence by both parties, Key Decision and Contract), conditional upon Ministry of Justice (MoJ) consent. These terms also allow for the proposed temporary continued use and occupation of Sessions House by KCC (under a short-term flexible lease at nil rent) post Completion of the disposal, to allow KCC staff to decant into Block A office space and Members to continue to occupy Blocks C and D (including the members chamber), during the proposed refurbishment works at Invicta House, should the Council take up this option as part of the decant.
- 1.16 Ongoing MOJ/HMP Maidstone engagement has taken place in relation to the restrictive covenants and their proposed release/variation primarily focused on mitigating the prison’s security concerns, linked to the proposed conversion of blocks A, B and E into residential flats for market sale/lease. This engagement has included the introduction of the Council’s preferred buyer/developer and design workshops to address security concerns in detail. MOJ have agreed to the proposed disposal and repurposing of Sessions House in principle, subject to these security concerns being met, with the loss of KCC as being the primary occupier and guardian of the building.
- 1.17 Legal Counsel advice has been sought to provide assurance in relation to s.123 considerations.

2. Refresh of the SHQ Options

- 2.1 Historic under-investment in the estate over many years has created a significant maintenance backlog. As a result of this backlog and the limited suitability of buildings, many services are delivered from buildings that offer a poor user experience. In some cases, staff and service users have had to work in restricted and challenging environments due to condition problems, which have resulted in the need to temporarily close areas of buildings, or a whole building due to health and safety concerns.
- 2.2 Due to the limited resources available, urgent health and safety spend is often prioritised meaning that suitability and accessibility issues are rarely addressed

with management actions often put in place to enable services to function. i.e. location of functions is driven by the need for accessibility not strategic location and need. The parts of the SHQ campus in Sessions House that were in particularly poor condition (namely Blocks A, B and E) have not been reoccupied since the COVID-19 pandemic.

- 2.3 While KCC has committed to being carbon neutral by 2030, given the revised financial constraints and a maximum capital budget of £20m set in 2023, the reduction of the KCC carbon footprint can only be achieved through this programme via a reduction in the estate footprint.
- 2.4 Annual revenue running costs are approximately £6.5m across KCC’s office estate including SHQ, with 3,300 tons of carbon produced. The reduction in the size of the estate will therefore partly address these figures, but KCC’s target will not be fully realised by this. To meet the target set, other measures across the estate will need to be implemented.
- 2.5 The key drivers for the project within the £20 million capital budget remain unchanged from the 2023 Business Case and are:
- **Address Critical backlog Maintenance** - Address Critical Red and Amber backlog condition works to ensure estate is Warm, Safe and Dry (WSD).
 - **Reduce ongoing future maintenance** - Through addressing backlog maintenance the future ongoing planned preventative maintenance (PPM) works are reduced and can be planned in an efficient manner.
 - **Provide accommodation requirements** - Provide accommodation in line with the minimum accommodation requirements schedule for the new SHQ provision.
 - **Rationalise under-utilised estate** - Reduction in the size of the SHQ estate by disposing of unused accommodation, which in turn reduces future ongoing liabilities from upkeep and holding costs.
- 2.6 The 2023 Business Case concluded a preferred option to enhance the use of Invicta House and seek to dispose of the entirety of Sessions House (Option 5), subject to a further re-marketing exercise which has now been completed as outlined below in the report.

3 Qualitative Assessment Criteria for Business Case

- 3.1 The Qualitative Assessment criteria as set out within the 2023 Business Case remains unchanged, from the objectives set out below with the updated business case included in exempt appendix A:

| Project Objective | Weighting | Rationale for Critical Success Factor being selected |
|---|-------------|---|
| Accommodation Requirement Minimum Accommodation Delivered for SHQ | Pass / Fail | Minimum Accommodation requirement can be met to deliver: <ul style="list-style-type: none"> • Members spaces |

| | | |
|---|------------------|---|
| | | <ul style="list-style-type: none"> • Corporate Management Team (CMT) Provision • Governance and Legal • Facilities Management (FM) (Partial) • Core Officers Accommodation • Reception / waiting area. • Circulation • Plant and Storage |
| Location Location is accessible, for staff, visitors and partner organisations | Pass / Fail | Location of SHQ must have good transport links for access by staff, visitors, partner organisations, and members of the public, as the democratic centre for the Council's operations. |
| Accommodation Quality Addressing Backlog Maintenance | Pass/Fail 10% | Objective set to assess the extent that the option addresses urgent backlog maintenance (Red and Amber 1 – 5 years) for buildings that are retained. |
| Accommodation Requirement Reduce staff space requirement for SHQ from previous pre COVID-19 space levels, whilst ensuring a critical mass of staff are still located together in a single location with adequate space provision. Release surplus capacity in order to reduce the total KCC estate. | 10% | A significant cluster of strategic staff can be accommodated together to enable strategic services across key services to come together. |
| Accommodation Requirement Desirable Accommodation Delivered for SHQ | 5% | Includes a Council Chamber. |
| Accommodation Quality Provides accommodation which enables inclusive access for all. | 5% | As an inclusive employer, a suitable level of accessibility can be achieved. |
| Impact of Change Minimises organisational change | 20% | Objective set to establish the impact that each option would have on organisational change to staff contracts and impact on staff retention and morale. |
| Deliverability (MOJ Covenant) Risk associated with ability to deliver the option | 10% | Objective set to establish the deliverability of the option in the context of the ability to lift or vary the Ministry of Justice (MOJ) covenant. |
| Deliverability (Market Appetite) Risk associated with ability to deliver the option | 30% | Objective set to identify the market appetite for disposal and commercial viability to deliver a s.123 compliant disposal (assuming sold with vacant possession). |
| Deliverability (Construction Delivery) Risk associated with Construction phase delivery of the project | 10% | Objective set to identify the level of certainty to complete the construction works within the project tolerances (scope, budget, and programme). |

4 Design Development of Preferred Option

- 4.1 Following approval of the preferred option in September 2023, design development of this option has been progressed to RIBA Stage 2 to demonstrate an enhanced utilisation of Invicta House. The preferred Option agreed in September 2023 is to consolidate the SHQ provision into Invicta House (including Members, the Corporate Management Team (CMT) and Officer provisions currently located in Sessions House), and to progress with the wholesale disposal of Sessions House (All Blocks A – E).
- 4.2 The update to the business case produced May 2024 as set out in Exempt appendix A considered the options in relation to the scope of works in Invicta House and concluded that undertaking all foreseeable works represented the most cost effective option. The proposals developed for Invicta House will result in accommodation being refurbished to address the urgent building condition requirements (identified in the 2022 Bidwell's Condition Reports), upgrade the Mechanical and Electrical systems, minor enhancement to reflect the changes to an SHQ (scope 1) and the relocation of KCC Members accommodation, CMT and other supporting officer functions currently located within Sessions House (scope 2).
- 4.3 The preferred option does not include the provision of a dedicated Council Chamber, but an allowance for hiring accommodation to provide a space for a Council Chamber. Consideration has also been given to the inclusion of a new dedicated Council Chamber (scope 3) provision within Invicta House, to demonstrate how this could be accommodated if identified as a later accommodation requirement. It is noted that this would be a change to the scope by Members and is currently outside of the cost parameters. Following the consideration of options and subject to the confirmation of funding in the budget, it is confirmed that a Council Chamber in Invicta should be provided. Therefore, in order to avoid any abortive work and to maintain the programme, it is recommended that design work is progressed with the inclusion of a Chamber, but this is to be included as a variation to the construction works, which can be instructed if appropriate by April 2026. This will only be instructed, if required following the identification of funding in the Medium-Term Financial Plan. Initial, high-level costings suggest that the cost associated with this provision is between £2-3 Million.
- 4.4 The developed proposals would result in the displacement of up to 200 desks from Invicta House, however this will be refined during the next stages of design through a different spatial arrangement and higher density in Invicta House, with the aim to reduce the displacement of desks to 40 or as close to Zero as possible. To supplement this and to retain flexibility, should additional capacity be required, accommodation would be expanded, or existing accommodation would be utilised across the remainder of the KCC corporate estate. Predominately, at Worrall House - Kings Hill, Kroner- Ashford and Brook House - Canterbury. Occupancy levels across the estate demonstrate in the data that is available that we are at this time operating within the office capacity levels with an average occupancy of 60% (note this varies across the office location, day of the week, and time.)
- 4.5 The RIBA Stage 2 cost estimate indicates a total programme budget of circa £18.27m required to deliver the proposals to consolidate into Invicta House (Excluding a Council chamber) inclusive of Fee's to date, future fee's, Contingency

and Fit Out costs (scope 1 and 2). Other than design work this figure excludes any costs associated with the provision of a Council Chamber (scope 3).

- 4.6 In order to implement the proposed works to Invicta House, a full decant is required from Invicta House for a period of 24 months. It is anticipated that this decant shall be accommodated through the short-term use of Sessions House Block A to minimise disruption to service delivery in Maidstone and staff. The project team are working to replicate the current desk provision in Invicta House into Sessions House temporarily. There are some operational teams in Invicta house, covering key activities, such as the provision of case conferencing, which will need to be carefully considered during this period, with high-risk service requirements temporarily managed from other locations. It is anticipated that limited additional compliance works may be required to Sessions House Block A to accommodate the decant. It is anticipated that a short-term lease back arrangement would be negotiated as part of the disposal agreement should the Council wish to progress with this option. The indicative costs associated with this light touch compliance work and decant costs are anticipated to be £1.75m however detailed options are still to be finalised and other options fully explored along taking into account the balance between cost and service impact. The capital works to Invicta House are to be procured via the KCC Contractor Partnership Framework as a direct award, utilising the contractor that is appointed for the Pre-Contract design work. The appointment of the contractor would be undertaken in accordance with the procurement framework requirements.
- 4.7 The procurement of the light touch compliance works is anticipated to be procured via the current Facilities Maintenance contract with Skanska given the current and ongoing maintenance requirements.
- 4.8 If the Council progresses with the disinvestment of Sessions house as per the Preferred Option in a steady state, the Council stands to save a total of 569.08 tonnes of CO₂e a year (based on 23/24 consumption data).

5 Financial and Value for Money Assessment of Options

- 5.1 Relevant figures in the financial analysis for the preferred option to dispose of Sessions House in its entirety, have been updated to reflect the required phasing of spend and delivery of revenue saving. It should be noted that any receipt that is achieved from the disposal is not earmarked against this project or netted off from the capital figures.
- 5.2 The updated financial information identifies that retention of Sessions House C and D Blocks plus the use of Invicta House, now exceeds the allocation of £20m capital budget (anticipated value £22.42m) funded by prudential borrowing for the Strategic Office Estate, agreed at County Council as part of the 2023-24 capital programme, and on this basis no longer meets the pass/fail evaluation criteria. This option also excludes any enhanced improvement works to Invicta House (i.e. Mechanical and Electrical System replacements) and Sessions House (i.e. no accessibility works, no new reception, no improvement works generally throughout spaces, or to the Council Chamber), which would only add to the costs.
- 5.3 On this basis an option that retains Sessions House (option 3 in the business case) has been discounted.

5.4 The preferred option as per the key decision (option 5 in the business case) to retain and consolidate into Invicta House and enhance its utilisation, has been developed to RIBA Stage 2 with an enhanced scope of works to accommodate a full refurbishment and upgrade of the accommodation (scope 1 and 2). The proposed scheme, with allowance for limited critical condition works necessary within Sessions House in order to accommodate the temporary decant of staff from Invicta House, has an estimated total project cost of £18.27m. Summary of cost build up as follows:

| | |
|---|----------------|
| Expenditure to date | £2.49m |
| Invicta House works (Scope 1 & 2) <i>(Inclusive of construction contingency, fees etc)</i> | £13.16m |
| Temporary works to Sessions House to facilitate Decant | £0.90m |
| Basement propping & rooflight works | £0.85m |
| Programme Contingency | £0.87m |
| Council Chamber <i>Excluded (Subject to additional funding if required)</i> | - |
| Total | £18.27m |

5.5 The preferred option as detailed in this paper is deliverable within the approved £20m capital budget, as well as delivering an annual revenue saving of £1.67m at the point of completion of all works and consolidation into Invicta House. This is in excess of the £1m revenue savings target within the MTFP for 2027-28 badged against the review of the Office Estate.

5.6 Although consideration has been given to the inclusion of a new Council Chamber provision within Invicta House to demonstrate how this could be accommodated if identified as a later requirement of the accommodation, this is not included within the current scope (Scope 1 and 2) or the existing £20m capital budget provision.

5.7 It should be noted that the provision of a Council Chamber to Invicta House will need to be a separate bid for prudential borrowing within the capital programme and subject to the identification of funding as part of the Council budget process.

Financial Risk

5.8 Financial risks associated with the Capital Project Delivery:

- Contingency allowance of 10% included on the capital works to recognise the current early stages of design development.
- A programme delivery contingency of 5% included to allow for any unforeseen costs associated with the decant to Sessions House.
- Capital cost of including a Council Chamber in Invicta House currently excluded and subject to a further capital funding bid.
- No allowance included for Red or Amber condition works to Sessions House for the use as temporary decant space – only critical compliance works included for the temporary interim period.

5.9 Financial (and delivery) risks associated with the proposed disposal of Sessions House are noted in the exempt appendix B and in the risk matrix below.

6 Risks

6.1 The risk and impact assessment is set out below:

| Risk Type | Impact | Mitigation Options | Assessment |
|--|--|---|------------|
| Disposal | | | |
| Construction | | | |
| Scope Changes | Cost increases and possible delay in Programme. No design freeze | Design to be agreed by all stakeholders and design freeze implemented once RIBA Stage 4 is complete. Small contingency budget allowed within the overall costs for developing design solution. Works will have to be value engineered if costs exceed the MTFP allowance. | High |
| Planning | Failure to secure planning consent. | Work closely with KCC planner officers as the design develops. Engage in pre-app discussions. | Low |
| Programme slippage | Delay in completion and increased Prelims costs Time in decision making could cause further delays. | Build in float within the Programme for any unforeseen, no scope changes once design has been agreed by stakeholders. Decisions to be made in a timely manner. Contingency budget allowed within the overall forecast costs. Clear communication with strong stakeholder and staff engagement. Implement change control process to understand the Programme implications of any variation prior to instruction. Early involvement of contractor under the framework. | Medium |
| Decant assumptions are undeliverable | Staff morale low Poor communications Time in decision making causing a delay | Decant plans to be agreed early in the design Programme. Clear communication with strong stakeholder and staff engagement Utilise FM Framework to implement compliance works needed to facilitate occupation | Low |
| People | | | |
| Significant disruption as a result of the decant | Staff morale is reduced | Options are developed within the cost allowance which minimise disruption to KCC staff and services | Medium |

| | | | |
|---|---|--|--------|
| | <p>Staff retention is poor</p> <p>Poor communication to all KCC staff</p> <p>HR considerations are triggered such as contract locations</p> <p>Reduce service delivery and outcomes</p> | <p>Clear communication with strong stakeholder and staff engagement</p> <p>Planned decant works to take place during holiday period (Summer) to reduce disruption.</p> <p>Fixed teamwork spaces re-provided</p> | |
| Reduced accessibility during the decant | <p>Accessibility is reduced due to the age of the building.</p> <p>Moving out of Maidstone for the temporary office</p> | <p>Ensure the lifts are serviced and working in Session House</p> <p>Keep temporary office in Maidstone for decant for easy accessibility to public transport etc...</p> <p>Clear communication with strong stakeholder and staff engagement change plan</p> | Medium |
| Reduction in desks at Invicta | <p>Staff morale is reduced</p> <p>Staff retention is poor</p> <p>Reduce service outcomes in period</p> | <p>Replan Invicta House with increased density to mitigate the reduction of desks</p> <p>Utilize space currently occupied by the contact Centre to create additional bookable desk space</p> <p>Efficient space planning of the members accommodation to reduce overall space required</p> <p>Increase desks availability at Worrall House</p> <p>Clear communication with strong stakeholder and staff engagement change plan</p> | Medium |
| Financial | | | |
| Capital cost increases | <p>No design freeze and changes are requested</p> <p>Delays in the programme</p> <p>Increases in cost inflation</p> | <p>Minimise design changes and only enact when implications are clear and understood.</p> <p>Decisions are to be made within a timely manner to avoid unnecessary delays.</p> | Medium |

| | | | |
|--|---|--|--------|
| | | Contingency budget allowed within the overall costs to accommodate limited variations if necessary. Clear communication with strong stakeholder and staff engagement change plan | |
| Revenue saving assumptions in the MTFP are not met | Remaining in session House and Invicta House and not progressing with the SHQ Project | Clear communication with strong stakeholder and staff engagement change plan Clear project governance and escalation process Some contingency currently in the MTFP saving assumptions | Medium |

7 Equalities and Data Protection Implications

- 7.1 An Equalities Impact assessment (EQIA) has been completed and submitted in support of the report.
- 7.2 A Data Protection impact assessment (DPIA) has also been completed and submitted in support of the report.

8 Other corporate implications

- 8.1 SHQ and its future direction is a key strand of the office strategy as part of the SRP and the delivery of the MTFP savings.

9 Governance and Corporate Assurance

- 9.1 Any decision will be progressed in line with the governance processes of the Council.

10 Staff and stakeholder communications

- 10.1 Communication updates have been shared from early 2023, when the Council started looking at the way in which staff work and how we use our buildings. The messages make clear that KCC is looking at the future of our Strategic Headquarters (SHQ) - Sessions House and Invicta House - and how we use the buildings going forward.
- 10.2 The messaging restates KCC's commitment to the county town and to being a continuing presence in Maidstone. However, it is also made clear that due to its size and historic nature, Sessions House has become increasingly expensive and environmentally inefficient to maintain, particularly when considering the current financial context of the Council and its current utilisation. In its current form, it also limits the Council's ability to make the most of the technology available to it or

provide staff with a modern workspace fit for delivering our services in the best way.

- 10.3 A number of options for the future of Sessions House have been shared with colleagues including the move to more modern premises and the testing of the market in late 2023 of potential purchasers for Sessions House as a whole, or in part. A survey understanding the way that Members wish to work was undertaken in September 2024, which will also feed into the design work at the next stage.
- 10.4 Many staff retain an interest in the futures of both Sessions House and Invicta House from a historic and a work-related/employment-based point of view. The need for ongoing engagement with staff and stakeholders remains to keep them informed of future decision-making processes and changes.

11 Conclusion

- 11.1 The capital budget for the project was reduced to £20m in October 2022 and agreed by full Council in February 2023. Following the key decision in September 2023 a further marketing exercise was undertaken which is set out in the exempt appendix.
- 11.2 Following the marketing exercise, bids were only received for the disposal of the whole of sessions. A preferred bidder has been appointed and whilst risks remain in the conclusion of the disposal, this is making good progress, and the Council is seeking to exchange contracts in the first quarter of 2025 and complete the disposal by the Summer 2025.
- 11.3 The option to retain Sessions House Block C and D (Option 3 in the business case) exceeds the £20m capital budget, and additionally no bids were received in relation to the part disposal of sessions house, and this option is therefore discounted.
- 11.4 The preferred option as per the key decision to consolidate and enhance use of Invicta House (along with disposal of Sessions House) has been further developed to accommodate KCC Members, the Corporate Management Team (CMT), and other supporting officers from Sessions House (scope 1 and 2). The proposed Scheme has a RIBA Stage 2 budget of £14.91m (Excluding: project contingency £0.87m, Costs to date £2.49m) for the works in Invicta and the associated decant, and therefore falls within the agreed MTFP capital budget. The revenue analysis indicated that when in steady state the revenue savings are estimated at £1.67m compared to the MTFP target of £1m.
- 11.5 Opportunity exists to utilise Sessions House Block A for temporary decant prior to disposal with vacant possession and is currently included within the capital cost projections set out within this paper.
- 11.6 Following the updated business case and marketing exercise, recognising the risks, KCC has an opportunity to dispose of Sessions House and consolidate into Invicta House. The updated business case reconfirms that the proposed option continued to meet the evaluation criteria and the financial assumptions in the MTFP assumptions to support the delivery of a more effective and efficient property footprint aligned to the way that we are working post the COVID-19 pandemic.

11.7 It is therefore proposed that the Council progresses with the implementation of the option as set out in this decision report and the design work, to enable a dedicated Council Chamber to be instructed at a later stage. .

11.8 Given the risks that are inherent in any disposal project, it is proposed to progress the project on a phased basis with checkpoints at key stages.

11.9 The proposed indicative timelines for the next steps are as follows:

| Key Activity | Indicative Timetable |
|--|--|
| Key Decision taken | November 2024 |
| Invicta House Detailed Design (including planning) (To RIBA Stage 4 (Scope 1,2 and 3)) | December 2024 – Summer 2025 |
| Sessions House Disposal – Exchange of Conditional Contract (to include an Agreement to Lease the building back to KCC during Invicta House works) | March 2025 – subject to commercial risk linked to MOJ and associated viability |
| Planning Application submitted for Invicta House works | Spring 2025 |
| Planning Decision | Summer 2025 |
| Award of ECC Construction contract for works (Scope 1 and 2) ** | Summer / Autumn 2025 |
| Decant from Invicta House to Sessions House Block A | Summer 2025 |
| Works Commence Invicta House (Partial closure of Invicta House Car Park throughout works) | Autumn 2025 |
| Sessions House Disposal – Completion of Sale (subject to MOJ Consent & Commercial risks) & Short-term Lease back to KCC to facilitate decant during Invicta House works | Summer 2025 – Autumn 26 (Subject to ongoing disposal negotiations & strategy) |
| Council Chamber – Decision Point to instruct variation (Scope 3) | Spring 2026 |
| Completion of works and reoccupation of Invicta House | Summer 2027 |

Recommendation(s):

The Policy and Resources Cabinet Committee is asked to consider and endorse or make recommendations to the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Service on the proposed decision to:

The Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services to:

- 1) **AGREE** to continue the disposal of Sessions House in its entirety (Blocks A-E);
 - 2) **ALLOCATE** £20m as identified in the Council's 2023-33 Capital Programme Budget, approved by County Council on 9 February 2023 to deliver the proposed works, inclusive of costs incurred to date (£1.65m) as part of the SHQ Programme for Invicta House to accommodate the new Strategic Headquarters (SHQ) arrangement, followed by the award of a construction works contract as necessary to deliver the scheme and any required decant within the agreed budget limits;
 - 3) **NOTE** that the provision of a dedicated Council Chamber in Invicta House is additional to the scope of the previous decision and will require additional capital funding to be allocated through the Budget setting process;
 - 4) **AGREE** to progress with the inclusion of a new Council Chamber located in Invicta House within the approved SHQ plan, subject to completion of detailed design development at RIBA Stage 4 and appropriate capital funding allocation through the Budget setting process.
 - 5) **DELEGATE** authority to the Director of Infrastructure, subject to the above progression requirements being met and in consultation with the Leader, the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, s151 Officer and the Monitoring Officer, to approve required works and to negotiate, finalise and award relevant contracts in relation to the dedicated Council Chamber; and
 - 6) **DELEGATE** authority to the Director of Infrastructure in consultation with the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, s151 Officer and the Monitoring Officer, to authorise the execution of necessary contractual and land agreements and enter into other contracts or legal agreements as required to implement the decision.
-

12 Appendices

Exempt Appendix A – Business Case

Exempt Appendix B – Supporting Information

Appendix C – Proposed Record of Decision

Appendix D - Sessions House Maidstone Marketing Brochure

Appendix E - EQIA 2024-11-13 Sessions House Disposal

Appendix F - EQIA 2024-11-14 Invicta House refurbishment

13 Contact details

| | |
|--|---|
| Report Author: Joanne Taylor Head of Capital Projects 03000 41 76 06 Joanne.Taylor@kent.gov.uk | Relevant Director: Rebecca Spore Director of Infrastructure Telephone: 03000 41 67 16 Rebecca.spore@kent.gov.uk |
|--|---|

By virtue of paragraph(s) 3, 5 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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By virtue of paragraph(s) 3, 5 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

DECISION TO BE TAKEN BY:

Peter Oakford, Deputy Leader, Cabinet Member for Finance, Corporate and Traded Services

DECISION NO:

24/00100

For publication

Key decision: YES

Key decision criteria. The decision will:

- a) *result in savings or expenditure which is significant having regard to the budget for the service or function (currently defined by the Council as in excess of £1,000,000); or*

Subject Matter: Property Accommodation Strategy – Strategic Headquarters (SHQ)

Decision:

The Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services to:

- 1) **AGREE** to continue the disposal of Sessions House in its entirety (Blocks A-E);
- 2) **ALLOCATE** £20m as identified in the Council's 2023-33 Capital Programme Budget, approved by County Council on 9 February 2023 to deliver the proposed works, inclusive of costs incurred to date (£1.65m) as part of the SHQ Programme for Invicta House to accommodate the new Strategic Headquarters (SHQ) arrangement, followed by the award of a construction works contract as necessary to deliver the scheme and any required decant within the agreed budget limits;
- 3) **NOTE** that the provision of a dedicated Council Chamber in Invicta House is additional to the scope of the previous decision and will require additional capital funding to be allocated through the Budget setting process;
- 4) **AGREE** to progress with the inclusion of a new Council Chamber located in Invicta House within the approved SHQ plan, subject to completion of detailed design development at RIBA Stage 4 and appropriate capital funding allocation through the Budget setting process.
- 5) **DELEGATE** authority to the Director of Infrastructure, subject to the above progression requirements being met and in consultation with the Leader, the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, s151 Officer and the Monitoring Officer, to approve required works and to negotiate, finalise and award relevant contracts in relation to the dedicated Council Chamber; and
- 6) **DELEGATE** authority to the Director of Infrastructure in consultation with the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, s151 Officer and the Monitoring Officer, to authorise the execution of necessary contractual and land agreements and enter into other contracts or legal agreements as required to implement the decision.

Reason(s) for decision:

Kent County Council's (KCC's) Strategic Headquarters requires significant investment to address building condition issues and deliver accommodation which is fit for purpose. This decision supports

the Councils considerations in making best use of its resources and estate whilst remaining options are assessed and enables the urgent maintenance works required in Invicta House to progress.

Cabinet Committee recommendations and other consultation:

Reports were taken to the following Committees:

Policy and Resources Cabinet Committee, 11 September 2020

Policy and Resources Cabinet Committee, 6 November 2020

Policy and Resources Cabinet Committee, 13 July 2021

Policy and Resources Cabinet Committee, 24 March 2022

Policy and Resources Cabinet Committee, 23 November 2022

Policy and Resources Cabinet Committee, 26 July 2023

The proposed decision will be considered by the Policy and Resources Cabinet Committee on 27 November 2024.

Any alternatives considered and rejected:

A number of alternatives were considered which are set out in the Policy Resources committee reports in July 2023 and the business case.

Doing nothing does not deliver against KCC's MTFP objectives or enable a more efficient use of resources in line with the way that staff are currently working. The preferred option continues to deliver within KCC objectives and financial assumptions.

Any interest declared when the decision was taken and any dispensation granted by the Proper Officer: None.

.....
signed

.....
date

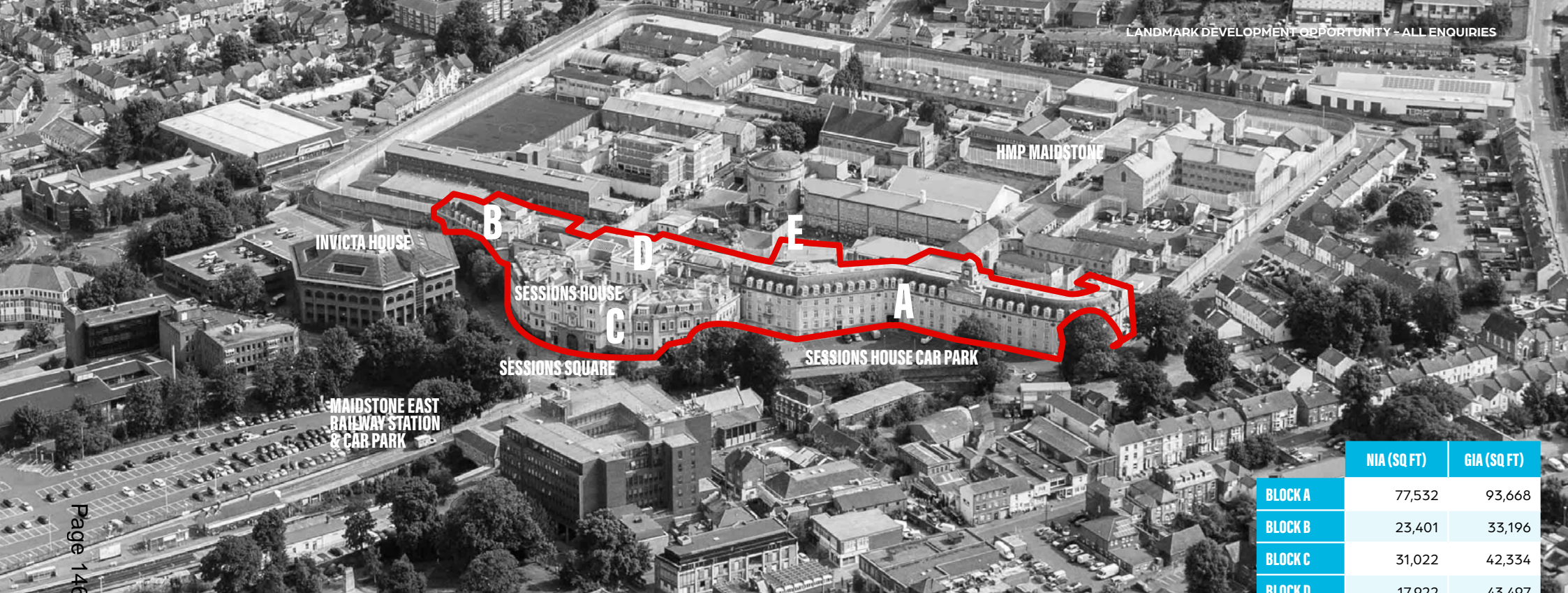


**FOR SALE /
ALL ENQUIRIES**

**LANDMARK DEVELOPMENT
OPPORTUNITY IN CENTRAL
MAIDSTONE**

**SESSIONS HOUSE, COUNTY HALL,
MAIDSTONE, KENT ME14 1XQ**





| | NIA (SQ FT) | GIA (SQ FT) |
|--------------|----------------|----------------|
| BLOCK A | 77,532 | 93,668 |
| BLOCK B | 23,401 | 33,196 |
| BLOCK C | 31,022 | 42,334 |
| BLOCK D | 17,922 | 43,497 |
| BLOCK E | 12,777 | 15,091 |
| TOTAL | 162,653 | 227,786 |

OPPORTUNITY SUMMARY

- Rare opportunity to acquire the whole or part of a listed building in the heart of Maidstone.
- Kent County Council due to refurbish Invicta House for continued council use.
- Located within 100m of Maidstone’s main shopping high street, opposite Maidstone East Station and adjacent to Maidstone Prison.
- Part of the site is subject to Restrictive Covenants in favour of the Ministry of Justice. Full details are available in the Dataroom. Constructive dialogue with Ministry of Justice ongoing.
- Total existing area of c. 230,000 sq ft (GIA).
- Additionally, the vendor is offering a 91 space car park, located on Albert Street, as part of the disposal.
- Vacant possession available on completion. There are no occupational leases.
- The whole building is surplus to requirements and we are inviting interest from parties (either for part or all of the building) on an All Enquiries basis. Unconditional and Subject to Planning offers considered for a long leasehold interest.

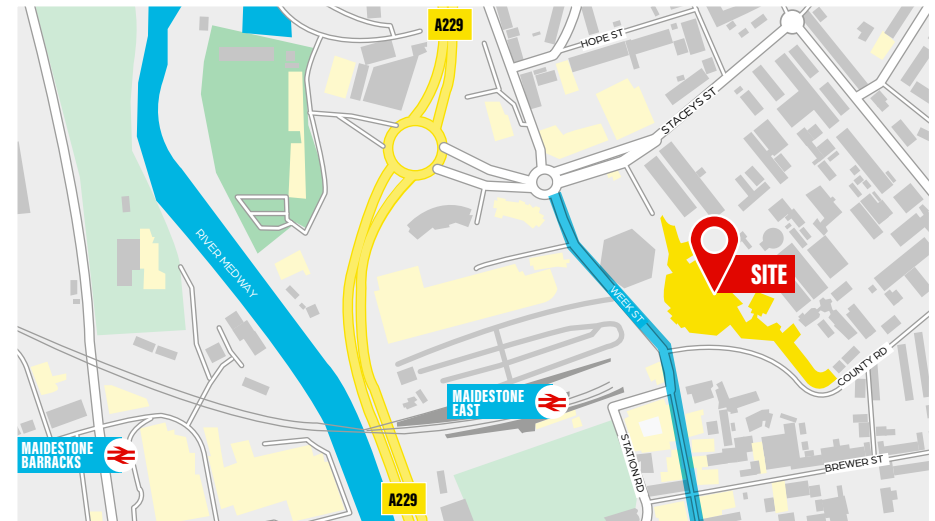


LOCATION

- Less than 2 miles (3 km) from M20 motorway and less than 5 miles (8 km) from M2 motorway.
- Town centre development opportunity, subject to planning.
- Prominent site close to retail and leisure amenities.
- Historic town with a population of approximately 120,000 people, located 36 miles (58km) south east of London and 27 miles (43km) west of Canterbury.
- Situated opposite Maidstone East station.
- Close proximity to Maidstone's main shopping area.
- Adjacent to Maidstone prison.
- Maidstone also boasts four Ofsted 'Outstanding' secondary schools.

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LANDMARK DEVELOPMENT OPPORTUNITY - ALL ENQUIRIES



OPPORTUNITY SUMMARY

LOCATION

DESCRIPTION

PLANNING OVERVIEW

BLOCK A + E OPPORTUNITY

BLOCK B OPPORTUNITY

BLOCK C OPPORTUNITY

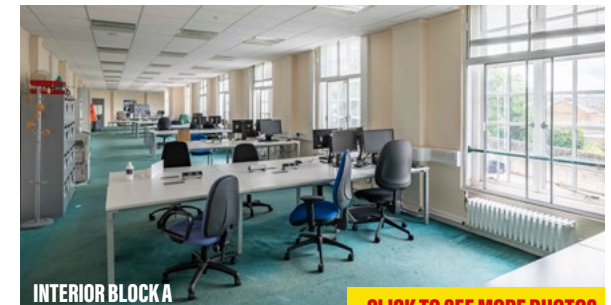
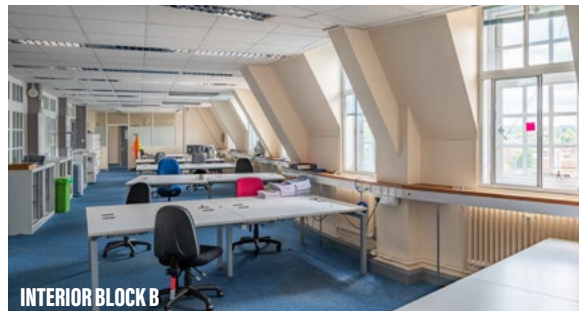
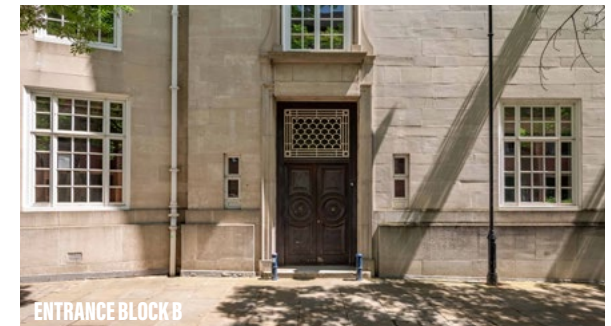
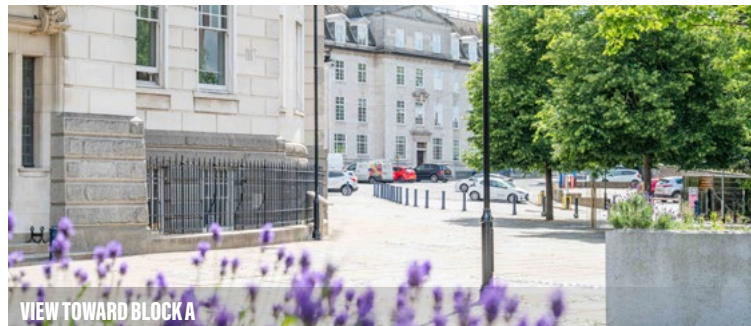
BLOCK D OPPORTUNITY

LEGAL & FURTHER INFORMATION



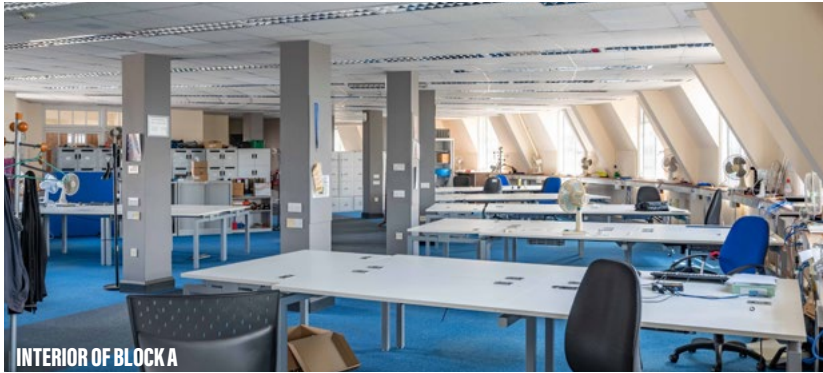
DESCRIPTION

- Sessions House is a historic listed building in central Maidstone that was first constructed in 1824 (Block D), before being extended in 1910-13 (Block C) and in the 1930s (Blocks A+E, and B).
- **The whole building is surplus to requirements and offered to the market on an 'All Enquiries' basis.**
- Until the Covid-19 pandemic the entire building, and the neighbouring Invicta House, was occupied by Kent County Council as their civic headquarters.
- Blocks C and D provide members rooms, event space, civic offices, lecture theatres and other office accommodation.
- Blocks A and B are currently configured as office accommodation, having not been formally reoccupied following the COVID-19 pandemic.
- Block E is currently moth-balled and was previously used for office storage.
- Architectural, planning and heritage documents are available in the data room.



[CLICK TO SEE MORE PHOTOS](#)





INTERIOR OF BLOCK A



BLOCK A CLOCK TOWER



REAR OF BLOCK B



EXTERIOR BLOCK C



BLOCK C STAIRCASE



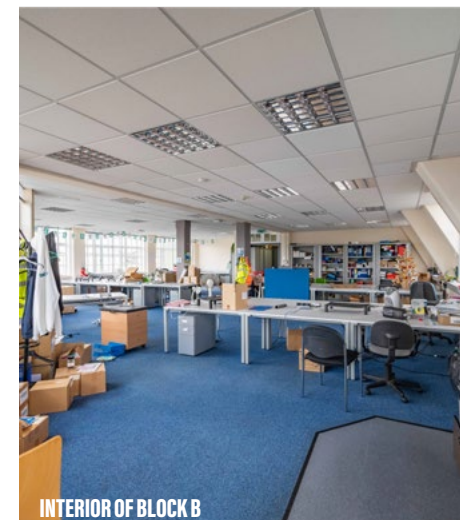
BLOCK C ENTRANCE HALL



FRONT OF BLOCK A



MAIDSTONE EAST STATION



INTERIOR OF BLOCK B



PLANNING OVERVIEW

A FORMAL MEETING PRE-APPLICATION MEETING WAS HELD WITH MAIDSTONE BOROUGH COUNCIL RELATING TO BLOCKS A, B & E.

Key feedback:

- CHANGE OF USE:** Overall, the principle of development is supported for all uses, noting the town centre location but cognisant of the marketing exercise and viability.
- AFFORDABLE HOUSING:** For any residential scheme, affordable housing provision would be subject to viability.
- HERITAGE:** A change of use would be acceptable. A sensitive redevelopment would help to ensure the long-term preservation of a heritage asset.
- CAR PARKING:** Potentially Block E may require demolition to free up space at the rear for parking and reflects the current condition and form of the building as existing. In addition, there is an opportunity to stop up County Road, subject to necessary consents.

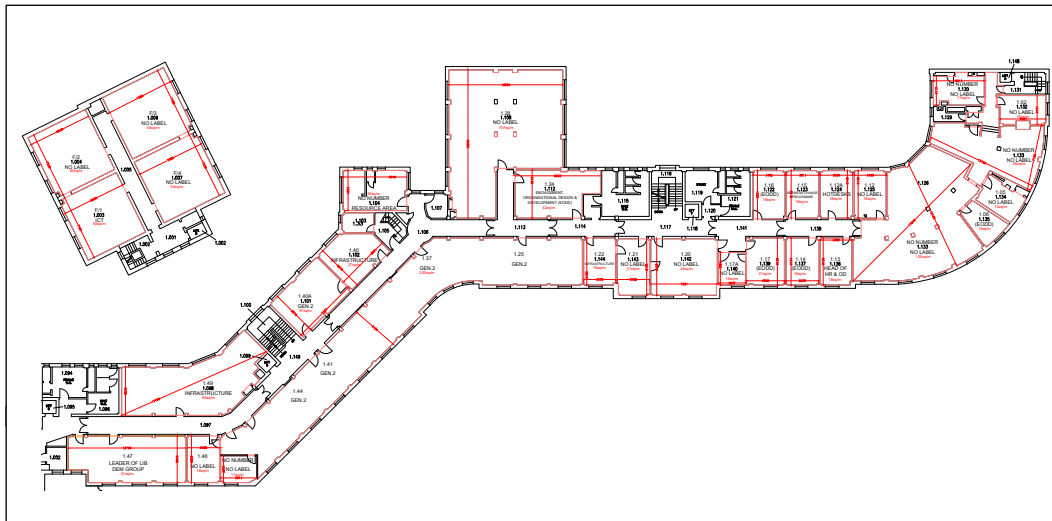
Further details are provided in the Data Room.



BLOCK A + E OPPORTUNITY

- Currently configured as office accommodation arranged over basement, ground and three upper storeys.
- Separate pedestrian access.
- Direct access to Block E to the rear.
- Internal access to communal amenities in Blocks C and D can be considered, if required
- 80 car parking can potentially be provided (assuming demolition of block E and subject to all necessary consents in relation to stopping-up of part of County Road).
- Opportunity for continued office use or redevelopment for alternative uses, subject to planning and variation of Ministry of Justice covenant.

LANDMARK DEVELOPMENT OPPORTUNITY - ALL ENQUIRIES



| | BASEMENT | | GROUND | | FIRST | | SECOND | | THIRD | | FOURTH | | TOTAL | |
|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|--------------|---------------|----------------|
| | NIA (sq ft) | GIA (sq ft) | NIA (sq ft) | GIA (sq ft) | NIA (sq ft) | GIA (sq ft) | NIA (sq ft) | GIA (sq ft) | NIA (sq ft) | GIA (sq ft) | NIA (sq ft) | GIA (sq ft) | NIA (sq ft) | GIA (sq ft) |
| BLOCK A | 12,174 | 15,855 | 12,680 | 15,694 | 14,122 | 17,115 | 15,166 | 17,814 | 14,639 | 17,588 | 8,751 | 9,601 | 77,532 | 93,668 |
| BLOCK E | 2,519 | 2,917 | 2,508 | 3,423 | 2,519 | 2,917 | 2,713 | 2,917 | 2,519 | 2,917 | | | 12,777 | 15,091 |
| TOTAL: | 14,693 | 18,772 | 15,260 | 19,117 | 16,641 | 20,032 | 17,879 | 20,731 | 17,158 | 20,505 | 8,751 | 9,601 | 90,309 | 108,759 |

Areas measured by First Horizon

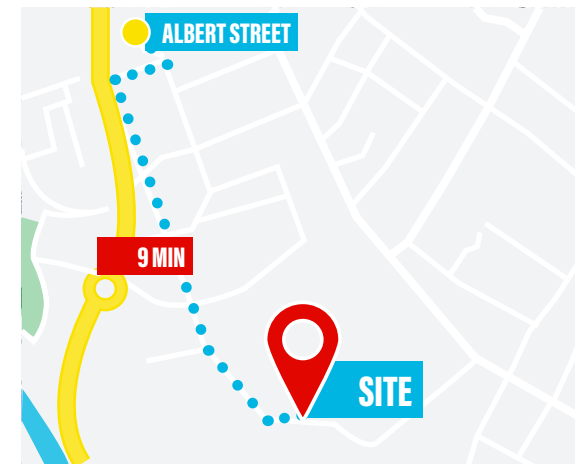


BLOCK B OPPORTUNITY

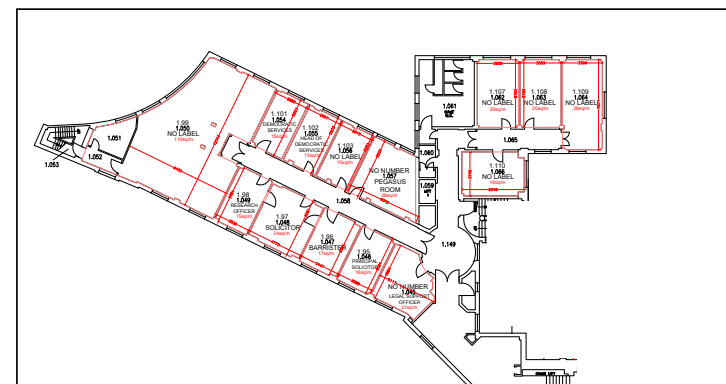
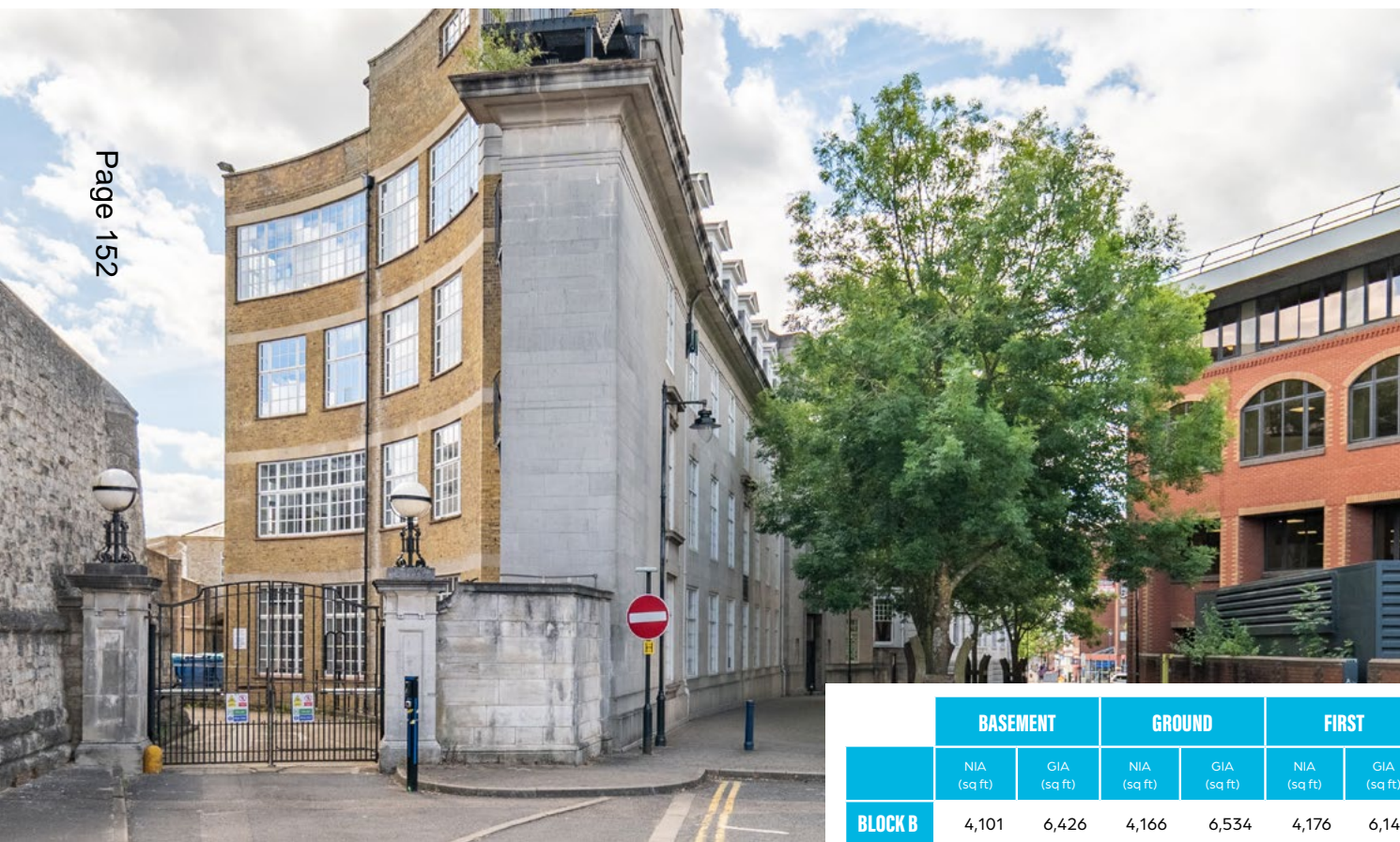
- Currently configured as office accommodation arranged over basement, ground and three upper storeys.
- Separate pedestrian access.
- Internal access to communal amenities in Blocks C and D can be offered, if required.
- 91 additional off-site parking spaces, located on Albert Street, are also offered as part of the disposal.
- Opportunity for continued office use or redevelopment for alternative uses, subject to planning and variation of Ministry of Justice covenant.

LANDMARK DEVELOPMENT OPPORTUNITY - ALL ENQUIRIES

ACCESS TO ALBERT STREET CAR PARK



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| | BASEMENT | | GROUND | | FIRST | | SECOND | | THIRD | | FOURTH | | TOTAL | |
|----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | NIA (sq ft) | GIA (sq ft) | NIA (sq ft) | GIA (sq ft) | NIA (sq ft) | GIA (sq ft) | NIA (sq ft) | GIA (sq ft) | NIA (sq ft) | GIA (sq ft) | NIA (sq ft) | GIA (sq ft) | NIA (sq ft) | GIA (sq ft) |
| BLOCK B | 4,101 | 6,426 | 4,166 | 6,534 | 4,176 | 6,146 | 4,359 | 5,780 | 4,499 | 5,780 | 2,099 | 2,530 | 23,401 | 33,196 |

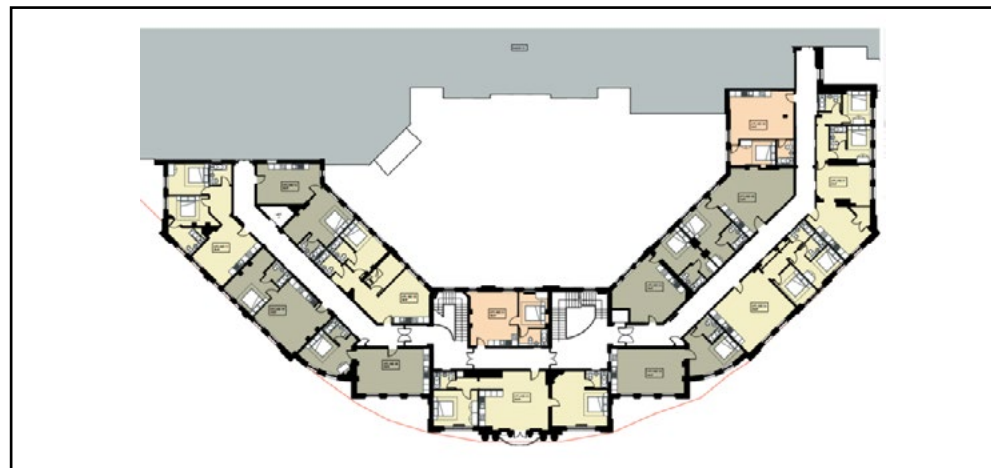
Areas measured by First Horizon



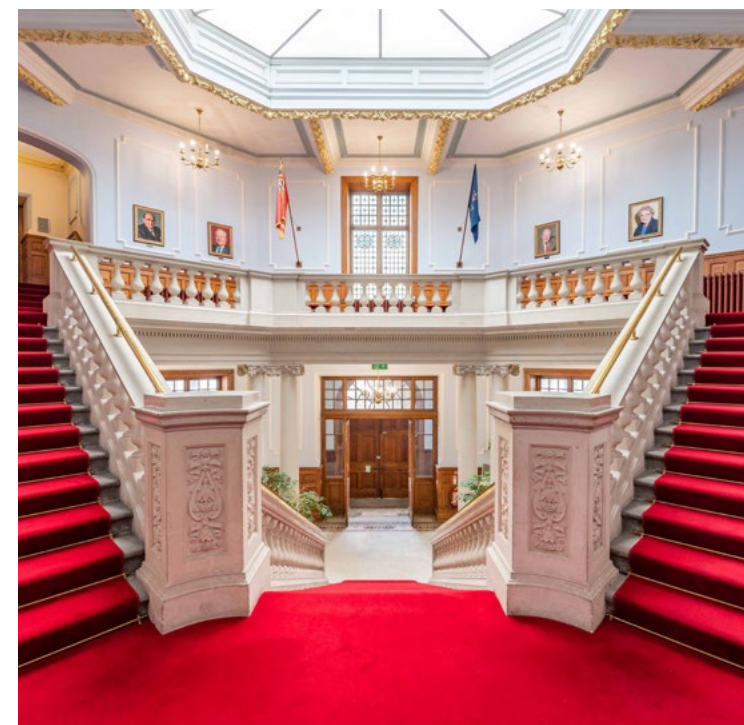
BLOCK C OPPORTUNITY

- Block C, located at the front of Sessions House, is predominantly configured as members offices.
- The block provides an opportunity for redevelopment to residential, or refurbishment and continuation of its existing use.
- An initial proposal by TPM architects outlines the possible development of 41 residential units within Block C, making minimal changes to the existing configuration.
- Redevelopment subject to planning.

LANDMARK DEVELOPMENT OPPORTUNITY - ALL ENQUIRIES



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| | BASEMENT | | GROUND | | FIRST | | SECOND | | TOTAL | |
|----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | NIA (sq ft) | GIA (sq ft) | NIA (sq ft) | GIA (sq ft) | NIA (sq ft) | GIA (sq ft) | NIA (sq ft) | GIA (sq ft) | NIA (sq ft) | GIA (sq ft) |
| BLOCK C | 6,609 | 8,191 | 6,964 | 9,709 | 7,847 | 12,335 | 9,601 | 12,099 | 31,022 | 42,334 |

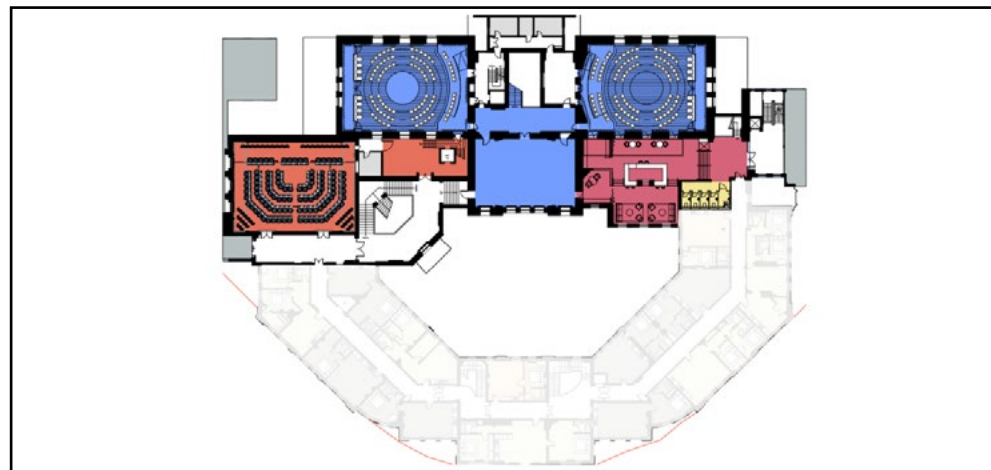
Areas measured by First Horizon



BLOCK D OPPORTUNITY

- Block D contains former courtrooms, lecture theatres, the council chamber and first floor café, and benefits from a central courtyard.
- There is an opportunity to convert a unique heritage setting into high quality events space, for daily use or to let.
- Ground floor options include a large reception room and refurbishment of the lecture halls for conference use.
- The first floor offers the opportunity to create high quality events space within the refurbished council chamber and former courtrooms, served by a restaurant overlooking the courtyard.
- All uses are complimented by the internal courtyard.
- Indicative proposals by TPM Architects are included in the data room.

LANDMARK DEVELOPMENT OPPORTUNITY - ALL ENQUIRIES



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CGI - TPM ARCHITECTS

| | BASEMENT | | GROUND | | FIRST | | SECOND | | TOTAL | |
|----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | NIA (sq ft) | GIA (sq ft) | NIA (sq ft) | GIA (sq ft) | NIA (sq ft) | GIA (sq ft) | NIA (sq ft) | GIA (sq ft) | NIA (sq ft) | GIA (sq ft) |
| BLOCK D | 0 | 3,466 | 7,653 | 21,592 | 10,269 | 16,027 | 0 | 2,411 | 17,922 | 43,497 |

Areas measured by First Horizon

OPPORTUNITY SUMMARY

LOCATION

DESCRIPTION

PLANNING OVERVIEW

BLOCK A + E OPPORTUNITY

BLOCK B OPPORTUNITY

BLOCK C OPPORTUNITY

BLOCK D OPPORTUNITY

LEGAL & FURTHER INFORMATION



LEGAL AND FURTHER INFORMATION

LEGAL

- The property is offered as a whole or as separate blocks.
- Sessions House is subject to a restrictive covenant in favour of the Ministry of Justice. A Report on Title is included in the data room.
- Vacant possession is available on completion.

VIEWINGS

Strictly by appointment only.

METHOD OF SALE

The Vendor is inviting interest from parties in the opportunity on an All Enquiries basis.

Unconditional and Subject to Planning offers will be considered for a long leasehold interest in either the whole building or any individual blocks.

The site will be sold via an Informal Tender process.

The Vendor reserves the right not to accept the highest, or any offer received.

TENURE

Offers invited for a long leasehold or occupational lease.

VAT

The Vendor has confirmed that the site is not elected for VAT.

DATA ROOM

To view further information on the site, interested parties will need to register to the online data room using the link below:

www.sessionshousemaidstone.com



ENQUIRIES

For all enquiries and further information please contact:



TOM LOAKE
DEVELOPMENT ADVISORY

M: 07387 237 999
E: tom.loake@montagu-evans.co.uk



SAMUEL BLAKE
DEVELOPMENT ADVISORY

M: 07429 170 013
E: samuel.blake@montagu-evans.co.uk



CHARLIE SCoulAR
DEVELOPMENT ADVISORY

M: 07551 417 725
E: charlie.scoular@montagu-evans.co.uk



NIAMH LYDON
DEVELOPMENT ADVISORY

M: 07721 599 776
E: niamh.lydon@montagu-evans.co.uk



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EQIA Submission – ID Number

Section A

EQIA Title

Sessions House Disposal

Responsible Officer

Simon Dodd - DCED INF

Approved by (Note: approval of this EqIA must be completed within the EqIA App)

Mark Cheverton - DCED INF

Type of Activity

Service Change

No

Service Redesign

No

Project/Programme

No

Commissioning/Procurement

No

Strategy/Policy

No

Details of other Service Activity

To seek authority per KCC's constitution to dispose of a surplus property asset in line with adopted policy.

Accountability and Responsibility

Directorate

Strategic and Corporate Services

Responsible Service

Strategic Property

Responsible Head of Service

Mark Cheverton - DCED INF

Responsible Director

Rebecca Spore - DCED INF

Aims and Objectives

Subject to a Key Decision, this property is to be declared surplus to the council's need through the relevant governance processes.

There is no perceived impact (whether negative or positive) at this time which will be caused by disposal of the property. Key Stakeholder have been consulted as part of the SHQ Project.

Section B – Evidence

Do you have data related to the protected groups of the people impacted by this activity?

Yes

It is possible to get the data in a timely and cost effective way?

No

Is there national evidence/data that you can use?

No

Have you consulted with stakeholders?

Yes

Who have you involved, consulted and engaged with?

| |
|--|
| We are required to consult with the local division Member per the Council’s constitution and have done so. As part of the key decision process, other Members of the authority are made aware of the decision to be taken and have been consulted with. |
| Has there been a previous Equality Analysis (EQIA) in the last 3 years? |
| No |
| Do you have evidence that can help you understand the potential impact of your activity? |
| Yes |
| Section C – Impact |
| Who may be impacted by the activity? |
| Service Users/clients Service users/clients |
| Staff Staff/Volunteers |
| Residents/Communities/Citizens Residents/communities/citizens |
| Are there any positive impacts for all or any of the protected groups as a result of the activity that you are doing? |
| Yes |
| Details of Positive Impacts |
| Reduced financial burden of retaining a large grade II listed property the council do not have an ongoing operational purpose for, where the funding required to refurbish and maintain in a safe, warm & dry manner in line with operational & community requirements is not available. |
| Negative impacts and Mitigating Actions |
| 19. Negative Impacts and Mitigating actions for Age |
| Are there negative impacts for age? |
| No |
| Details of negative impacts for Age |
| Not Applicable |
| Mitigating Actions for Age |
| Not Applicable |
| Responsible Officer for Mitigating Actions – Age |
| Not Applicable |
| 20. Negative impacts and Mitigating actions for Disability |
| Are there negative impacts for Disability? |
| No |
| Details of Negative Impacts for Disability |
| Not Applicable |
| Mitigating actions for Disability |
| Not Applicable |
| Responsible Officer for Disability |
| Not Applicable |
| 21. Negative Impacts and Mitigating actions for Sex |
| Are there negative impacts for Sex |
| No |
| Details of negative impacts for Sex |
| Not Applicable |
| Mitigating actions for Sex |
| Not Applicable |
| Responsible Officer for Sex |
| Not Applicable |

| |
|--|
| 22. Negative Impacts and Mitigating actions for Gender identity/transgender |
| Are there negative impacts for Gender identity/transgender |
| No |
| Negative impacts for Gender identity/transgender |
| Not Applicable |
| Mitigating actions for Gender identity/transgender |
| Not Applicable |
| Responsible Officer for mitigating actions for Gender identity/transgender |
| Not Applicable |
| 23. Negative impacts and Mitigating actions for Race |
| Are there negative impacts for Race |
| No |
| Negative impacts for Race |
| Not Applicable |
| Mitigating actions for Race |
| Not Applicable |
| Responsible Officer for mitigating actions for Race |
| Not Applicable |
| 24. Negative impacts and Mitigating actions for Religion and belief |
| Are there negative impacts for Religion and belief |
| No |
| Negative impacts for Religion and belief |
| Not Applicable |
| Mitigating actions for Religion and belief |
| Not Applicable |
| Responsible Officer for mitigating actions for Religion and Belief |
| Not Applicable |
| 25. Negative impacts and Mitigating actions for Sexual Orientation |
| Are there negative impacts for Sexual Orientation |
| No |
| Negative impacts for Sexual Orientation |
| Not Applicable |
| Mitigating actions for Sexual Orientation |
| Not Applicable |
| Responsible Officer for mitigating actions for Sexual Orientation |
| Not Applicable |
| 26. Negative impacts and Mitigating actions for Pregnancy and Maternity |
| Are there negative impacts for Pregnancy and Maternity |
| No |
| Negative impacts for Pregnancy and Maternity |
| Not Applicable |
| Mitigating actions for Pregnancy and Maternity |
| Not Applicable |
| Responsible Officer for mitigating actions for Pregnancy and Maternity |
| Not Applicable |
| 27. Negative impacts and Mitigating actions for Marriage and Civil Partnerships |
| Are there negative impacts for Marriage and Civil Partnerships |
| No |
| Negative impacts for Marriage and Civil Partnerships |
| Not Applicable |

| |
|---|
| Mitigating actions for Marriage and Civil Partnerships |
| Not Applicable |
| Responsible Officer for Marriage and Civil Partnerships |
| Not Applicable |
| 28. Negative impacts and Mitigating actions for Carer's responsibilities |
| Are there negative impacts for Carer's responsibilities |
| No |
| Negative impacts for Carer's responsibilities |
| Not Applicable |
| Mitigating actions for Carer's responsibilities |
| Not Applicable |
| Responsible Officer for Carer's responsibilities |
| Not Applicable |

EQIA Submission – ID Number

Section A

EQIA Title

Property Accommodation Strategy Strategic Headquarters SHQ

Responsible Officer

Joanne Taylor - DCED INF

Approved by (Note: approval of this EqIA must be completed within the EqIA App)

Joanne Taylor - DCED INF

Type of Activity

Service Change

No

Service Redesign

No

Project/Programme

Project/Programme

Commissioning/Procurement

No

Strategy/Policy

No

Details of other Service Activity

No

Accountability and Responsibility

Directorate

Strategic and Corporate Services

Responsible Service

Joanne Taylor

Responsible Head of Service

Joanne Taylor - DCED INF

Responsible Director

Rebecca Spore - DCED INF

Aims and Objectives

A report was provided to the Policy and Resources Cabinet Committee on 11 September 2020, on the preparation of a Strategic Outline Case (SOC) that reviewed the options for the future of the Headquarters Estate centred around Sessions House. This was reviewed by the Committee on the 6 November 2020, where it was agreed that the options appraisal should be revisited, taking into account accommodation changes following the COVID-19 pandemic.

The key policy drivers to change the office estate are as follows:
Kent County Council's commitment to an inclusive workplace

Carbon Neutral by 2030

Condition and suitability issues.

Reduced Requirement for office space which provides a more effective and affordable provision.

Supporting regeneration and Place making

In December 2020, the Council established its Strategic Reset Programme (SRP). Future Assets including the future of SHQ is one of the 13 strands of the SRP. The future of SHQ will influence the accommodation provision across the remainder of the office estate and the delivery of £2.231m revenue savings, which was agreed by full Council and is in the medium-term financial plan (MTFP) as a result of a smaller and more efficient office portfolio.

Following consideration of the revised options, on 13 July 2021, the Policy and Resources Cabinet Committee received an update on the Office Accommodation Strategy that specifically addressed KCC's Maidstone office assets, Invicta House and Sessions House (referred to collectively as SHQ).

Following this meeting, the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services took decision 21-00064 on 13 August 2021 to progress with the marketing of Blocks A, B and E of Sessions House for disposal and to develop an option for the refurbishment and modernisation of Blocks C and D, predominately for civic uses and Invicta House as a staff hub.

On 24 March 2022, the Policy and Resources Committee received an update on the progress of the project following decision 21-00064. RIBA Stage 1 had been completed for the Masterplan, including development of design options for Blocks C and D of Sessions House and Invicta House, with RIBA Stage 2 designs due for completion in summer 2022. The marketing exercise for the disposal of Blocks A, B and E of Sessions House was noted to commence summer 2022.

RIBA Stage 2 design progression and subsequent Final Design Report for the '2021 Option' was completed in June 2022. The cost plan associated with RIBA stage 2 indicated a capital cost of £56.8m.

In October 2022, given the Council's significant financial challenges, the Deputy Leader and Cabinet Member instructed officers to pause design work for the 2021 option, revisit the scope and present lower capital cost options. The £35m capital budget allocated to the project was reduced to £20m and endorsed by full Council in February 2023. This represented a capital cap in respect of the project.

On 23 November 2022, the Policy and Resource Cabinet Committee were presented with a longlist of 6 options for consideration. It was noted that Option 1 (The July 2021 Option) and Option 2 (Retain and expand Invicta House and utilise other KCC accommodation) were not being progressed further due to the high capital cost requirement of each, exceeding the revised maximum budget of £20m and were therefore discounted from further consideration as shortlisted options.

The four remaining lower capital cost options were shortlisted for further consideration and developed in further detail, with both qualitative and financial assessments to be undertaken.

On 26 July 2023, the updated Business Case report was provided to the Policy and Resources Cabinet Committee and summarised the options available for the estates strategy moving forwards, within the revised MTFP cap of £20m.

The report identified a preferred Option - the increased utilisation of Invicta House, and the disposal of Sessions House (in its entirety). No dedicated council chamber is provided as part of this option. This preferred option was subsequently agreed under the Key Decision 23-00072 on 12 September 2023 with its viability tested further as set out in this report.

Historic under-investment in the estate over many years has created a significant maintenance backlog. As a result of this backlog and the limited suitability of buildings, many services are delivered from buildings that offer a poor user experience. In some cases, staff and service users have had to work in restricted and

challenging environments due to condition problems, which have resulted in the need to temporarily close areas of buildings, or a whole building due to health and safety concerns.

Due to the limited resources available, urgent health and safety spend is often prioritised meaning that suitability and accessibility issues are rarely addressed with management actions often put in place to enable services to function. i.e. location of functions is driven by the need for accessibility not strategic location and need. The parts of the SHQ campus in Sessions House that were in particularly poor condition (namely Blocks A, B and E) have not been reoccupied since the COVID-19 pandemic.

While KCC has committed to being carbon neutral by 2030, given the revised financial constraints and a maximum capital budget of £20m set in 2023, the reduction of the KCC carbon footprint can only be achieved through this programme via a reduction in the estate footprint.

Annual revenue running costs are approximately £6.5m across KCC's office estate including SHQ, with 3,300 tons of carbon produced. The reduction in the size of the estate will therefore partly address these figures, but KCC's target will not be fully realised by this. To meet the target set, other measures across the estate will need to be implemented.

The key drivers for the project within the £20 million capital budget remain unchanged from the 2023 Business Case and are:

Address Critical backlog Maintenance - Address Critical Red and Amber backlog condition works to ensure estate is Warm, Safe and Dry (WSD).

Reduce ongoing future maintenance - Through addressing backlog maintenance the future ongoing planned preventative maintenance (PPM) works are reduced and can be planned in an efficient manner.

Provide accommodation requirements - Provide accommodation in line with the minimum accommodation requirements schedule for the new SHQ provision.

Rationalise under-utilised estate - Reduction in the size of the SHQ estate by disposing of unused accommodation, which in turn reduces future ongoing liabilities from upkeep and holding costs.

The 2023 Business Case concluded a preferred option to enhance the use of Invicta House and seek to dispose of the entirety of Sessions House (Option 5), subject to a further re-marketing exercise which has now been completed as outlined below in the report.

Design Development of Preferred Option

Following approval of the preferred option in September 2023, design development of this option has been progressed to RIBA Stage 2 to demonstrate an enhanced utilisation of Invicta House. The preferred Option agreed in September 2023 is to consolidate the SHQ provision into Invicta House (including Members, the Corporate Management Team (CMT) and Officer provisions currently located in Sessions House), and to progress with the wholesale disposal of Sessions House (All Blocks A – E).

The proposals developed for Invicta House will result in accommodation being refurbished to address the urgent building condition requirements (identified in the 2022 Bidwell's Condition Reports), upgrade the Mechanical and Electrical systems, minor enhancement to reflect the changes to an SHQ (scope 1) and the relocation of KCC Members accommodation, CMT and other supporting officer functions currently located within Sessions House (scope 2).

The preferred option does not include the provision of a dedicated Council Chamber, but an allowance for

hiring accommodation to provide a space for a Council Chamber. Consideration has also been given to the inclusion of a new dedicated Council Chamber (scope 3) provision within Invicta House, to demonstrate how this could be accommodated if identified as a later accommodation requirement. It is noted that this would be a change to the scope by members and is currently outside of the cost parameters. Therefore, in order to avoid any abortive work, it is recommended that design work is progressed with the inclusion of a Chamber, but this is to be included as a variation to the construction works, which can be instructed if appropriate. This will only be instructed, if required following the identification of funding in the Medium-Term Financial Plan. Initial, high-level costings suggest that the cost associated with this provision is between £2-3 Million.

The developed proposals would result in the displacement of up to 200 desks from Invicta House, however this will be refined during the next stages of design through a different spatial arrangement and higher density in Invicta House, with the aim to reduce the displacement of desks to 40 or as close to Zero as possible. To supplement this and to retain flexibility, should additional capacity be required, accommodation would be expanded, or existing accommodation would be utilised across the remainder of the KCC corporate estate. Predominately, at Worrall House - Kings Hill, Kroner- Ashford and Brook House - Canterbury. Occupancy levels across the estate demonstrate in the data that is available that we are at this time operating within the office capacity levels with an average occupancy of 60% (note this varies across the office location, day of the week, and time.)

The RIBA Stage 2 cost estimate indicates a total programme budget of circa £18.27m required to deliver the proposals to consolidate into Invicta House (Excluding a council chamber) inclusive of Fee's to date, future fee's, Contingency and Fit Out costs (scope 1 and 2). Other than design work this figure excludes any costs associated with the provision of a council chamber (scope 3).

In order to implement the proposed works to Invicta House, a full decant is required from Invicta House for a period of 24 months. It is anticipated that this decant shall be accommodated through the short-term use of Sessions House Block A to minimise disruption to service delivery in Maidstone and staff. The project team are working to replicate the current desk provision in Invicta House into Sessions House temporarily. There are some operational teams in Invicta house, covering key activities, such as the provision of case conferencing, which will need to be carefully considered during this period, with high-risk service requirements temporarily managed from other locations. It is anticipated that limited additional compliance works may be required to Sessions House Block A to accommodate the decant. It is anticipated that a short-term lease back arrangement would be negotiated as part of the disposal agreement should the Council wish to progress with this option. The indicative costs associated with this light touch compliance work are anticipated to be £1.75m however detailed options are still be considered along with the balance between cost and service impact.

The capital works to Invicta House are to be procured via the KCC Contractor Partnership Framework as a direct award, utilising the contractor that is appointed for the Pre-Contract design work. The appointment of the contractor would be undertaken in accordance with the procurement framework requirements.

The procurement of the light touch compliance works is anticipated to be procured via the current Facilities Maintenance contract with Skanska given the current and ongoing maintenance requirements.

If the council progresses with the disinvestment of Sessions house as per the Preferred Option in a steady state, the Council stands to save a total of 569.08 tonnes of CO₂e a year (based on 23/24 consumption data).

Financial and Value for Money Assessment of Options

Relevant figures in the financial analysis for the preferred option to dispose of Sessions House in its

entirety, have been updated to reflect the required phasing of spend and delivery of revenue saving. It should be noted that any receipt that is achieved from the disposal is not earmarked against this project or netted off from the capital figures.

The updated financial information identifies that retention of Sessions House C and D Blocks plus the use of Invicta House, now exceeds the allocation of £20m capital budget (anticipated value £22.42m) funded by prudential borrowing for the Strategic Office Estate, agreed at County Council as part of the 2023-24 capital programme, and on this basis no longer meets the pass/fail evaluation criteria. This option also excludes any enhanced improvement works to Invicta House (i.e. Mechanical and Electrical System replacements) and Sessions House (i.e. no accessibility works, no new reception, no improvement works generally throughout spaces, or to the Council Chamber), which would only add to the costs. On this basis an option that retains Sessions House (option 3 in the business case) has been discounted. The preferred option as per the key decision (option 5 in the business case) to retain and consolidate into Invicta House and enhance its utilisation, has been developed to RIBA Stage 2 with an enhanced scope of works to accommodate a full refurbishment and upgrade of the accommodation (scope 1 and 2). The proposed scheme, with allowance for limited critical condition works necessary within Sessions House in order to accommodate the temporary decant of staff from Invicta House, has an estimated total project cost of £18.27m. Summary of cost build up as follows:

Expenditure to date £2.49m

Invicta House works (Scope 1 & 2) (Inclusive of construction contingency, fees etc) £13.16m

Temporary works to Sessions House to facilitate Decant £0.90m

Basement propping & rooflight works £0.85m

Programme Contingency £0.87m

Council Chamber Excluded (Subject to additional funding if required)

Total £18.27m

The preferred option as detailed in this paper is deliverable within the approved £20m capital budget, as well as delivering an annual revenue saving of £1.67m at the point of completion of all works and consolidation into Invicta House. This is in excess of the £1m revenue savings target within the MTFP for 2027-28 badged against the review of the Office Estate.

Although consideration has been given to the inclusion of a new Council Chamber provision within Invicta House to demonstrate how this could be accommodated if identified as a later requirement of the accommodation, this is not included within the current scope (Scope 1 and 2) or the existing £20m capital budget provision.

It should be noted that if Members decide in time to add a Council Chamber to Invicta House, this will need to be a separate bid for prudential borrowing within the capital programme at that time.

The capital budget for the project was reduced to £20m in October 2022 and agreed by full Council in February 2023. Following the key decision in September 2023 a further marketing exercise was undertaken which is set out in the exempt appendix.

Following the marketing exercise, bids were only received for the disposal of the whole of sessions. A preferred bidder has been appointed and whilst risks remain in the conclusion of the disposal, this is making good progress, and the Council is seeking to exchange contracts in the first quarter of 2025 and

complete the disposal by the Summer 2025.

The option to retain Sessions House Block C and D (Option 3 in the business case) exceeds the £20m capital budget, and additionally no bids were received in relation to the part disposal of sessions house, and this option is therefore discounted.

The preferred option as per the key decision to consolidate and enhance use of Invicta House (along with disposal of Sessions House) has been further developed to accommodate KCC Members, the Corporate Management Team CMT), and other supporting officers from Sessions House (scope 1 and 2). The proposed Scheme has a RIBA Stage 2 budget of £14.91m (Excluding: project contingency £0.87m, Costs to date £2.49m) for the works in Invicta and the associated decant, and therefore falls within the agreed MTFP capital budget. The revenue analysis indicated that when in steady state the revenue savings are estimated at £1.67m compared to the MTFP target of £1m. Opportunity exists to utilise Sessions House Block A for temporary decant prior to disposal with vacant possession.

This EQIA Screening has been completed and found that there is a limited negative impact on protected characteristics.

Adverse Equality Impact Rating: Low

Section B – Evidence

Do you have data related to the protected groups of the people impacted by this activity?

Yes

It is possible to get the data in a timely and cost effective way?

Yes

Is there national evidence/data that you can use?

Yes

Have you consulted with stakeholders?

Yes

Who have you involved, consulted and engaged with?

Members
Strategic Reset Programme Board
Corporate Management team
Officers across the Council

Has there been a previous Equality Analysis (EQIA) in the last 3 years?

Yes

Do you have evidence that can help you understand the potential impact of your activity?

Yes

Section C – Impact

Who may be impacted by the activity?

Service Users/clients

Service users/clients

Staff

No

Residents/Communities/Citizens

No

Are there any positive impacts for all or any of the protected groups as a result of the activity that you

| |
|--|
| are doing? |
| Yes |
| Details of Positive Impacts |
| Preferred Option results in utilising the modern office (Invicta House) for civic function and continued staff base. |
| To better understand the current condition of the building and essential works required, KCC commissioned a Condition Survey and has taken a position that all works deemed to be essential in the short-term of 1-5 years (classified in the Condition Survey as Red and Amber works) must be delivered . |
| The current SHQ estate is not fit for purpose and therefore the recommended option completes backlog maintenance works to ensure the building meets KCC's minimum requirements for Warm, Safe & Dry. |
| The temporary works in Session House will allow KCC to fully refurbished Invicta House, this will be a temporary location for 18months and keeps having a SHQ based in Maidstone as it has good accessibility links (train, bus, town centre location, parking). |
| KCC has committed to being carbon neutral by 2030, given the revised financial constraints and a maximum capped budget of £20m, the reduction of the KCC carbon footprint can only be improved through this programme via a reduction in the estate footprint. Due to the size of the estate and the large building footprint along with the inefficiencies of operating out of some of the current buildings, the current estate, including its office estate, accounts for 46% of the current total emissions that KCC produces. |
| Negative impacts and Mitigating Actions |
| 19. Negative Impacts and Mitigating actions for Age |
| Are there negative impacts for age? |
| No |
| Details of negative impacts for Age |
| Not Applicable |
| Mitigating Actions for Age |
| Not Applicable |
| Responsible Officer for Mitigating Actions – Age |
| Not Applicable |
| 20. Negative impacts and Mitigating actions for Disability |
| Are there negative impacts for Disability? |
| Yes |
| Details of Negative Impacts for Disability |
| Reduce number of desks available at Invicta House which may mean some staff could be displaced to other offices which could impact on staff who may find it difficult to travel to other offices |
| Mitigating actions for Disability |
| KCC will continue to support staff and prioritise spaces in Invicta for those staff that would find it difficult to travel to other offices. |
| Responsible Officer for Disability |
| Joanne Taylor |
| 21. Negative Impacts and Mitigating actions for Sex |
| Are there negative impacts for Sex |
| No |
| Details of negative impacts for Sex |
| Not Applicable |
| Mitigating actions for Sex |
| Not Applicable |
| Responsible Officer for Sex |

| |
|--|
| Not Applicable |
| 22. Negative Impacts and Mitigating actions for Gender identity/transgender |
| Are there negative impacts for Gender identity/transgender |
| No |
| Negative impacts for Gender identity/transgender |
| Not Applicable |
| Mitigating actions for Gender identity/transgender |
| Not Applicable |
| Responsible Officer for mitigating actions for Gender identity/transgender |
| Not Applicable |
| 23. Negative impacts and Mitigating actions for Race |
| Are there negative impacts for Race |
| No |
| Negative impacts for Race |
| Not Applicable |
| Mitigating actions for Race |
| Not Applicable |
| Responsible Officer for mitigating actions for Race |
| Not Applicable |
| 24. Negative impacts and Mitigating actions for Religion and belief |
| Are there negative impacts for Religion and belief |
| No |
| Negative impacts for Religion and belief |
| Not Applicable |
| Mitigating actions for Religion and belief |
| Not Applicable |
| Responsible Officer for mitigating actions for Religion and Belief |
| Not Applicable |
| 25. Negative impacts and Mitigating actions for Sexual Orientation |
| Are there negative impacts for Sexual Orientation |
| No |
| Negative impacts for Sexual Orientation |
| Not Applicable |
| Mitigating actions for Sexual Orientation |
| Not Applicable |
| Responsible Officer for mitigating actions for Sexual Orientation |
| Not Applicable |
| 26. Negative impacts and Mitigating actions for Pregnancy and Maternity |
| Are there negative impacts for Pregnancy and Maternity |
| No |
| Negative impacts for Pregnancy and Maternity |
| Not Applicable |
| Mitigating actions for Pregnancy and Maternity |
| Not Applicable |
| Responsible Officer for mitigating actions for Pregnancy and Maternity |
| Not Applicable |
| 27. Negative impacts and Mitigating actions for Marriage and Civil Partnerships |
| Are there negative impacts for Marriage and Civil Partnerships |
| No |
| Negative impacts for Marriage and Civil Partnerships |

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| Not Applicable |
| Mitigating actions for Marriage and Civil Partnerships |
| Not Applicable |
| Responsible Officer for Marriage and Civil Partnerships |
| Not Applicable |
| 28. Negative impacts and Mitigating actions for Carer's responsibilities |
| Are there negative impacts for Carer's responsibilities |
| No |
| Negative impacts for Carer's responsibilities |
| Not Applicable |
| Mitigating actions for Carer's responsibilities |
| Not Applicable |
| Responsible Officer for Carer's responsibilities |
| Not Applicable |

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POLICY AND RESOURCES CABINET COMMITTEE - WORK PROGRAMME 2024/25

(last updated 16 October 2024)

| | | |
|--|---------------------------------|---|
| 15 January 2025 – 10am – agenda setting 2 December at 15:00 | | |
| • Draft Revenue and Capital Budget and Medium-Term Financial Plan | John Betts Dave Shipton | <i>Regular Item - Annual item</i> |
| • Implementation of the Armed Forces Covenant in Kent | Tim Woolmer | <i>Regular Item - Annual item</i> |
| • Performance Dashboard for the Chief Executive's Department and Deputy Chief Executive's Department | David Whittle Matt Wagner | <i>Regular Item</i> |
| • Folkestone Library | | <i>Key decision – added at agenda setting meeting on 16 October</i> |
| • Work Programme 2025 | | |
| 5 March 2025 – 10am – agenda setting 20 January at 14:30 | | |
| • Risk Management (Including RAG ratings) | David Whittle Mark Scrivener | <i>Regular Item - Annual item</i> |
| • Cyber Security | Lisa Gannon | <i>Regular Item - Annual item</i> |
| • Contract Management Review Group update | Clare Maynard | <i>Regular Item - Biannual</i> |
| • Work Programme 2025 | | |
| 8 July 2025 – 10am – agenda setting TBC | | |
| • Regular Medium Term Financial Plan (MTFP) update | John Betts Dave Shipton | <i>Regular item</i> |
| • Performance Dashboard for the Chief Executive's Department and Deputy Chief Executive's Department | David Whittle Matt Wagner | <i>Regular Item</i> |

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|--|---|-----------------------------------|
| <ul style="list-style-type: none">• Kent Partnerships Update - Kent Estates Partnership (KEP) and Kent Connects | Rebecca Spore Phil Murphy Julie Johnson | <i>Regular Item – Annual Item</i> |
| <ul style="list-style-type: none">• Work Programme 2025 | | |

PATTERN OF REGULAR ITEMS

| | | | |
|------------------|----------------------------|--|---|
| JANUARY | Annual | Draft Revenue and Capital Budget and Medium-Term Financial Plan | Zena Cooke Dave Shipton |
| | Annual | Implementation of the Armed Forces Covenant in Kent | Tim Woolmer |
| | Every other meeting | Performance Dashboard for the Chief Executive's Department and Deputy Chief Executive's Department | David Whittle Matt Wagner |
| MARCH | Annual | Risk Management (Including RAG ratings) | David Whittle Mark Scrivener |
| | Annual | Cyber Security | Lisa Gannon |
| | Six-monthly | Contract Management Review Group update | Clare Maynard |
| | Every other meeting | Regular Medium Term Financial Plan (MTFP) update | Zena Cooke Dave Shipton |
| MAY | Annual | Kent Partnerships Update - Kent Estates Partnership (KEP) and Kent Connects | Rebecca Spore Phil Murphy Julie Johnson |
| | Six-monthly | Facilities Management update | Rebecca Spore |
| | Every other meeting | Performance Dashboard for the Chief Executive's Department and Deputy Chief Executive's Department | David Whittle Matt Wagner |
| JULY | Every other meeting | Regular Medium Term Financial Plan (MTFP) update | Zena Cooke Dave Shipton |
| SEPTEMBER | Six-monthly | Contract Management Review Group update | Clare Maynard |
| | Every other meeting | Performance Dashboard for the Chief Executive's Department and Deputy Chief Executive's Department | David Whittle Matt Wagner |

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| | Every other meeting | Regular Medium Term Financial Plan (MTFP) update | Zena Cooke Dave Shipton |
| | Annual | Annual Equality and Diversity Report (in 2024 moved to September) | David Whittle |
| NOVEMBER/ DECEMBER | Annual | Draft Revenue and Capital Budget and Medium-Term Financial Plan | Zena Cooke Dave Shipton |
| TBC | TBC | Enterprise Business Capabilities - Update | Lisa Gannon |