



# Agenda

Meeting: **Cabinet**  
Date: **17 March 2021**  
Time: **5.00 pm**  
Place: **Remote meeting - Zoom**

To: **All members of the Cabinet**

All Councillors for information

The committee will consider the matters, listed below, at the date and time shown above. The meeting will be open to the press and public and streamed live at [bit.ly/YouTubeMeetings](https://bit.ly/YouTubeMeetings)

1. **Apologies for Absence**
2. **Declarations of Interest (Pages 5 - 6)**

Members of the Council should declare any interests which fall under the following categories:

- a) disclosable pecuniary interests (DPI);
- b) other significant interests (OSI);
- c) voluntary announcements of other interests.

3. **Minutes (Pages 7 - 12)**

To consider and approve, as a correct record, the minutes of the meeting held on 24 February 2021.

4. **Housing Operations Policies (Pages 13 - 60)**

This report seeks approval for the new policies which form the framework for the Housing Operations service.

## **Queries about the agenda? Need a different format?**

Contact Jemma West – Tel: 01303 853369  
Email: [committee@folkestone-hythe.gov.uk](mailto:committee@folkestone-hythe.gov.uk) or download from our  
website  
[www.folkestone-hythe.gov.uk](http://www.folkestone-hythe.gov.uk)

5. **Equality and Diversity Annual Report 2019/20 (Pages 61 - 114)**

The Equality Act 2010 places a statutory duty on the council to prepare and publish information annually to demonstrate compliance with the Public Sector Equality Duty. The draft Equality & Diversity Annual Report is therefore presented for consideration and approval prior to publication.

6. **Equality and Diversity Policy 2021-25 (Pages 115 - 134)**

This report presents the draft Equality and Diversity Policy for 2021-2025 for consideration by Cabinet. The existing Policy covered the period 2016-2020 and therefore a refresh was required. The duties with regard to equality and diversity have not changed and therefore the proposed changes to the Policy are minor. The aim of the Equality and Diversity Policy remains the same; to ensure everyone has the right to be treated fairly at work or when using the council's services.

7. **Oportunitas Limited Update to 31 January 2021 (Pages 135 - 142)**

This report provides an update from the Board of Oportunitas Limited (the company) on its activities undertaken so far in the current financial year to 31 January 2021, outlines its latest projected financial outturn for 2020/21 and summarises the financial benefit to the Council as Shareholder of the company. This report is a requirement of the Shareholder Agreement between the Council and the company. The Chairman of Oportunitas will be available to present the report and to address any questions from Cabinet.

8. **HRA Revenue & Capital Qtr 4 budget monitoring (Pages 143 - 152)**

This monitoring report provides a projection of the end of year financial position for the Housing Revenue Account (HRA) revenue expenditure and HRA capital programme based on net expenditure to 31 January 2021.

9. **General Fund Capital programme Qtr 4 budget monitoring (Pages 153 - 162)**

This monitoring report provides the latest projection of the current financial position for the General Fund capital programme in 2020/21, based on expenditure to 31 January 2021, and identifies variances compared to the latest approved budget.

10. **General Fund Revenue Qtr 4 budget monitoring (Pages 163 - 172)**

This monitoring report provides a projection of the end of year financial position of the General Fund revenue budget, based on expenditure to the 31 January 2021.

## **Declarations of Interest**

### **Disclosable Pecuniary Interest (DPI)**

Where a Member has a new or registered DPI in a matter under consideration they must disclose that they have an interest and, unless the Monitoring Officer has agreed in advance that the DPI is a 'Sensitive Interest', explain the nature of that interest at the meeting. The Member must withdraw from the meeting at the commencement of the consideration of any matter in which they have declared a DPI and must not participate in any discussion of, or vote taken on, the matter unless they have been granted a dispensation permitting them to do so. If during the consideration of any item a Member becomes aware that they have a DPI in the matter they should declare the interest immediately and, subject to any dispensations, withdraw from the meeting.

### **Other Significant Interest (OSI)**

Where a Member is declaring an OSI they must also disclose the interest and explain the nature of the interest at the meeting. The Member must withdraw from the meeting at the commencement of the consideration of any matter in which they have declared a OSI and must not participate in any discussion of, or vote taken on, the matter unless they have been granted a dispensation to do so or the meeting is one at which members of the public are permitted to speak for the purpose of making representations, answering questions or giving evidence relating to the matter. In the latter case, the Member may only participate on the same basis as a member of the public and cannot participate in any discussion of, or vote taken on, the matter and must withdraw from the meeting in accordance with the Council's procedure rules.

### **Voluntary Announcement of Other Interests (VAOI)**

Where a Member does not have either a DPI or OSI but is of the opinion that for transparency reasons alone s/he should make an announcement in respect of a matter under consideration, they can make a VAOI. A Member declaring a VAOI may still remain at the meeting and vote on the matter under consideration.

#### **Note to the Code:**

Situations in which a Member may wish to make a VAOI include membership of outside bodies that have made representations on agenda items; where a Member knows a person involved, but does not have a close association with that person; or where an item would affect the well-being of a Member, relative, close associate, employer, etc. but not his/her financial position. It should be emphasised that an effect on the financial position of a Member, relative, close associate, employer, etc OR an application made by a Member, relative, close associate, employer, etc would both probably constitute either an OSI or in some cases a DPI.

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## Minutes

### Cabinet

Held at:	Zoom - Remote meeting
Date	Wednesday, 24 February 2021
Present	Councillors John Collier, Ray Field, David Godfrey, Mrs Jennifer Hollingsbee (Vice-Chair), David Monk (Chairman), Stuart Peall, Tim Prater, Lesley Whybrow and David Wimble
Apologies for Absence	None.
Officers Present:	Kate Clark (Case Officer - Committee Services), John Holman (Assistant Director of Housing), Cheryl Ireland (Chief Financial Services Officer), Amandeep Khroud (Assistant Director), Susan Priest (Chief Executive), Hazel Sargent (Low Carbon and Sustainability Specialist), Charlotte Spendley (Director of Corporate Services), Adrian Tofts (Strategy, Policy & Performance Lead Specialist), Lee Walker (Capital and Treasury Senior Specialist) and Jemma West (Committee Service Specialist)

NOTE: All decisions are subject to call-in arrangements. The deadline for call-in is Friday 5 March 2021 at 5pm. Decisions not called in may be implemented on Monday 8 March 2021.

#### 76. **Declarations of Interest**

There were no declarations of interest at the meeting.

#### 77. **Minutes**

The minutes of the meeting held on 20 January 2021 were submitted, approved and signed by the Chairman.

#### 78. **Corporate Plan - Creating Tomorrow Together 2021-2030**

The report set out the proposed Corporate Plan which provides strategic direction to the Councils activities for the period 2021 – 2030.

Proposed by Councillor Prater,

Seconded by Councillor Whybrow;

That the following recommendation be inserted as recommendation two (and subsequent recommendations be renumbered):

To remove the words “at Princes Parade” from page 12 of the proposed Corporate Plan.

(Voting figures: 2 for, 7 against, 0 abstentions).

The amendment was therefore LOST.

Proposed by Councillor Monk,  
Seconded by Councillor Mrs Hollingsbee; and

**RESOLVED:**

1. That report C/20/77 be received and noted.
2. To recommend to Council the approval the Corporate Plan – Creating Tomorrow Together 2021 – 2030.

(Voting figures: 7 for, 2 against, 0 abstentions).

**REASONS FOR DECISION:**

Cabinet was asked to agree the recommendations because:

- It is essential that the Council has determined its strategic plan so that it can inform operational plans, financial plans, strategies and policies.
- The Council has limited resources and therefore requires a plan to direct activities to key areas to ensure the primary needs of the district and residents are met.
- The Council has a key role to play in the recovery of the district from the pandemic and the plan focuses on recovery actions over its initial three year term.

**79. General Fund Budget and Council Tax 2021/22**

The report set out the final General Fund budget and Council Tax requirement for 2021/22, including that part of the local tax covering district and parish services.

Proposed by Councillor Godfrey,  
Seconded by Councillor Mrs Hollingsbee; and

**RESOLVED:**

1. That report C/20/73 be received and noted.
2. To recommend to Council to approve the final 2021/22 General Fund budget, as set out at paragraph 4.
3. To recommend to Council to approve a Council Tax requirement for 2021/22 of £13,128,209.

(Voting figures: 9 for, 0 against, 0 abstentions).

**REASONS FOR DECISION:**

Cabinet was asked to agree the recommendations because:

- a) The District Council's General Fund budget and Council Tax requirement must be approved to enable Full Council to set the budget and the council taxes for 2021/22 in accordance with the Local Government Finance Act 1992.

**80. Housing Revenue Account Revenue and Capital Original Budget 21/22**

The report set out the Housing Revenue Account Revenue and Capital Budget for 2021/22 and proposed an increase in weekly rents and an increase in service charges for 2021/22.

Proposed by Councillor Godfrey,  
Seconded by Councillor Collier; and

**RESOLVED:**

1. That report C/20/75 be received and noted.
2. To recommend to Full Council the Housing Revenue Account Budget for 2021/22 (refer to paragraph 2.1 and Appendix 1).
3. To recommend to Full Council the increase in rents of dwellings within the HRA on average by £1.27 per week, representing a 1.5% increase with effect from 5 April 2021 (refer to paragraph 3.2).
4. To recommend to Full Council the increase in service charges (Refer to section 3.5).
5. That the Housing Revenue Account Capital Programme budget 2021/22 be approved (Refer to paragraph 4.1 and Appendix 2).

(Voting figures: 9 for, 0 against, 0 abstentions).

**REASONS FOR DECISION:**

Cabinet is requested to agree the recommendations as the Local Government Housing Act 1989 requires the Council, as a Local Housing Authority, to keep a separate Housing Revenue Account and to produce estimates to ensure that the account does not go into deficit. The authority also has a duty to set and approve rents in accordance with government guidelines that are outlined in the self-financing determination. The Constitution requires that the annual Budget and any variations to the Budget are approved by Council.

**81. Capital Strategy 2021/22 and Minimum Revenue Provision Statement 2021/22**

The report set out the Council's proposed strategy in relation to capital expenditure, financing and treasury management in 2021/22 to be approved by full Council. The report also set out the Prudential Indicators for capital expenditure and the Minimum Revenue Provision Statement for 2021/22 to be approved by full Council.

Proposed by Councillor Monk,  
Seconded by Councillor Mrs Hollingsbee; and

**RESOLVED:**

1. That report C/20/74 be received and noted.
2. To recommend to Council that the 2021/22 Capital Strategy, including the Prudential Indicators, set out in appendix 1 to the report be approved.
3. To recommend to Council that the Minimum Revenue Provision (MRP) Statement for 2021/22 set out in appendix 2 to the report be approved.

(Voting figures: 7 for, 2 against, 0 abstentions).

**REASONS FOR DECISION:**

Cabinet is asked to agree the recommendations because:-

- a) The Council must have regard to both CIPFA's Prudential Code for Capital Finance in Local Authorities and the Ministry for Housing Communities and Local Government Investment Guidance when carrying out its duties under Part 1 of the Local Government Act 2003.
- b) The Council is required to approve a Capital Strategy for the forthcoming year.
- c) The Council is required to approve a Minimum Revenue Provision statement for 2021/22 in advance of the start of the financial year.

**82. Investment Strategy 2021/22**

The report set out the Council's proposed strategy for its service and commercial investments in 2021/22 to be approved by full Council.

Proposed by Councillor Whybrow,  
Seconded by Councillor Prater;

That a clause be added to the Investment Strategy to state that in accordance with the climate and ecological emergency motion that was passed in Full Council on 24 July 2019 all new investments will be assessed to ensure that they are in line with a shift to zero carbon by 2030.

(Voting figures: 2 for, 5 against, 2 abstentions).

The amendment was therefore LOST.

Proposed by Councillor Monk,  
Seconded by Councillor Mrs Hollingsbee; and

**RESOLVED:**

1. That report C/20/72 be received and noted.
2. To recommend to Council that the 2021/22 Investment Strategy, including the Investment Indicators, set out in the appendix to the report be approved.

(Voting figures: 7 for, 1 against, 1 abstentions).



**REASONS FOR DECISION:**

Cabinet is asked to agree the recommendations because:-

- a) The Council must have regard to both CIPFA's Prudential Code for Capital Finance in Local Authorities and the Ministry for Housing Communities and Local Government Investment Guidance when carrying out its duties under Part 1 of the Local Government Act 2003.
- b) The Council is required to approve an Investment Strategy for the forthcoming year.

**83. Carbon Action Plan and Carbon Footprint Study**

The report gave an update on the Carbon Footprint Study and proposes the Council's first Carbon Action Plan. The plan is intended to start the Council on the journey to reduce its carbon emissions to zero by 2030, to meet the resolution of full Council from July 2019. The report also discussed the proposal for a framework to guide bids for the Climate change fund.

Proposed by Councillor Whybrow,  
Seconded by Councillor Prater; and

**RESOLVED:**

- 1. That report C/20/76 be received and noted.
- 2. That the Carbon Action Plan (Appendix 1) be adopted.
- 3. That the proposed framework to support the evaluation of bids for the use of the Climate Change reserve be noted.
- 4. That the proposed additional actions outlined in paragraph 2.9 regarding the Full Council motion tabled on 25 November 2020 be agreed.

(Voting figures: 9 for, 0 against, 0 abstentions).

**REASONS FOR DECISION:**

These actions are required to fulfil the requirements of the Climate and Ecological Emergency Resolution passed 19<sup>th</sup> July 2019 and to initiate work to enable the Council to meet its ambition of reducing its carbon emissions to zero by 2030.

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This Report will be made public on 9 March 2021



Report Number **C/20/82**

**To:** Cabinet  
**Date:** 17 March 2021  
**Status:** Non key  
**Responsible Officer:** Helen Sudbury, Housing Operations Lead Specialist  
**Cabinet Member:** Councillor Godfrey, Cabinet Member for Housing, Transport and Special Projects

**SUBJECT:** Housing Operations Policies

**SUMMARY:** This report seeks approval for the new policies which form the framework for the Housing Operations service.

## REASONS FOR RECOMMENDATIONS

As the Housing Service has returned to the Council, it is important to have a framework of policies to ensure operational effectiveness and good governance. The following forms part of a library of policies that members will be asked to approve in due course.

## RECOMMENDATIONS:

1. To receive and note Report C/20/82.
2. To approve the following new Housing Operations policies:
  1. Tenancy Policy
  2. Housing Management Policy
  3. Housing Community Safety Policy
  4. Home Ownership Policy
  5. Shared Ownership Policy
  6. Right to Buy Policy
3. To give delegated authority to the Director of Housing and Operations, in consultation with the Cabinet Member for Housing, Transport and Special Projects, to approve minor amendments to housing operational policies in the future, and to bring substantive changes back to Cabinet for approval as necessary.

## 1. BACKGROUND

- 1.1 The new Folkestone and Hythe Housing Service was created on 1 October 2020, when the landlord service was brought back under the management of the Council.
- 1.2 East Kent Housing did not have these policies and they have therefore been created to provide governance for the Housing Operations service (tenancy and leasehold management).
- 1.3 A Tenancy Policy was approved in 2012 by Shepway Council to reflect the changes brought in by the Localism Act 2011. This policy mainly focused on the proposal that the Council should adopt flexible (fixed term) tenancies rather than secure tenancies as it had done previously. It is a regulatory requirement for social housing providers to have a Tenancy Policy.
- 1.4 The policies for Member approval are high level and a range of detailed operational procedures support them.

## 2. SUMMARIES OF THE POLICIES

- a. **Tenancy Policy** – this policy deals with access to housing, the type of tenancies the Council offers, tenancy sustainment, assignment, succession, mutual exchanges and grounds for possession.
- b. **Housing Management Policy** – this policy highlights the areas of work undertaken to manage our tenancies, estates and communal areas, making the best use of stock to meet the needs of existing and new tenants. We understand the importance of tenancy compliance so that all tenants can experience the ‘quiet enjoyment’ of their homes. We are also committed to ensuring that our properties and communal areas are compliant regarding health and safety.
- c. **Community Safety Policy** - this policy covers the housing related community safety service provided to tenants of the Council. The term community safety covers issues such as anti-social behaviour, domestic abuse, hate related incidents and safeguarding. Our aim is to balance enforcement action with intervention programmes which address the issues and make communities better. The housing service will work closely with other colleagues in the council to deal with tenants whose behaviour is having a negative impact on the community.
- d. **Homeownership Policy** – this deals with ensuring the accuracy of service charges; keeping the level of service charge arrears to a minimum; ensuring that a consistent approach is taken to service charge arrears collection and how the Council consults with leaseholders and other shared owners with regards to Section 20 of the Landlord and Tenant Act 1985, as amended by Section 151 of the Common-hold and Leasehold Reform Act 2002.

- e. **Shared Ownership Policy** –this sets out how the Council assess and administers its responsibility in terms of eligibility, affordability, resales and subletting with regard to shared ownership properties.
- f. **Right to Buy Policy** – this policy ensures that the Council administers and processes all RTB applications fairly, accurately and in accordance with the legislative timeframes.

### 3. CONSULTATION

- 3.1 Consultation has been undertaken with the Tenant and Leaseholder Board, tenants who have offered to be consulted, staff in housing management, case management, legal services and community safety. The policies have been amended to incorporate consultation feedback.

### 4. RISK MANAGEMENT ISSUES

#### 4.1

Perceived risk	Seriousness	Likelihood	Preventative action
Policies are not adopted	Serious	Low	Cabinet members understand the importance of having a policy framework for Housing Operations
Policies are not adhered to	Medium	Low	Training for staff working within the policies' framework

### 5. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

#### 5.1 Legal Officer's Comments (NM)

The Council's policies have a key role to play in the good governance of the Council and supports the objectives and the functions of the Council and also ensures that the Council complies with the law.

#### 5.2 Finance Officer's Comments

There are no financial implications linked to the approval of these policies.

#### 5.3 Diversities and Equalities Implications

Individual Equality Impact Assessments (EIAs) have been carried out on all of these policies. The outcomes of these assessments have been positive or neutral. Where any initial elements of the policies have indicated a negative effect, amendments have been made to bring that to a positive outcome.

## **6. CONTACT OFFICERS AND BACKGROUND DOCUMENTS**

Councillors with any questions arising out of this report should contact the following officer prior to the meeting

Helen Sudbury, Housing Operations Lead Specialist

Telephone: 07717 223767

Email: [Helen.Sudbury@folkestone-hythe.gov.uk](mailto:Helen.Sudbury@folkestone-hythe.gov.uk)

The following background documents have been relied upon in the preparation of this report: None

### **Appendices:**

Appendix 1 Tenancy Policy

Appendix 2 Housing Management Policy

Appendix 3 Housing Community Safety Policy

Appendix 4 Home Ownership Policy

Appendix 5 Shared Ownership Policy

Appendix 6 Right to Buy Policy

## TENANCY POLICY DRAFT

Date of policy	November 2020
Date for review	November 2023
Policy author	Helen Sudbury, Housing Operations Lead Specialist
Policy owner	John Holman, Assistant Director Housing
Approved by	
Risk register rating	

REVISION HISTORY			
Version	Date	Revision description	Revision author
0.1	October 2020	Draft policy	Helen Sudbury
0.2	24 November 2020	Updated in light of EIA	Jonathan Hicks

NEW POLICY / POLICY REVIEW	
New policy	Yes
Early review – change in legislation	
Early review – significant changes in practice	
Review due – significant changes	
Review due – cosmetic changes or unchanged	
Other reason	

REASON FOR NEW POLICY / SUMMARY OF CHANGES
New Housing Service for FHDC October 1 2020

CONSULTATION	
List of people/roles who have been consulted	Date
STLB	

HMT Housing Operations Legal Services	
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<b>EQUALITY IMPACT ASSESSMENT</b>	Completed	Date
	YES	24/11/20

<b>DISSEMINATION</b>		
Role	Awareness	Essential

<b>TRAINING</b>		
Role	Trainer	Date completed

<b>MONITORING AND COMPLIANCE</b>		
Method	Responsibility	Frequency



## **1. Purpose of the Policy**

- 1.1 The purpose of this policy is to set out the tenancies offered by Folkestone and Hythe District Council (FHDC) and the way in which we administer tenancy related matters.

## **2. Legal / Regulatory Framework**

- 2.1 As part of The Regulator of Social Housing's regulatory framework, within the Tenancy Standard, it is a requirement that registered providers publish a Tenancy Policy.
- 2.2 The primary legislation with regard to FHDC tenancies is the Housing Act 1985 (as amended).

## **3. The Policy**

### **3.1 Access to housing**

- 3.1.1 FHDC administers its housing waiting list, within the Kent Homechoice choice-based lettings scheme. Those who wish to access our housing or transfer within it must apply to the housing waiting list.
- 3.1.2 Tenants moving directly from another social landlord will be offered a tenancy that is no less secure than the one they are leaving.

### **3.2 Types of tenure that FHDC offers**

- 3.2.2 Ownership; our development programme includes building homes for shared ownership. We also have leasehold properties within our existing stock portfolio.
- 3.2.3 Secure tenancies; for those tenants who had secure tenancies prior to the policy change, to offer secure flexible tenancies, in December 2012.
- 3.2.4 Secure flexible tenancies; for those who have become new tenants since the policy change not to offer life time tenancies in December 2012. Secure flexible tenancies are offered for a period of 4 years, including the one year introductory tenancy period.
- 3.2.5 Introductory tenancies; which may be extended to eighteen months to deal with any serious tenancy breaches and may be failed if those breaches are not satisfactorily resolved.
- 3.3 In some circumstances, where a housing applicant has a history of anti-social behaviour, but we are not going to exclude them, we may wish to allocate two year tenancies, including the Introductory tenancy period.

- 3.4 Applicants for independent living and semi-sheltered accommodation are offered a ten year tenancy including the one year introductory tenancy.

#### **4. Tenancy sustainment**

- 4.1 Our primary aim is to ensure successful tenancies, and we have a range of activities to ensure tenancy sustainment and prevent unnecessary eviction.
- 4.2 Prior to the end of Secure Flexible tenancies, there is a review process to ensure that the tenants' circumstances still qualify them for social housing and there are no serious breaches of tenancy. If they do and there are no breaches, a new tenancy will be granted. This review process includes an appeal mechanism in the event of the tenant being dissatisfied with the outcome.

#### **5. Joint tenancies**

- 5.1 Tenants who make a joint housing application will be offered a joint tenancy. We will grant joint tenancies on request by any two persons living together as partners, regardless of gender or marital status. Applications for joint tenancies between other relatives or friends will only be granted in exceptional circumstances.
- 5.2 The creation of a joint tenancy during the lifetime of the tenancy will be considered providing the partners have lived together for a minimum of 12 months.

#### **6. Assignment**

- 6.1 Assignment is the transfer of a tenancy from the tenant to another party.
- 6.2 Unless the assignment is brought about by an order of the court or by way of succession, both the tenant and the landlord will need to sign a Deed of Assignment.

#### **7. Succession**

- 7.1 FHDC administers successions in line with legislation.
- 7.2 FHDC may in exceptional circumstances grant a new tenancy to someone who was living with the tenant at the time of their death where FHDC is not required to do so by law.

## **8. Mutual exchanges**

- 8.1 FHDC is committed to providing tenants with as many options for moving home as possible. We will subscribe to Homeswapper to facilitate tenants' applications for mutual exchanges and will administer requests in accordance with our Mutual Exchange Procedure.

## **9. Grounds for possession**

- 9.1 In order to gain possession of a tenancy we will use the appropriate Ground in Schedule 2 of the Housing Act 1985 (as amended).
- 9.2 For Introductory tenancies we will use a Notice Requiring Possession under Section 21 of the Housing Act 1988.
- 9.3 Where mandatory grounds for possession are used, FHDC operates an appeal process prior to such a possession claim being made.

## **10. Key controls and reporting**

- 10.1 All the activities in this Policy have associated detailed procedures so that employees operate within the regulatory and legislative frameworks.

## **11. Associated Documents**

- 11.1 This Policy should be read in conjunction with the associated documents:

- Allocations Policy
- Flexible Tenancy Reviews Procedure
- Assignment Procedure
- Succession Procedure
- Mutual Exchange Procedure
- Grounds for Possession Procedure

## **12. Equality and Diversity**

- 12.1 FHDC recognise that different people and communities may have specific needs which may require flexible approaches. We also appreciate that some groups or individuals may experience discrimination and disadvantage. This may be due to their protected characteristics under the Equality Act 2010. We believe that everyone should be treated with dignity, respect and fairness, regardless of their characteristics.

- 12.2 Our properties are allocated through a choice-based lettings system to ensure that people are housed in line with their housing need.

12.3 An Equality Impact Assessment has been carried out on this policy which will be updated in line with policy reviews (see below,) to ensure there is no discrimination and opportunities to improve equality and access are maximised.

12.4 In exceptional circumstances (for example, where offices are closed for long periods of time) we will review our procedures and practices to ensure our services remain as accessible as possible and no groups are disproportionately affected.

12.5 Where people are unable to access on-line services we will support them or signpost them for support to enable them to access such services.

### **13. Review**

13.1 This Policy will be reviewed every 3 years by the person who is in the job role of the author. If necessary, this Policy will be reviewed sooner to incorporate legislative, regulatory, best practice developments, or address operational issues.

DRAFT

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## HOUSING MANAGEMENT POLICY - DRAFT

Date of policy	November 2020
Date for review	November 2023
Policy author	Helen Sudbury, Housing Operations Lead Specialist
Policy owner	John Holman, Assistant Director of Housing
Approved by	
Risk register rating	

REVISION HISTORY			
Version	Date	Revision description	Revision author
0.1	October 2020	Draft created	Helen Sudbury
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REASON FOR NEW POLICY / SUMMARY OF CHANGES
New Housing Service for FHDC October 1 2020

CONSULTATION	
List of people/roles who have been consulted	Date
STLB	6.11.20

HMT Housing Operations Legal Services	
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<b>EQUALITY IMPACT ASSESSMENT</b>	Completed	Date
	YES	24/11/20

<b>DISSEMINATION</b>		
Role	Awareness	Essential

<b>TRAINING</b>		
Role	Trainer	Date completed

<b>MONITORING AND COMPLIANCE</b>		
Method	Responsibility	Frequency



## **1. Purpose of Policy**

- 1.1 This policy summarises Folkestone and Hythe District Council's offer regarding tenancy compliance and its housing management obligations on estates.

## **2. Policy objectives and scope**

- 2.1 Folkestone and Hythe District Council (FHDC) is committed to increasing the provision of housing and making the best use of stock to meet the needs of existing and new tenants. We understand the importance of tenancy compliance so that tenants experience the 'quiet enjoyment' of their homes. We are also committed to ensuring that our properties and communal areas are compliant regarding health and safety.
- 2.2 The scope of this Policy covers the FHDC housing management service.
- 2.3 This Policy applies to FHDC employees and tenants.

## **3. Legal/Regulatory Framework**

- 3.1 The primary legislation for the housing management service is the Housing Act 1985 (as amended) and the regulatory framework is the Regulator of Social Housing's Consumer Standards.

## **4. Responsibility**

- 4.1 The Housing Operations Team have the responsibility to ensure that breaches of tenancy are addressed appropriately.
- 4.2 All FHDC employees have a responsibility to identify when breaches of tenancy may have taken place and report them to the Housing Operations Team.

## **5. Policy Position**

### ***Tenancy agreements***

- 5.1 FHDC will ensure that all tenants are aware of their full range of rights and responsibilities through robust tenancy agreements and the pre-tenancy work of the on boarding process. Enforcement action is the last resort and we will use a range of methods to support tenancy sustainment and prevent eviction.

### ***Abandonment and disposal of goods***

- 5.2 When a property appears to have been abandoned we will carry out reasonable checks prior to serving a Notice to Quit and subsequently taking peaceful possession or applying for a court order for possession.
- 5.3 If goods have been left in a property after the tenancy has ended we will serve a Torts Notice and store the goods in the property for either 28 or 14 days, depending on the circumstances. If they are not claimed by the former tenants, they will be disposed of.

### ***Hoarding and property condition***

- 5.4 We recognise that hoarding and poor property conditions are particularly difficult tenancy management issues to deal with. We will support tenants to move towards compliancy. However, if the property condition does not improve, tenancy enforcement action may be taken in view of the detrimental effect this has on our property and risk to neighbouring homes.
- 5.4.1 Where hoarding is the result of an underlying mental health issue, we will actively work with the tenant(s) through a bespoke action plan and access support from other agencies. Our primary concern at all times being the health, well-being and safety of tenants in their homes.

### ***Pets***

- 5.5 FHDC recognises that pet ownership can offer significant benefits to tenants. However, irresponsible pet ownership can lead to nuisance for other residents and will not be tolerated. FHDC will advise on pet ownership in line with the Pet Procedure. Permission to keep a pet in the property will be considered on a case-by-case basis and take into account the tenant's needs and suitability of the property.

### ***Tenancy Fraud***

- 5.6 FHDC takes a very pro-active approach to prevent and detect tenancy fraud including:
- Verifying potential tenants before they are offered a property.
  - Undertaking reviews of introductory tenancies during the 12-month period
  - Undertaking tenancy audit checks.
  - Acting on reports of refused access to properties immediately.
  - Dealing with unauthorised occupation and sub-letting.
  - Working closely with the Council's Investigations Team

### ***Safety compliance***

- 5.7 We will comply with all statutory and regulatory obligations to keep our homes safe. Where we need access to tenants' homes to carry out health and safety compliance checks, and tenants continue to refuse, we will use controlled access or take legal action to gain entry.

### ***Independent Living Service***

- 5.8 The Housing Operations service includes the Independent Living Service which manages FHDC's sheltered accommodation stock. This is independent living accommodation for those people aged 60 years or over or for younger people who are disabled. These are mainly traditional housing schemes where the tenant has their own flat and they have the use of communal facilities such as lounges, kitchens, laundry rooms, wet rooms and in some schemes a guest room. All of the housing management obligations in this policy also apply to this service.

### **Estate Management**

#### ***Abandoned Vehicles***

- 5.9 Abandoned, untaxed (including the use of SORN) or un-roadworthy vehicles are not permitted on FHDC Housing land. We will attempt to contact any owner, giving them reasonable chance to remove the vehicle whilst not compromising public safety. Failure to respond to our notice will result in the removal and disposal of the vehicle.

#### ***Block Inspections***

- 5.10 FHDC carries out regular inspections of blocks of flats where there are internal communal areas to ensure that health and safety issues are identified and actioned. We will also ensure that tenancy management issues identified through fire risk assessments are acted upon.

#### ***Removal of Goods from Communal Areas***

- 5.11 FHDC is responsible for ensuring the safety and security of all our communal areas in blocks of flats. This includes ensuring that these areas are kept free of all obstructions, many of which may represent a fire hazard. The storage of items in communal areas is not permitted and any such items will be removed following a Torts Notice being placed on them, or served to relevant addresses.
- 5.12 Permission to store mobility scooters or other walking aids will be assessed in line with our mobility scooter procedure, to ensure effective measures are in place for their safe use and storage. Where we are able, our aim is to provide external, purpose built, scooter storage units at our Independent Living schemes.

## **6 Key controls and reporting**

- 6.1 Case progression and closure is performance managed through case reviews and regular meetings with employees in the Housing Operations Team.
- 6.2 Key areas of Team performance and outputs are reported on a monthly basis.

## **7 Associated Documents**

- 7.1 This Policy should be read in conjunction with the associated procedures at Appendix 1. Our procedures may be altered in line with service requirements, while the overarching policy may remain unchanged.

## **8 Equality and Diversity**

- 8.1 FHDC recognise that different people and communities may have specific needs which may require flexible approaches. We also appreciate that some groups or individuals may experience discrimination and disadvantage. This may be due to protected characteristics under the Equality Act 2010. We believe that everyone should be treated with dignity, respect and fairness, regardless of their characteristics.
- 8.2 An Equality Impact Assessment has been carried out on this policy which will be updated in line with policy reviews (see 14 below,) to ensure there is no discrimination and opportunities to improve equality and access are maximised.

## **9 Review**

- 9.1 This Policy will be reviewed every three years by the person who is in the job role of the author. If necessary, this Policy will be reviewed sooner to incorporate legislative, regulatory, best practice developments, or address operational issues.

## **Appendix 1 – Housing Management Procedures**

Abandoned Property  
Death of a tenant  
Introductory tenancy – monitoring  
Introductory tenancy – extension / failure  
Poor property / garden conditions  
Torts Notice  
Abandoned vehicles  
Block inspections  
Decant  
Ending a tenancy – residential care  
Estate inspections  
Garages  
Hoarding  
Pets  
Removal of goods from communal areas  
Customer of concern  
Safeguarding  
Squatting and unauthorised occupation  
Unlawful sub-letting  
Mobility Scooters

DRAFT

# HOUSING COMMUNITY SAFETY

## POLICY - DRAFT

Date of policy	November 2020
Date for review	October 2023
Policy author	Helen Sudbury, Housing Operations Lead Specialist
Policy owner	John Holman, Assistant Director Housing
Approved by	
Risk register rating	

Revision history			
Version	Date	Revision description	Policy author
0.1	November 2020	Draft policy	Helen Sudbury

NEW POLICY / POLICY REVIEW	
New policy	Yes
Early review – change in legislation	
Early review – significant changes in practice	
Review due – significant changes	
Review due – cosmetic changes or unchanged	
Other reason	

Reason for new policy / summary of changes
New Housing Service for FHDC October 1 2020

CONSULTATION	
List of people/roles who have been consulted	Date
STLB HMT Housing Operations Community Safety Specialist Legal Services	6.11.20

<b>EQUALITY IMPACT ASSESSMENT</b>	Completed	Date
	Yes	10.12.20

<b>DISSEMINATION</b>		
Role	Awareness	Essential

<b>TRAINING</b>		
Role	Trainer	Date completed

<b>MONITORING AND COMPLIANCE</b>		
Method	Responsibility	Frequency



## **1. Purpose of the Policy**

As a landlord, Folkestone and Hythe District Council (FHDC) is committed to ensuring that its tenants and leaseholders (henceforth collectively called tenants) live in safe communities. This policy sets out that commitment and recognises the negative impact of failing to address community safety issues effectively.

## **2. Policy Scope**

2.1 This policy covers the housing service provided to tenants of FHDC. The term community safety covers issues such as anti-social behaviour, domestic abuse, hate related incidents and safeguarding.

2.2 Some allegations of community safety issues are as a result of disputes, a lack of tolerance or because of unrealistic expectations. FHDC will not intervene in all allegations of nuisance, allowing people to manage their own lives.

## **3. Legal / Regulatory Framework**

The primary legislation with regard to breaches of tenancy and wider enforcement action are the Housing Act 1985 and the Anti-social Behaviour, Crime and Policing Act 2014.

## **4. Responsibility**

It is the responsibility of all FHDC housing employees to understand the importance of adhering to this policy and appropriate procedures, to ensure that community safety issues are dealt with effectively.

## **5. The Policy**

5.1 FHDC takes community safety seriously and aims to balance enforcement action with intervention programmes which address the issues and make communities better. The Housing Service will work closely with other colleagues in the council to deal with tenants whose behaviour is having a negative impact on the community.

5.2 FHDC will always seek to work in partnership with other agencies where appropriate to ensure that all the measures available are used effectively to tackle community safety problems. Housing employees will be pro-active participants in the district's Community Safety Partnership.

5.3 FHDC recognises its duty to deal with community safety issues in our communities and neighbourhoods and the impact it has in the areas we have housing stock.

5.4 As an organisation we will not operate in isolation and this policy has been written to take account of obligations set out in legislation and other relevant local strategies and policies.

## **6. Our Commitment to Tenants**

When a tenant contacts us in regard to a community safety issue we will discuss the problems in detail, carry out a risk assessment when required, and take the appropriate action in consultation with the complainant.

## **7. Anti-social Behaviour**

7.1 The term 'anti-social behaviour' (ASB) covers a wide range of activities that have a negative impact on the quality of life for people and the communities they live in. FHDC uses the following definition of anti-social behaviour as stated in The Anti-social behaviour, Crime and Policing Act 2014.

Anti-Social Behaviour is:

- Conduct that has caused, or is likely to cause, harassment, alarm or distress to any person,
- Conduct capable of causing nuisance or annoyance to a person in relation to that person's occupation of residential premises, or
- Conduct capable of causing housing-related nuisance or annoyance to any person

7.2 FHDC will attempt to resolve issues without the need for legal interventions where possible but will use all the legislative powers available if the evidence supports its use.

7.3 In order to take enforcement action witnesses are required; in circumstances where there is an absence of independent witnesses, it may mean that we cannot intervene.

## **8. Witness Support**

We take the safety of victims and witnesses seriously. Where appropriate we will work with partners to provide additional safety measures to offer protection to our tenants.

## **9. CCTV and sound recording equipment**

FHDC may use CCTV and sound recording equipment in line with current legislation and guidelines governing its use.

## **10. Safeguarding Vulnerable Adults.**

10.1 We will consider whether victims, witnesses or perpetrators have any known or apparent support needs which may affect their case. We recognise the need to support tenants who may have difficulty in managing their tenancy because of, for example, poor mental health, learning difficulties and physical disabilities or because of other vulnerabilities.

10.2 Where we are considering legal action against an individual for breach of tenancy, we will make reasonable steps to lessen the chances that we are discriminating against them because of a disability that they have, in accordance with the Equality Act 2010.

## **11. Hate Related Incidents**

11.1 A hate related incident is any incident which is perceived by the victim as having been motivated by prejudice or hate, based on one or more of their protected characteristics under the Equality Act 2010.

11.2 FHDC is committed to supporting our communities and dealing with those who harass or abuse others based on these protected characteristics.

## **12. Domestic Abuse**

12.1 FHDC recognises the Government's definition of domestic abuse as 'any incident or pattern of incidents controlling, coercive or threatening behaviour, violence or abuse between those aged 16 or over who are or have been intimate partners or family members, regardless of gender or sexuality'.

12.2 Domestic abuse in all its forms has a significant impact on the lives of the survivors and their families. FHDC will work with other agencies to offer support to those experiencing domestic abuse and will take enforcement action where appropriate.

## **13. Violent Offenders and Sex Offenders**

FHDC accepts that a stable home contributes a great deal to the rehabilitation of offenders and will work with partner agencies to house applicants when it is feasible to do so despite their offending background. This will be done in a manner that balances the needs of the individual with that of the risk to the community.

## **14. Mandatory Grounds for Possession**

FHDC will use mandatory grounds for possession in the appropriate circumstances defined by legislation.

## **15. Recording of Customers of Concern**

In order for FHDC to meet legal obligations under Health and Safety, Human Rights and Data Protection legislation, Customers of Concern Markers will be used on tenant records where it is considered that they pose a risk of physical harm or well-being to employees and representatives of the council. Tenants have the right to appeal this process.

## **16. Managing violence and aggression**

FHDC will not tolerate abuse or violence against employees and will take appropriate action in conjunction with the police and victim wishes.

## **17. Data Protection and Confidentiality**

17.1 FHDC will adhere to the Data Protection Act 2018 and will comply with the best practice guidance set out in the Data Sharing Code of Practice published by the Information Commissioner.

17.2 FHDC is signed up to the Kent and Medway Information Sharing Agreement and will abide by the conditions set out in this document.

## **18. Equality and Diversity**

FHDC recognise that different people and communities may have specific needs which may require flexible approaches. We also appreciate that some groups or individuals may experience discrimination and disadvantage. This may be due to their protected characteristics under the Equality Act 2010. We believe that everyone should be treated with dignity, respect and fairness, regardless of their characteristics. An Equality Impact Assessment has been carried out on this policy and shows no negative impact for any groups.

## **19. Policy Review**

This Policy will be reviewed every 3 years by the person who is in the job role of the author. If necessary, this Policy will be reviewed sooner to incorporate legislative, regulatory, best practice developments, or address operational issues.

## **20. Key controls and reporting**

Performance in dealing with any cases connected to community safety will be reported on a monthly basis and published in line with our Resident Involvement Framework. Internal audits will also be undertaken as part of our audit schedule.

## **21. Associated Documents**

There are detailed procedures which should be read in conjunction with this policy:

- Anti-social behaviour
- Hate related incidents
- Domestic abuse
- Safeguarding
- Absolute grounds for possession
- Recording of customers of concern
- Managing violence and aggression

# HOMEOWNERSHIP MANAGEMENT POLICY

Date of policy	19 <sup>th</sup> October 2020
Date for review	19 <sup>th</sup> October 2022
Policy author	Richard Parker, Leasehold Management Senior Specialist
Policy owner	John Holman, Assistant Director Housing
Approved by	
Risk register rating	

Revision history			
Version	Date	Revision description	Policy author
0.1	October 2020	Draft policy	Richard Parker
0.2	December 2020	Editorial changes	Jonathan Hicks

NEW POLICY / POLICY REVIEW	
New policy	Yes
Early review – change in legislation	
Early review – significant changes in practice	
Review due – significant changes	
Review due – cosmetic changes or unchanged	
Other reason	

Reason for new policy / summary of changes
To provide a high quality homeownership management service to the leaseholders and shared owners of Folkestone and Hythe District Council in line with legislative and best practise guidelines.

<b>CONSULTATION</b>	
List of people/roles who have been consulted	Date
N/A	

<b>EQUALITY IMPACT ASSESSMENT</b>	Completed	Date
	RP	19/10/20

<b>DISSEMINATION</b>		
Role	Awareness	Essential
Leasehold services	High	Yes

<b>TRAINING</b>		
Role	Trainer	Date completed
N/A		

<b>MONITORING AND COMPLIANCE</b>		
Method	Responsibility	Frequency
Regulations specialist to review following Council procedure.	Regulations specialist	In line with Council procedure

## **1 Purpose of the Policy**

- 1.1 To provide a high quality homeownership management service to the leaseholders and shared owners of Folkestone and Hythe District Council in line with legislative and best practise guidelines.

## **2 Policy objectives and scope**

- 2.1 To ensure accuracy of service charges and ensure that income from tenants rent payments does not subsidise services provided to its leaseholders.
- 2.2 Keep the level of service charge arrears to a minimum. Ensure that a consistent approach is taken to service charge arrears collection and that where necessary individual circumstances are taken into account.
- 2.3 To set out how Folkestone and Hythe District Council consults with leaseholders and other shared owners with regards to Section 20 of the Landlord and Tenant Act 1985, as amended by Section 151 of the Commonhold and Leasehold Reform Act 2002.

## **3 Legal/Regulatory Framework**

### **3.1 Internal:**

- The property leases and title plans.

### **3.2 External:**

- Landlord and Tenant Acts 1985 (as amended)
- Housing and Urban Development Act 1993
- The Commonhold and Leasehold Reform Act 2002
- RICS Service charge residential management code
- The Service Charges (Consultation Requirements) (England) Regulations 2003.
- LEASE (The leasehold advisory service).

## **4 Responsibility**

- 4.1 The Leasehold Management Senior Specialist retains the overall responsibility for the implementation of this policy.
- 4.2 The Leasehold Management Senior Specialist is responsible for the operational delivery of this policy and the associated procedures. This includes responsibility for monitoring and review, staff awareness and training, policy development and communication to customers.

## **5 The Policy**

### **5.1 Service Charges**

- 5.1.1 FHDC will provide accurate information to the homeowners about the services they receive, the costs of those services and any amounts due in payment.

The information provided will be clear and transparent and conform to legislation and current best practises.

- 5.1.2 The day to day service charges are raised to cover a proportion of the expenditure in connection with maintaining and managing the properties and/or estates accordingly.

- 5.1.3 The service charges are variable and cover all elements of expenditure incurred by FHDC in maintaining and managing the properties and/or estates. Elements of expenditure can include (but not limited to):

- costs for repairs to reserved parts of the building and/or estate
- lighting, electricity, grounds maintenance and cleaning
- major works, insurance and ground rent; or
- Management by FHDC or their appointed agent/s.

The service charges are variable and will differ from year to year.

### **5.2 Ground rent**

- 5.2.1 Ground rent is a fixed £10 charge that is payable annually and is separate from general service charges. Ground rent is a condition of the lease. FHDC must issue a separate formal written demand for payment. This demand will be included within the service charge invoicing pack.

### **5.3 Service charge invoicing and payments**

- 5.3.1 The service charge year runs from April to March. Homeowners will receive 2 service charge demands in any given service charge year.
- 5.3.2 An invoice will be issued to homeowners within 30 days before the start of the service charge year. The invoice will be issued providing a clear breakdown of the charges estimated to be incurred during the coming service charge year (April to March) for which the estimate is issued.
- 5.3.3 In September of each year the homeowners will receive a reconciliation of balances to reflect the actual charges from the previous leasehold financial year (April to March). This will be the actual service charge invoice for the period.



5.3.4 Terms of payment for both estimated and actual service charges require them to be paid in full within 21 days of the due date of the invoice. Payment in full may also mean that a payment agreement is to be made within the 21 day period.

5.3.5 In some instances, the actual service charge invoice may be less than the estimated charges for the service charge year. Where this happens Folkestone and Hythe District Council leasehold services will keep the credit/account adjustment on the leaseholders service charges account.

5.3.6 If the leaseholder requests a refund to be paid to them then FHDC leasehold services will refund the money within 30 days. If however a debt is owed by the leaseholder for service charges or other charges, then any credit will offset the debt before any credit note is issued.

#### 5.4 ***Section 20b***

5.4.1 Where the actual expenditure for a given service charge year is not known within 6 months of the end of the financial year. A Landlord and Tenant Act Section 20b notice will be sent to all leaseholders who are affected.

5.4.2 The Section 20b notice will inform the leaseholders of the costs incurred to date and all anticipated expenditure yet to be accounted for. This will allow FHDC leasehold services to send the leaseholders an invoice for the actual costs for a specific year at a later date.

#### 5.5 ***Ground Rent Billing and Payments***

5.5.1 The formal demand for ground rent will be made no less than 30 days, and no greater than 60 days before the ground rent is due for payment.

5.5.2 The due date for ground rent is from the 1st April every year and must be paid in accordance with the terms contained within the demand. If ground rent is not paid under these terms we will take legal action to recover the monies owing.

#### 5.6 ***Payment Methods***

5.6.1 Folkestone and Hythe District Council leasehold services currently accepts payments for service charges by the following methods:

- Cheque
- Direct Debit
- Standing Order
- Cash at a handy till in one of the councils contact points
- Debit / Credit card
- Service charge loans

5.6.2 Leaseholders may be eligible for a loan to pay for service charges or repairs that have been carried out. This loan will be at the discretion of FHDC with all the necessary conditions and criteria needing to be met before the loan is granted.

## **5.7 *Service charge arrears***

5.7.1 Service charge arrears collection process will be in the form of four staged letters, County Court claim and/or First Tier Tribunal property chamber. The Folkestone and Hythe District Council leasehold service charges arrears procedure will set out in greater detail the stages mentioned within this policy.

5.7.2 FHDC will aim to collect 100% of the service charges demanded.

## **5.8 *Section 20 consultation***

5.8.1 The policy is to ensure that the leaseholders are consulted with accurately and fairly accordingly with the current legislation (Section 20 Landlord and Tenant Act 1985, as amended by the Commonhold and Leasehold Reform Act 2002) and current best practice.

5.8.2 It will also allow FHDC to reclaim the full cost of works through the service charges as all parties must adhere to the terms set out within the lease and relevant legal provisions.

5.8.3 The major works procedure will establish;

- When consultation is required.
- How consultation will be sent to leaseholders
- How to address emergency works

## **6 *Key controls and reporting***

6.1 This policy applies to all Folkestone and Hythe District Council leasehold services employees, affiliated employees and services.

6.2 The policy also applies to all Folkestone and Hythe District Councils' leaseholders and RTAs.

6.3 The Leasehold Management Senior Specialist retains the overall responsibility for the implementation of this policy and is responsible for the operational delivery of this policy and the associated procedures. Responsibilities include:

- Monitoring and review of this policy including changes in legislation
- Staff awareness and training
- Policy development and communication to customers.

## **7 Associated Documents**

7.1 The associated internal documents relating to this policy include:

(Internal):

- Major works procedure
- Service charge calculation procedure
- S20 Consultation procedure

## **8 Equality and Diversity**

- 8.1 FHDC recognise that different people and communities may have specific needs which may require flexible approaches. We also appreciate that some groups or individuals may experience discrimination and disadvantage. This may be due to their protected characteristics under the Equality Act 2010. We believe that everyone should be treated with dignity, respect and fairness, regardless of their characteristics.
- 8.2 An Equality Impact Assessment has been carried out on this policy which will be updated in line with policy reviews (see below,) to ensure there is no discrimination and opportunities to improve equality and access are maximised.

## **9 Review**

- 9.1 This Policy will be reviewed every 3 years by the person who is in the job role of the author. If necessary, this Policy will be reviewed sooner to incorporate legislative, regulatory, best practice developments, or address operational issues.

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## SHARED OWNERSHIP POLICY

Date of policy	19 <sup>th</sup> October 2020
Date for review	19 <sup>th</sup> October 2022
Policy author	Richard Parker, Leasehold Management Senior Specialist
Policy owner	John Holman, Assistant Director Housing
Approved by	
Risk register rating	

Revision history			
Version	Date	Revision description	Policy author
0.1	October 2020	Draft policy	Richard Parker
0.2	December 2020	Editorial changes	Jonathan Hicks

NEW POLICY / POLICY REVIEW	
New policy	YES
Early review – change in legislation	
Early review – significant changes in practice	
Review due – significant changes	
Review due – cosmetic changes or unchanged	
Other reason	

Reason for new policy / summary of changes
Shared ownership is an affordable home ownership product for those who cannot afford to purchase a home at the full market value. The scheme allows for a share to be purchased in a property and paying a rent on the remaining share. Initial shares start at 25%, up to 75%, of the full value and you can buy additional shares in the future until you own the home outright, some restrictions may apply on certain schemes, such as retirement schemes.

The purpose of this policy is to set out how Folkestone and Hythe District Council assess and administers;

Eligibility.

Affordability.

Resales.

Subletting.

#### **CONSULTATION**

List of people/roles who have been consulted	Date
N/A	

#### **EQUALITY IMPACT ASSESSMENT**

Completed	Date
RP	19/10/20

#### **DISSEMINATION**

Role	Awareness	Essential
Leasehold Services	High	Yes

#### **TRAINING**

Role	Trainer	Date completed
N/A		

#### **MONITORING AND COMPLIANCE**

Method	Responsibility	Frequency
Regulations specialist to review following Council procedure.	Regulations specialist	In line with Council procedure

## **1 Purpose of the Policy**

- 1.1 To increase the awareness of the different types of affordable homeownership within the Folkestone and Hythe District Council area. In line with Folkestone and Hythe District Council's current and future affordable homeownership options.
- 1.2 Shared ownership is an affordable home ownership product for those who cannot afford to purchase a home at the full market value. The scheme allows for a share to be purchased in a property and paying a rent on the remaining share.
- 1.2 Initial shares start at 25%, up to 75%, of the full value and you can buy additional shares in the future until you own the home outright, some restrictions may apply on certain schemes, such as retirement schemes.
- 1.3 The purpose of this policy is to set out how Folkestone and Hythe District Council assess and administers its responsibility in terms of:
  - Eligibility.
  - Affordability.
  - Resales.
  - Subletting.

## **2 Policy objectives and scope**

- 2.1 This policy aims to set out the criteria for shared ownership eligibility and affordability; shared ownership staircasing, and our approach to Resales.
- 2.2 This policy applies to shared owners and applicants for shared ownership only.

## **3 Legal/Regulatory Framework**

- 3.1 Internal:
  - Shared ownership procedure.
  - Shared ownership leases.
- 3.2 External:
  - The Housing Act 1985
  - Commonhold and Leasehold Reform Act 2002 (as amended)

- The Housing (Shared ownership Leases) (Exclusion from Leasehold Reform Act 1967) (England) Regulations 2009
- Help to Buy guidance and leaflets

## **4 Responsibility**

- 4.1 The Leasehold Management Senior Specialist retains the overall responsibility for the implementation of this policy.
- 4.2 The Leasehold Management Senior Specialist is responsible for the operational delivery of this policy and the associated procedures. This includes responsibility for monitoring and review, staff awareness and training, policy development and communication to customers.

## **5 The Policy**

### **5.1 Eligibility**

All applicants' eligibility will be assessed accordingly with the latest legislative eligibility criteria. Which currently includes:

- Being 18 years or over and a resident of the UK.
- Have an annual household income of no more than £90,000 in London or £80,000 outside London (unless the Local Authority has set a local criteria).
- Be unable to purchase a home outright on the open market.
- Not be a home owner or named on a mortgage (applicants in the process of selling a home will be considered).
- Have a deposit of at least 10% of the purchase price or a mortgage offer from a high street lender.
- Have access to additional £4,000-£6000 to cover legal fees and moving costs.
- Are not subject to a bankruptcy petition, IVA, or outstanding County Court Judgements.

### **5.2 Priority of applicants**

- 5.2.1 Priority will be given to serving British forces personal and veterans in line with current help to buy guidelines.
- 5.2.2 The Council may depending upon local housing need, install their own priority requirements. The priority criteria in this even will be published when a new scheme goes live.

### **5.3 Affordability**



5.3.1 Affordability checks will be undertaken by FHDC to assess whether the applicants meet the eligibility criteria has set out in this policy.

5.3.2 In addition to the application form, the applicant must provide the following documents:

- Current passport or driving licence.
- Last 3 months payslips or If self-employed: 3 years tax overviews and/or last 3 years SA302/Tax calculations.
- Last 3 month's bank statements for all accounts held, showing your name and address.
- Proof of mortgage offer or mortgage in principal.
- Proof of other financial commitments such as loans, credit cards, or car finance.

#### 5.4 ***Staircasing eligibility***

5.4.1 Shared owners will be entitled to purchase more shares in their home 12 months after the initial share has been purchased.

5.4.2 It is the responsibility of the shared owner to ensure that the purchasing of additional shares is affordable for them and they should speak with an independent financial advisor or mortgage advisor before applying to staircase.

5.4.3 The minimum additional shares that can be purchased is 10%. This rises up to outright (100%) ownership of your home, except where there are restrictions on the lease that require it to remain in shared ownership for perpetuity.

5.4.4 When the shared owner buys more shares the rent paid to FHDC will be recalculated accordingly.

5.4.5 The premium payable by the shared owner for the shares will be based on the current market valuation of the property. Staircasing will incur an administration charge and/or legal fess where accordingly.

#### 5.5 ***Resales***

5.5.1 In the event of the property being resold. The shared owner must inform us of their intent to sell the property.

5.5.2 FHDC reserves the right to nominate a suitable purchaser before the property is sold on the open market.

#### 5.6 ***Subletting***

5.6.1 Subletting of shared ownership properties is strictly prohibited.

## **6 Key controls and reporting**

- 6.1 This policy applies to all Folkestone and Hythe District Council leasehold services employees, affiliated employees and services.
- 6.2 The Leasehold Management Senior Specialist retains the overall responsibility for the implementation of this policy and is responsible for the operational delivery of this policy and the associated procedures. Responsibilities include:
- Monitoring and review of this policy including changes in legislation
  - Staff awareness and training
  - Policy development and communication

## **7 Associated Documents**

- 7.1 (Internal):
- Shared ownership leases.
  - Shared ownership procedure.
- 7.2 (External):
- CIH Shared ownership charter

## **8 Equality and Diversity**

- 8.1 FHDC recognise that different people and communities may have specific needs which may require flexible approaches. We also appreciate that some groups or individuals may experience discrimination and disadvantage. This may be due to their protected characteristics under the Equality Act 2010. We believe that everyone should be treated with dignity, respect and fairness, regardless of their characteristics.
- 8.2 An Equality Impact Assessment has been carried out on this policy which will be updated in line with policy reviews (see below,) to ensure there is no discrimination and opportunities to improve equality and access are maximised.

## **9 Review**

- 9.1 This Policy will be reviewed every 3 years by the person who is in the job role of the author. If necessary, this Policy will be reviewed sooner to incorporate legislative, regulatory, best practice developments, or address operational issues.

## RIGHT TO BUY POLICY

Date of policy	19 <sup>th</sup> October 2020
Date for review	19 <sup>th</sup> October 2022
Policy author	Richard Parker, Leasehold Management Senior Specialist
Policy owner	John Holman, Assistant Director Housing
Approved by	
Risk register rating	

Revision history			
Version	Date	Revision description	Policy author
0.1	October 2020	Draft policy	Richard Parker
0.2	December 2020	Editorial changes	Jonathan Hicks

NEW POLICY / POLICY REVIEW	
New policy	YES
Early review – change in legislation	
Early review – significant changes in practice	
Review due – significant changes	
Review due – cosmetic changes or unchanged	
Other reason	
Reason for new policy / summary of changes	
To ensure Folkestone and Hythe District Council administer and processes all RTB applications fairly, accurately and in accordance with the legislative timeframes.	

<b>CONSULTATION</b>	
List of people/roles who have been consulted	Date

<b>EQUALITY IMPACT ASSESSMENT</b>	Completed	Date
	RP	19/10/20

<b>DISSEMINATION</b>		
Role	Awareness	Essential
Leasehold services	High	Yes

<b>TRAINING</b>		
Role	Trainer	Date completed
N/A		

<b>MONITORING AND COMPLIANCE</b>		
Method	Responsibility	Frequency
Regulations specialist to review following Council procedure.	Regulations specialist	In line with Council procedure

## **1. Purpose of the Policy**

To ensure Folkestone and Hythe District Council administer and processes all RTB applications fairly, accurately and in accordance with the legislative timeframes.

## **2. Policy objectives and scope**

- 2.1 This policy applies to all Folkestone and Hythe District Council leasehold services employees, affiliated employees and services.
- 2.2 The objective of the policy is to ensure that all of the Folkestone and Hythe District Council tenants are treated in a fair and reasonable way during the RTB process.

## **3. Legal/Regulatory Framework**

The key elements of legislation used in consideration when drafting this policy are:

- Housing Act 1985
- The Housing (Preservation of Right to Buy) Regulations 1993 (Statutory Instrument 2241),
- Housing Act 2004
- Prevention of Social Housing Fraud Act 2013
- General Data Protection Regulation 2016
- Money Laundering Regulations 2017

## **4. Responsibility**

- 4.1 The Leasehold Management Senior Specialist retains the overall responsibility for the implementation of this policy.
- 4.2 The Leasehold Management Senior Specialist is responsible for the operational delivery of this policy and the associated procedures. This includes responsibility for monitoring and review, staff awareness and training, policy development and communication to customers.

## **5. The Policy**

### **5.1 *Eligible residents***

- 5.1.1 The tenant must have held a minimum of 3 years public sector tenancy and the house or flat must be the tenant's only or principle home and is self-contained.

5.1.2 The resident may be able to purchase the property with family members who have lived in the property for a minimum of 12 months or with whom they hold joint tenancies.

5.1.3 The latest list of landlords considered public bodies can be found on the government's RTB website.

5.1.4 The resident cannot exercise the Right to Buy if:

- A court has made a possession order against the tenant.
- The resident is subject to a bankruptcy petition, is an undischarged bankrupt, an IVA or other official arrangement with creditors is in place.
- A demolition order has been served.
- The property is exempt from the Right to Buy.

## 5.2 ***Discount rules***

5.2.1 The Right to Buy scheme gives tenants a discount on the market value of their home. The longer the tenancy the more discount they are entitled to up to the maximum discount value.

5.2.2 The maximum discounts will increase on 6 April each year if the Consumer Price Index increases. If the Index does not increase, the discounts will remain the same.

## 5.3 ***Qualifying period***

5.3.1 Subject to this limit, the amount of discount for which the tenant is eligible depends on the time they have been a public sector tenant, with either:

- Folkestone and Hythe District Council
- another 'Right to Buy landlord'
- any other public bodies considered as a landlord (the latest list can be found on the government RTB website).

5.3.2 The discount is calculated accordingly to whether the tenant lives in a flat or house. The current percentages the tenant are entitled to are:

- House; discount of 35 percent after 3 years tenancy. 35 percent after 4 and 5 years tenancy. For each extra year after that, 1 percent is added for each year of tenancy up to a maximum of 70 per cent.
- Flat; discount of 50 percent after 3 years tenancy. 50 percent after 4 and 5 years tenancy. For each extra year after that, 2 percent is added for each year of tenancy, up to a maximum of 70 per cent.

5.3.3 The qualifying period for discount can include time spent in different homes and with different landlords. This doesn't have to be continuous, but must be with an eligible tenancy accordingly.

#### 5.4 ***Cost floor***

- 5.4.1 Any discount awarded will be subject to the cost floor of the property.

Once the cost floor has been calculated. The value shall be deducted from any discounts the tenant is entitled to.

#### 5.5 ***Repayment of discount***

- 5.5.1 If the tenant sells the property within the first 5 years after completing the Right to Buy then a proportion of the discount shall be repaid back to Folkestone and Hythe District Council.

- 5.5.2 The calculation for discount is carried out on a sliding scale format. The calculation and percentages can be found on the Right to Buy government website/documentation.

#### 5.6 ***Tenants' previous RTB discount***

- 5.6.1 If the tenant has bought a property previously under the RTB scheme, then any discount received prior will be deducted from any discount currently entitlement.

#### 5.7 ***Right of first refusal***

- 5.7.1 If the tenant wishes to sell or dispose of the property within the first 10 years after the RTB purchase. They must offer it back to Folkestone and Hythe District Council.

- 5.7.2 The market value must be agreed by both parties. However, if they cannot agree then the district valuer can make a determination as to the value of the property.

#### 5.8 ***Service charge and major works calculations***

- 5.8.1 Folkestone and Hythe District Council leaseholder services will ensure the calculations contained in the S125 offer document will be an accurate reflection of the cost of works and/or services to be undertaken to the property within a 5 year period.

#### 5.9 ***Timescales***

- 5.9.1 Folkestone and Hythe District Council will ensure that all legislative timescales are adhered to in administering and processing all RTB applications.

#### 5.10 ***Fraud***

- 5.10.1 As part of the application process Folkestone and Hythe District Council will take all reasonable measures to ensure tenancy fraud or other forms of financial fraud are identified and investigated accordingly.

5.10.1 If fraud is identified, then the case will be passed across for the relevant legal action to be initiated against the parties identified.

## **5.11 *Complaints***

5.11.1 If the tenant disagrees with the market value appraisal. The tenant has the right to request an appraisal by the district valuer. The district valuer will determine the market value. The value will then be set as the market value of the property and will form part of the offer to the tenant.

5.11.2 Any complaints regarding the service provided by Folkestone and Hythe District Council as part of the RTB process will be dealt with in line with the Complaints Policy.

## **5.12 *Other homeownership options***

5.12.1 If the tenant does not have entitlement to the RTB or cannot proceed with the RTB for whatever reason. Then Folkestone and Hythe District Council leaseholder services will signpost the tenant to other homeownership options which they may be more suitable for the tenant.

5.12.2 The other options may include Help to Buy and other shared ownership products available on the open market by other social landlords.

## **6. *Key controls and reporting***

6.1 The Leasehold Management Senior Specialist will monitor Right to Buy performance and application turnaround time. RTB performance will be monitored on a monthly and quarterly basis.

6.2 The Leasehold Management Senior Specialist retains the overall responsibility for the implementation of this policy and is responsible for the operational delivery of this policy and the associated procedures. Responsibilities include:

- Monitoring and review of this policy including changes in legislation
- Staff awareness and training
- Policy development and communication

## **7. *Associated Documents***

7.1 (Internal):

- Right to Buy procedure.
- Right to buy flow chart.



## **1 Equality and Diversity**

- 8.1 FHDC recognise that different people and communities may have specific needs which may require flexible approaches. We also appreciate that some groups or individuals may experience discrimination and disadvantage. This may be due to their protected characteristics under the Equality Act 2010. We believe that everyone should be treated with dignity, respect and fairness, regardless of their characteristics.
- 8.2 An Equality Impact Assessment has been carried out on this policy which will be updated in line with policy reviews (see below,) to ensure there is no discrimination and opportunities to improve equality and access are maximised.

## **2 Review**

- 9.1 This Policy will be reviewed every 3 years by the person who is in the job role of the author. If necessary, this Policy will be reviewed sooner to incorporate legislative, regulatory, best practice developments, or address operational issues.

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This Report will be made public on 9 March 2021



Report Number **C/20/84**

**To:** Cabinet  
**Date:** 17 March 2020  
**Status:** Non Key Decision  
**Director:** Charlotte Spendley, Director – Corporate Services  
**Cabinet Member:** Councillor Jennifer Hollingsbee – Deputy Leader & Cabinet Member for Communities

**SUBJECT:** EQUALITY & DIVERSITY ANNUAL REPORT 2019/20

**SUMMARY:** The Equality Act 2010 places a statutory duty on the council to prepare and publish information annually to demonstrate compliance with the Public Sector Equality Duty. The draft Equality & Diversity Annual Report is therefore presented for consideration and approval prior to publication.

**REASONS FOR RECOMMENDATIONS:**

The council needs to ensure that it meets the statutory requirements of the Public Sector Equality Duty. The report demonstrates the council's commitment to positively contributing to the advancement of equality and good relations, summarises the activities undertaken in 2019/20 to promote equality, diversity, and inclusion, and highlights the positive measures that have been taken to remove barriers, improve access to services, and increase customer satisfaction.

**RECOMMENDATIONS:**

1. To receive and note report C/20/84.
2. To consider and approve the draft Equality & Diversity Annual Report outlined in Appendix 1.

## 1. BACKGROUND

- 1.1 The Equality Act 2010 created a Public Sector Equality Duty. In essence, this duty requires public authorities to consider how they could positively contribute to the advancement of equality and good relations. It requires equality considerations to be taken into account when making decisions and reflected in the design of policies and the delivery of services. While compliance is a legal obligation, the duty should be viewed as beneficial for organisations; the aims of better informed public sector decision-making and policy development should lead to services that effectively and appropriately meet diverse user needs and to increased customer satisfaction.
- 1.2 The Public Sector Equality Duty is made up of a general equality duty, which is the overarching requirement of the Public Sector Equality Duty, and 'specific duties', which are designed to ensure public authorities meet the general equality duty.
- 1.3 The general equality duty came into force in April 2011 and states that in the exercise of their functions a public authority must have due regard to the need to:
  - Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act;
  - Advance equality of opportunity between people who share protected characteristic and those who do not; and
  - Foster good relations between people who share a relevant protected characteristic and those who do not.

Having due regard for advancing equality involves:

- Removing or minimising disadvantages suffered by people due to their protected characteristics;
- Taking steps to meet the needs of people from protected groups where these are different from the needs of other people; and
- Encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.

Having due regard for fostering good relations involves tackling prejudice and promoting understanding.

The Act states that compliance with the equality duty may involve treating some people more favourably than others.

- 1.4 The Public Sector Equality Duty covers the nine protected characteristics outlined in the Equality Act, which are:
  - Age
  - Disability
  - Gender Reassignment
  - Pregnancy and Maternity

- Race
- Religion or Belief
- Sex
- Sexual Orientation
- Marriage and civil partnership<sup>1</sup>.

## **2. THE ANNUAL EQUALITY & DIVERSITY REPORT**

- 2.1 The 'specific duties' outline a statutory requirement for public authorities to publish information annually to demonstrate compliance with the general equality duty (outlined in paragraph 1.3).
- 2.2 The current publication is over 12 months old so an updated version is now required.
- 2.3 This annual report has therefore been updated in order to demonstrate the council's compliance with the general Public Sector Equality Duty and commitment to its principles. The report:
  - Provides a range of demographic and socio-economic information. This can be used to understand more about the needs of our local communities and those that may be affected by council services, policies and practices and in order to inform decision-making and policy development.
  - Demonstrates how the council has engaged with the community, taken actions to enable better understanding of different customer needs and ways to support them, and considered potential equality and diversity implications prior to making decisions.
  - Outlines the activities the council has undertaken over the past year to promote equality, diversity and inclusion amongst its workforce, Members and within the community, and the positive measures that have been taken to remove barriers, improve access to services and increase customer satisfaction.
- 2.4 The 'specific duties' also outline the requirement for the council to prepare and publish equality objectives that it thinks it should achieve in order to meet the general equality duty every four years. These equality objectives are outlined in the council's current Equality and Diversity Policy (2016-2020) and reproduced in section 6 of the Equality & Diversity Annual Report (Appendix 1).

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<sup>1</sup> Only the first aim of the general equality duty applies to this characteristic, meaning that public authorities need to have due regard to the need to eliminate unlawful discrimination against someone because of their marriage or civil partnership status in the workplace. The other aims (advancing equality and fostering good relations) do not apply.

- 2.5 Once considered and approved by Cabinet, the Equality and Diversity Annual Report will be published on the Equality and Diversity page of the council's website.

### **3. IMPACT ON CORPORATE STRATEGY AND POLICY DEVELOPMENT**

- 3.1 Specific actions that have taken place in 2019/20 in support of the delivery of the Corporate Plan are highlighted in the annual report (Appendix 1). The council has a number of strategies, policies and strategic projects in place to meet the current and anticipated needs of a diverse district and will continue to use this type of information to inform service design, policy development and future decision-making.

- 3.2 The 'Understanding our Communities' section of the annual Equality & Diversity report (Appendix 1) provides demographic and socio-economic information that outlines the district's diversity. The report then highlights the activities that have taken place in 2019/20 to support these different customer needs, to promote equality, diversity and inclusion, and the positive measures that have taken place to remove barriers, improve access to services and increase customer satisfaction. Areas of note include:

- The annual Lifeline customer satisfaction survey continues to demonstrate a high quality of service with 98% of users agreeing that it represents 'excellent service' and 'good value for money'.
- We have continued to support charities, voluntary and community groups through awarding 201 Ward Grants, provided over £55,000 of funding for community projects through our Local Children's Partnership Group, and awarded Grant Agreements to organisations that support vulnerable residents and the health and wellbeing across the district, including Folkestone Sports Centre Trust and the Citizens Advice Bureau.
- The Folkestone & Hythe Community Safety Partnership played a key role in supporting the Young Persons Community Safety Conference where over 900 young people learned about the dangers of knife crime, drugs and gangs.
- Over 600 children from 18 schools across the district attended the Safety in Action Day and over 30 local children took part in the Tall Ships Programme.
- The Folkestone Community Works Programme has continued to address issues faced by the most vulnerable in the district by continuing to fund projects that are working to improve access to services and opportunities for businesses and residents within the Central and East Folkestone wards. Funding from the programme is providing 1-2-1 support services to help residents who are unemployed and are finding it hard to navigate their way back to work.
- The council's achievements have continued to be recognised through the successful reapplication of the Customer Service Excellence accreditation and being awarded with additional compliance plusses following assessment in November 2019. A total of 12 compliance plusses were awarded for the following factors, including: the mapping of services to make sure they are effective in meeting the needs of

customers, implementing changes to letter and website communications as result of customer feedback and staff 'going the extra mile' to meet customer needs.

#### **4. RISK MANAGEMENT ISSUES**

##### **4.1**

<b>Perceived risk</b>	<b>Seriousness</b>	<b>Likelihood</b>	<b>Preventative action</b>
Failure to fulfil statutory obligations imposed by Public Sector Equality Duty	High	Low	Preparation and publication of Equality & Diversity Annual Report

#### **5. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS**

##### **5.1 Legal Officer's Comments (NM)**

Legal implications and the council's statutory obligations are set out in the body of the report.

##### **5.2 Finance Officer's Comments (LW)**

There are no direct financial implications associated with the report

##### **5.3 Human Resources (RB)**

There are no direct Human Resource implications emanating from this report.

##### **5.4 Diversities and Equalities Implications (GE)**

The report provides information that may support informed decision making, outlines the council's achievements in advancing equality in 2019/20, and fulfils the council's statutory obligations.

##### **5.5 Communications (KA)**

This updated E&D report (and appendices) highlights the great work of the council over the past financial year. While much of the detail of this report have been publicised across our media platforms already, this report should be shared widely once approved to underline the sterling work reported in this document.

#### **6. CONTACT OFFICERS AND BACKGROUND DOCUMENTS**

Councillors with any questions arising out of this report should contact the following officer prior to the meeting:

Gavin Edwards

*Performance and Improvement Specialist*

Tel: 01303 85 3436

Email: [gavin.edwards@folkestone-hythe.gov.uk](mailto:gavin.edwards@folkestone-hythe.gov.uk)

**Appendices:**

Appendix 1: Draft Equality & Diversity Annual Report 2019-20





# Folkestone & Hythe District Council

## Annual Equality and Diversity Report (DRAFT)

A reflection on the 2019/20 Year  
Published: xx 2021



# Foreword

Thank you for taking the time to read the council's Equality and Diversity Annual Report.

This report has been produced in accordance with the Public Sector Equality Duty created by the Equality Act 2010.

The purpose of this document is to:

- Provide a range of demographic and socio-economic information. This can be used to better understand the needs of our local communities and those that may be affected by council services, policies and practices, and in order to inform decision-making and policy development.
- Demonstrate how the council has engaged with the community, taken actions to enable better understanding of different customer needs and ways to support them, and considered potential equality and diversity implications prior to making decisions.
- Outline the activities the council has undertaken during 2019/20 to promote equality, diversity and inclusion both amongst its workforce (officers and members) and within the community, and the positive measures that have been taken to remove barriers, improve access to services and increase customer satisfaction.

We hope that you find this document useful and informative.

Further information, including the council's related Equality and Diversity Policy, can be found at: <https://folkestone-hythe.gov.uk/your-council/policies-plans-and-documents/equality-and-diversity>

Alternatively you can contact us:

Email: [policy@folkestone-hythe.gov.uk](mailto:policy@folkestone-hythe.gov.uk)

Yours sincerely,

Signature here

Cllr Jenny Hollingsbee  
**Deputy Leader of the Council and Cabinet  
Member for Communities**

Signature here

Dr Susan Priest  
**Chief Executive**

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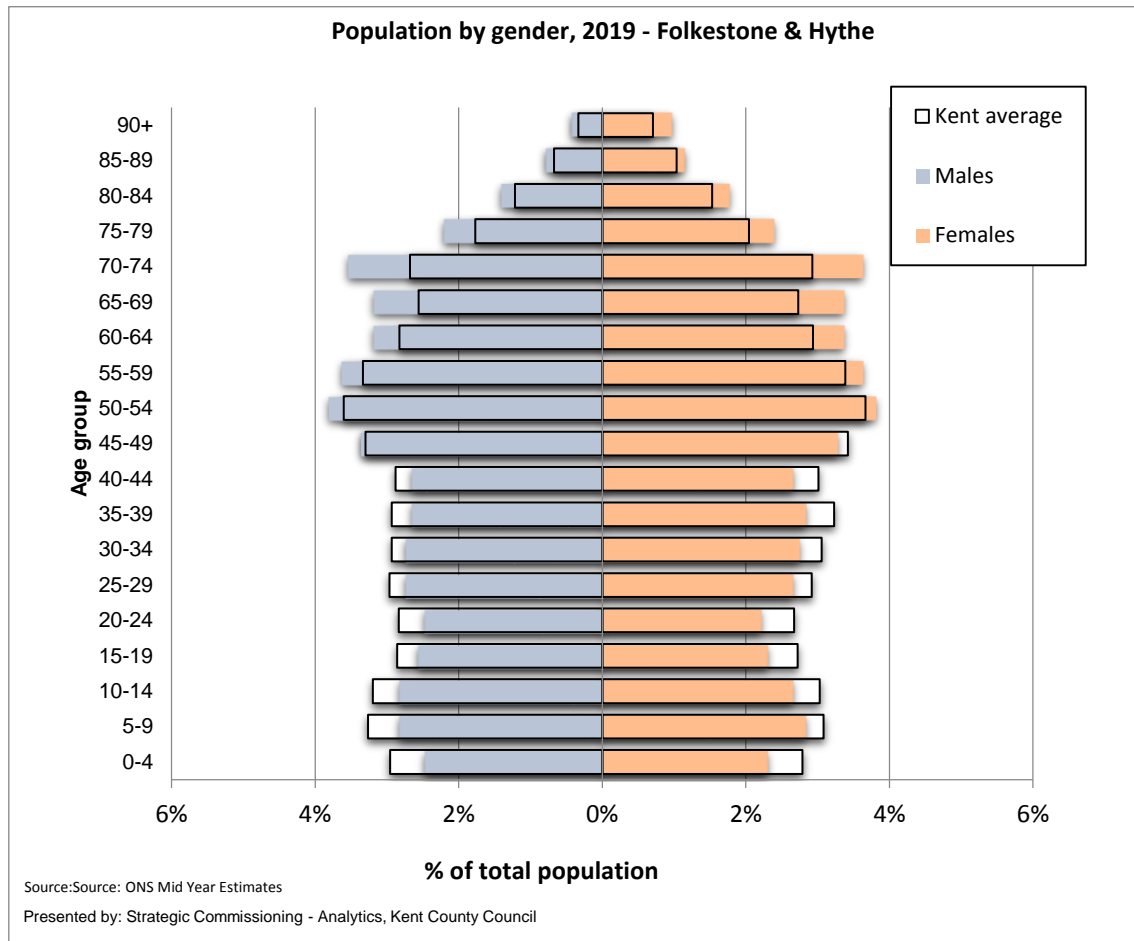
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# Section 1: Understanding Our Communities

## Age and Sex

### Overview

In the graph below, blue shows the proportion of males in each age group and peach females. The blocked sections show the Kent average for each age group.



"Kent" refers to the Kent County Council (KCC) area

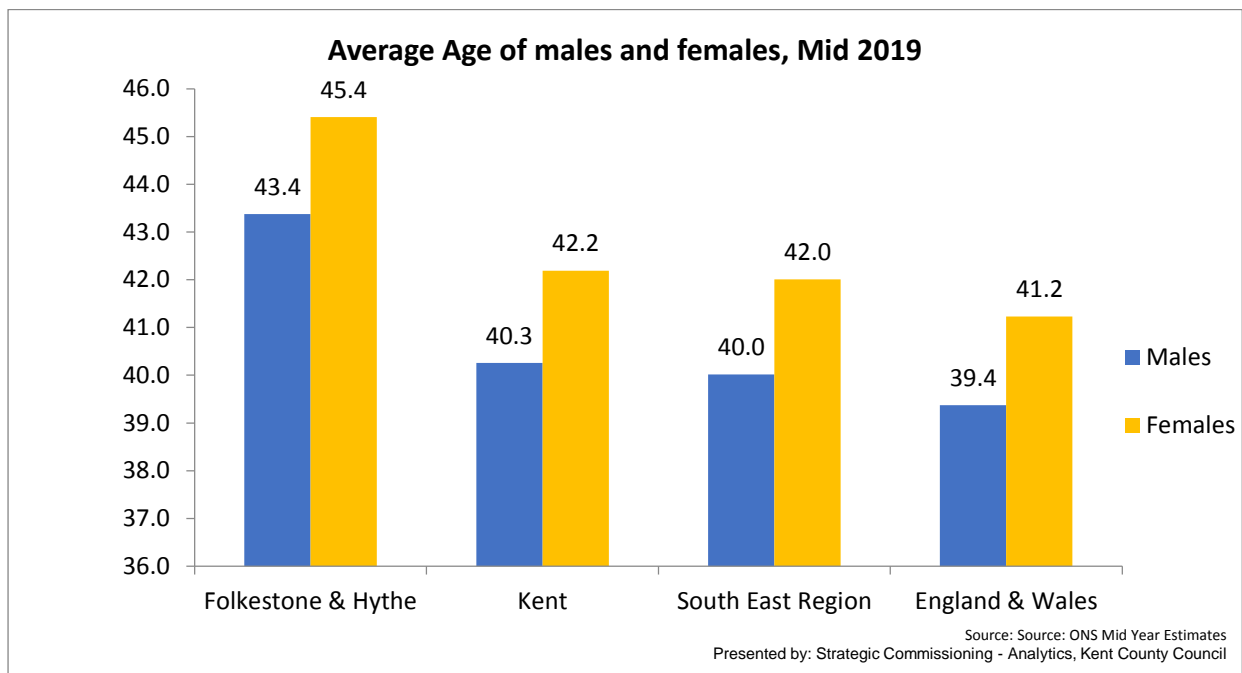
Source: KCC District Profile / ONS, 2019 mid-year population estimates

50.5% of Folkestone & Hythe's population is female and 49.5% is male. This percentage breakdown is reflective of Kent as a whole.

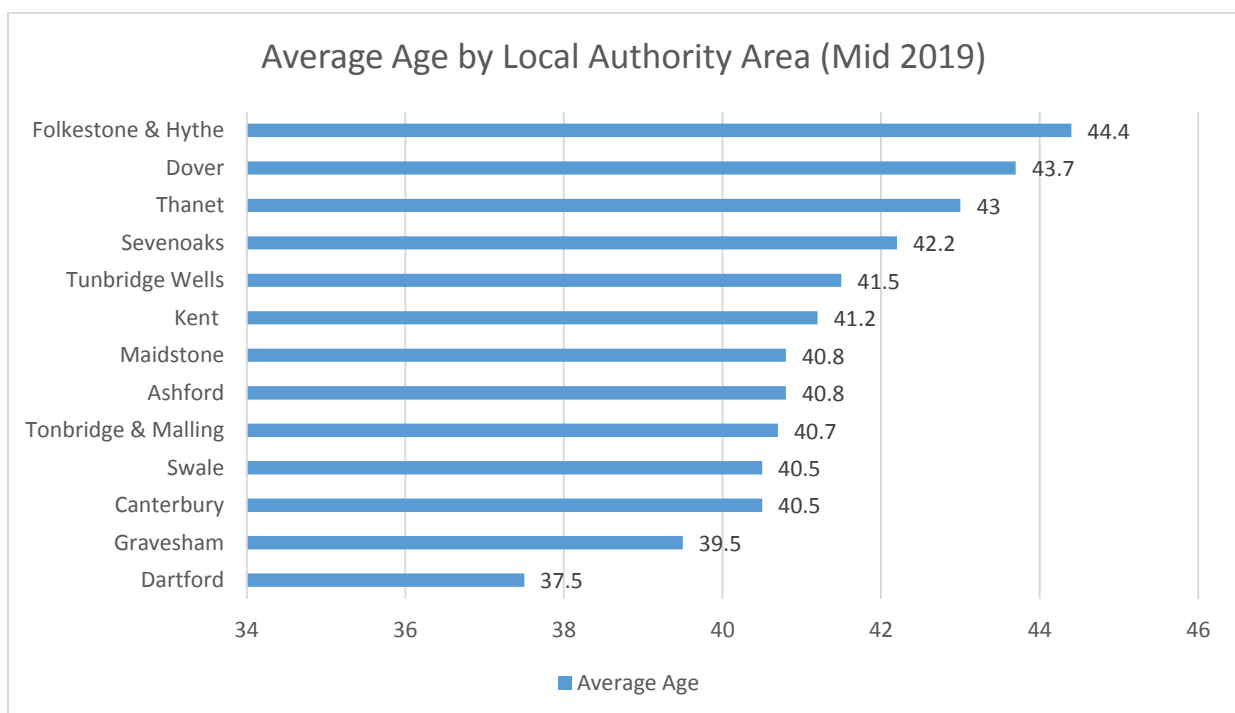
There is a lower proportion of residents aged under 45 when compared to Kent overall. The district has a larger percentage of residents aged over 45.

The male to female ratio changes with age. There are more males under the age of 55 than there are females. From age 50 + there are more females than males.

The average Folkestone & Hythe resident is 44 years old. This is higher in comparison with the other districts in the county and with regional and national averages.



Source: KCC District Profile/ ONS, 2019 mid-year population estimates

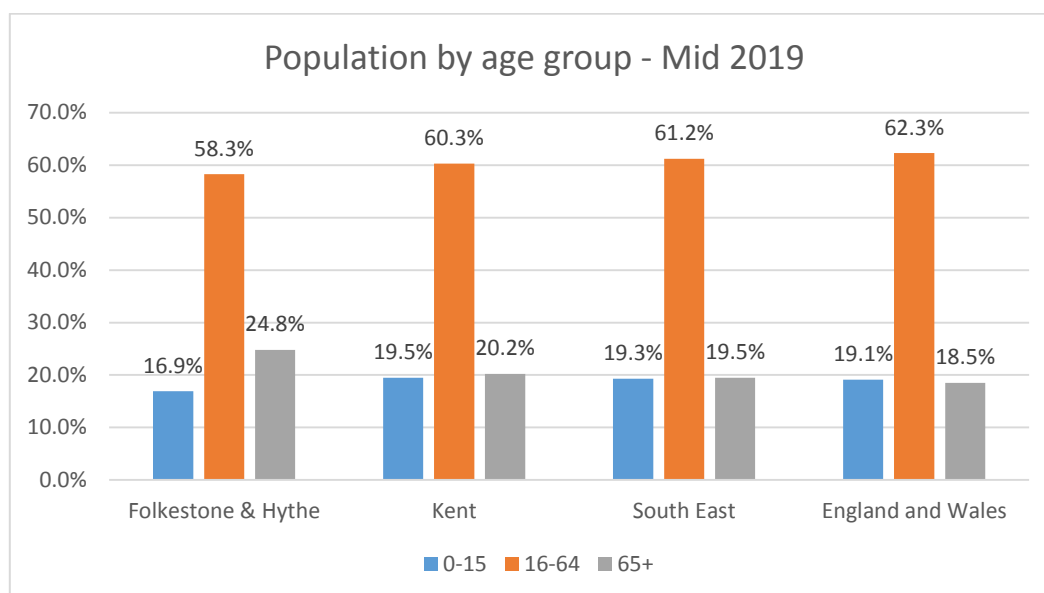


Source: KCC District Profile/ ONS, 2019 mid-year population estimates

The average male (at 43.4years) is younger than the average female (45.4 years)

In comparison with regional and national figures, Folkestone & Hythe has:

- A lower than average proportion of residents aged under 15
- A lower than average proportion of residents of 'working age' between 16 and 64
- A higher than average proportion of residents aged 65 and over



Source: KCC District Profile / ONS, 2019 mid-year population estimates

### Children and Young Adults

**25%**  
of residents are under 25

**17%**  
are under the age of 16

Age group	No.	% of F&HDC population	% of Kent overall*
<b>0-3 – Early Years Children</b>	4,300	3.8%	4.5%
<b>4-10 – Primary Age Children</b>	8,800	7.8%	8.8%
<b>11-18 – Secondary age children</b>	9,400	8.3%	9.5%

Source: KCC District Profile/ ONS, 2019 mid-year population estimates

\*KCC area. E.g. within KCC, 4.6% of children are aged 0-3

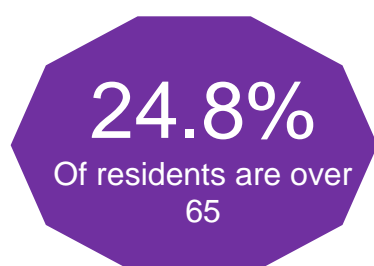


## 'Working Age' Population (16-64)

F&HDC	No	%
<b>16-64</b>	65,800	58.3% of F&HDC residents are 16-64
<b>Female</b>	32,800	57.5% of females in the district are 16-64
<b>Male</b>	33,000	59.1% of males in the district are 16-64

Source: KCC District Profile/ ONS, 2019 mid-year population estimates

## Older Population



Age group	No.	% of F&HDC population
<b>65-69</b>	7,400	6.5%
<b>70-74</b>	8,100	7.1%
<b>75-79</b>	5,200	4.6%
<b>80-84</b>	3,600	3.2%
<b>85-89</b>	2,200	2.0%
<b>90+</b>	1,600	1.4%

Source: KCC District Profile/ ONS, 2019 mid-year population estimates

## **Population: Changes and Forecasts**

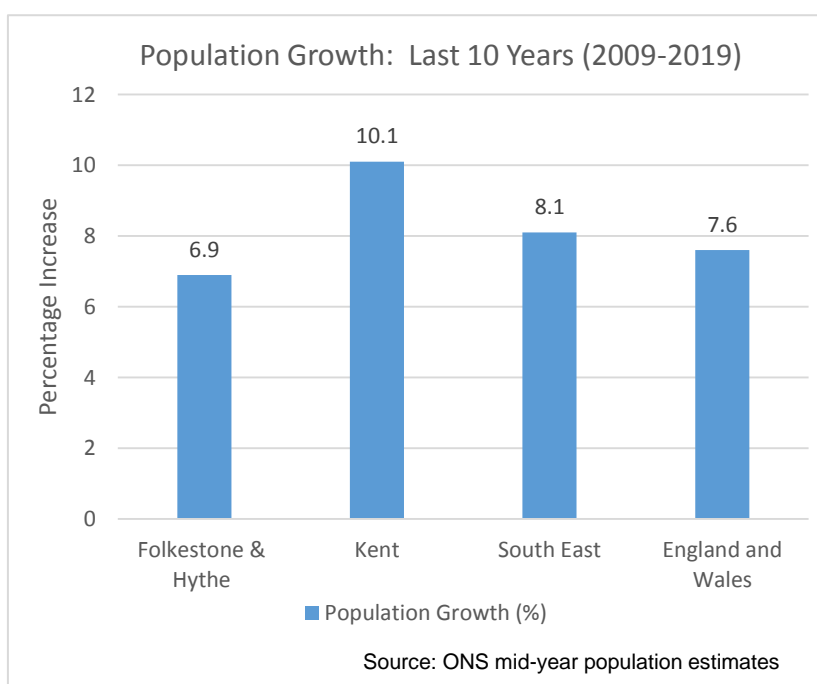
### Historical Population Growth

The most recent population figures (mid- 2019) estimate that population of Folkestone & Hythe is 113,000. This accounts for 7.1% of the total population with the Kent County Council area.

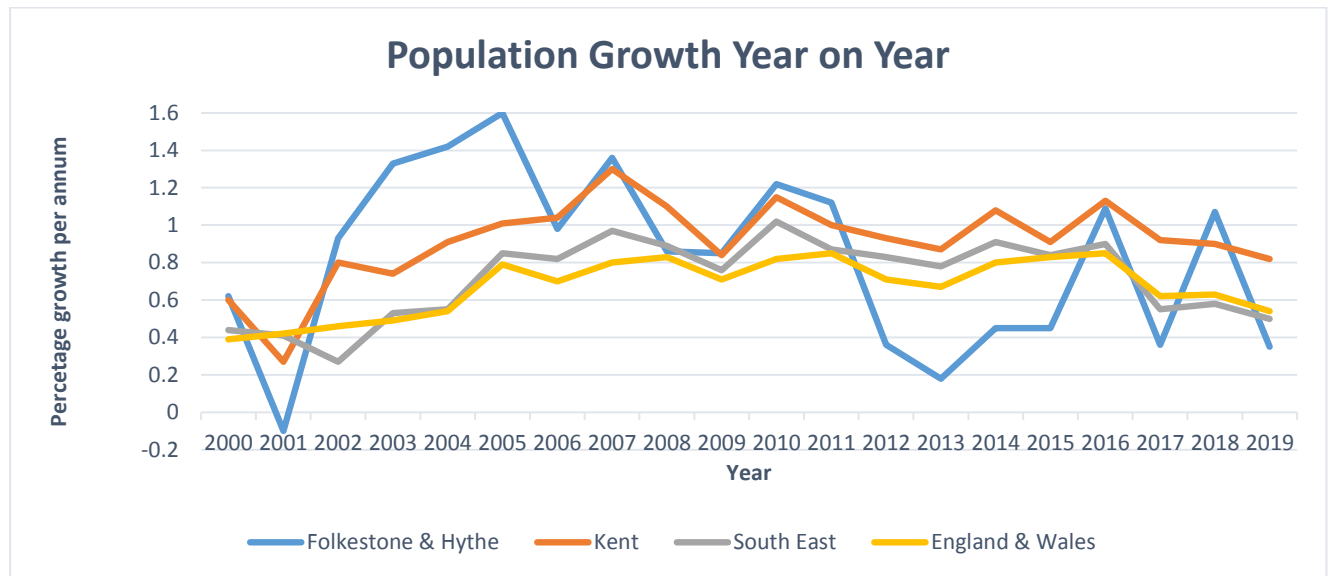
In 2009 the population of Folkestone & Hythe stood at 105,700.

In the ten year period between 2009 and 2019, Folkestone & Hythe's population grew by 6.9%. This is, however, low in comparison with regional and national averages.

Over the last 15 years (2004-2019) population growth across the south east has risen more quickly



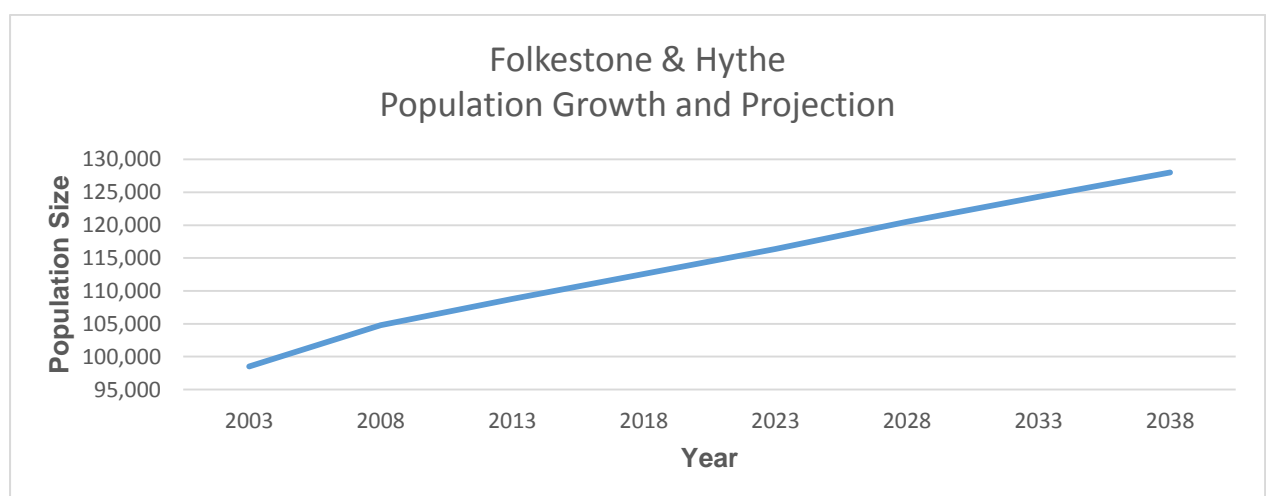
averaging 0.85% per annum in comparison to England and Wales, which averaged 0.78% per annum. Kent experiences higher annual growth in comparison, averaging a population increase of 1.07% per annum over the same time period. As a smaller geographical area, population growth in Folkestone & Hythe is much more sporadic, with localised factors a major contributory factor. The most recent data shows a population increase of 0.35% between 2018 and 2019, below what was being recorded across the south east (0.5%) and England & Wales (0.54%).



Source: KCC Interactive mid-year population estimate toolkit/ONS mid-year 2019 population estimates

### Population Growth Forecasts

Folkestone & Hythe's population is forecast to rise by nearly 12.9% over the next 19 years, reaching an estimated 128,000 by 2038. While Kent as a whole is expected to grow in line with historical population figures, increasing by 15.9% over the same period, these estimates predict a slowing of population growth in the district. Estimates, however, do not take into account any future developments in the district.



Source: KCC Housing Led Forecasts (November 2019) – Interactive Population Toolkit



## Population Changes

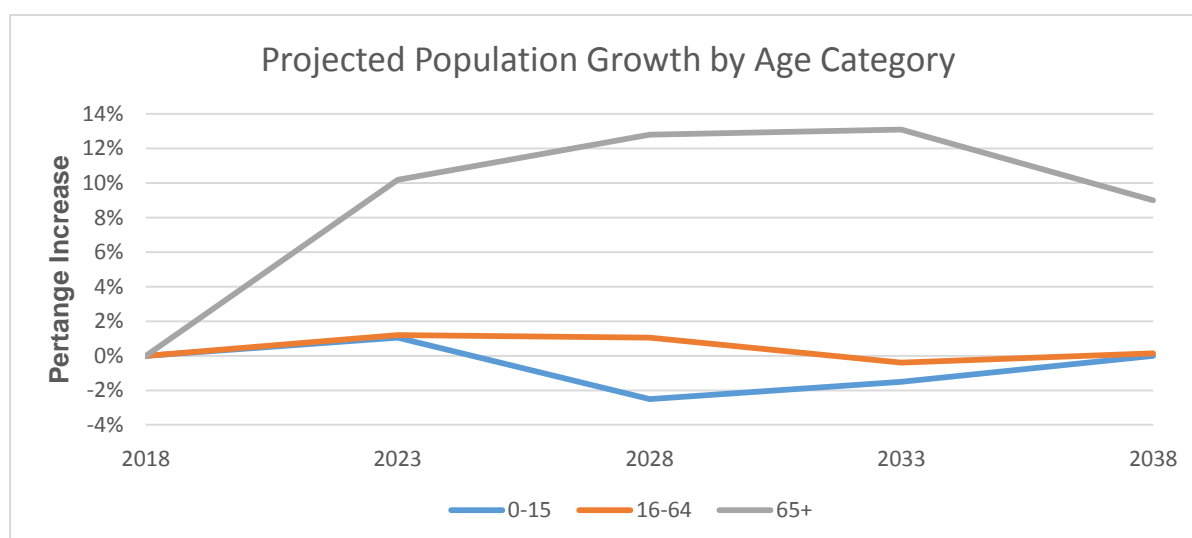
Historically, Folkestone & Hythe's population growth has varied between different age brackets. In the 20 year period between 1999 and 2019 the most significant population growth was amongst those aged between 45 and 70, with residents in this age bracket increasing by 39.3%. The amount of residents aged under 45, however has remained largely the same over this period increasing by only 0.7%.

When considering residents over the age of 65 specifically, between 1999 and 2019 there was an increase of 45%, from 19,300 to 28,000 people. It is forecasted that this will increase by a further 14,200 over the subsequent 19 years, a rise of 50%. Conversely, residents of 'working age' (between the ages of 16 and 64) are forecast to rise by 1.9% and those under the age of 15 are expected to shrink by 3.6%. Moreover, workforce forecasts predict that the proportion of 'economically active' residents in the district (those in employment or unemployed and available for and actively seeking work) will increase by nearly 7.2% by 2038.

Current Population Projections: Folkestone and Hythe (2018-2038):

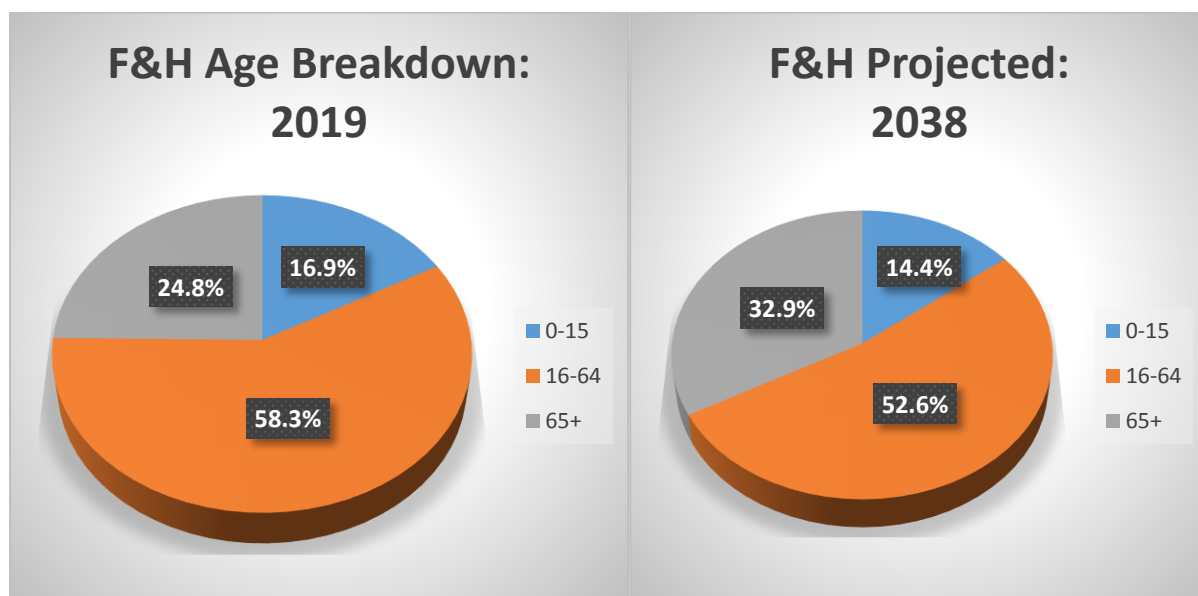
Year	Total Population	Age Group		
		0-15	16-64	65+
2018	113,000	19,100	66,000	27,500
2023	116,400	19,300	66,800	30,300
2028	120,500	18,800	67,500	34,200
2033	124,300	18,500	67,200	38,700
2038	128,000	18,500	67,300	42,200

Source: KCC District Profile/ KCC Housing Led Forecasts, 2019



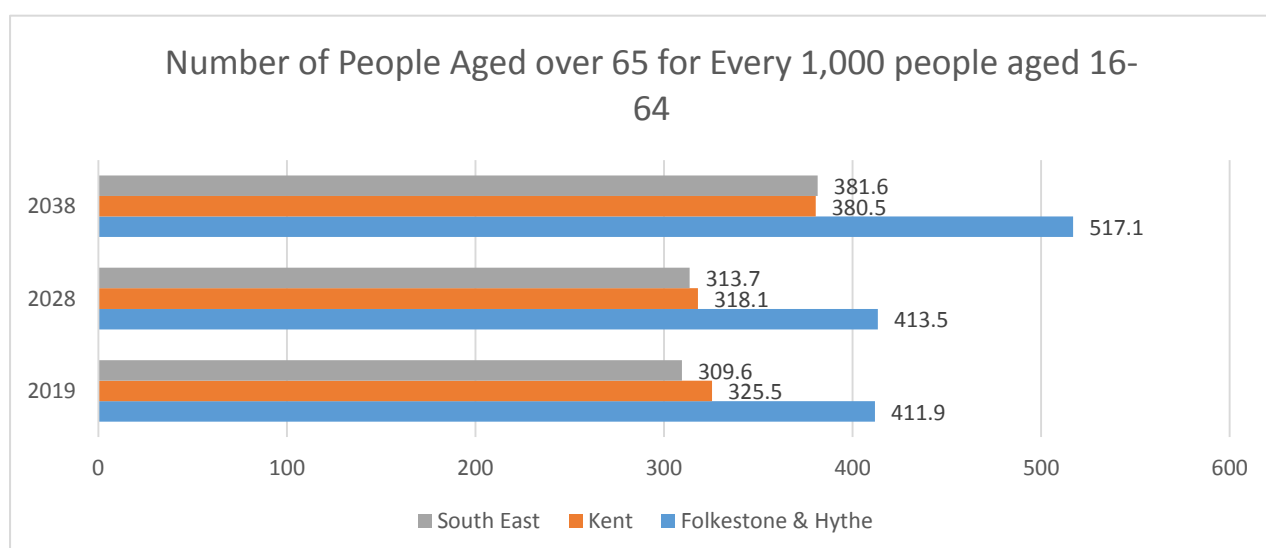
Source: KCC Housing Led Forecasts (November 2019) – Interactive Population Toolkit

Residents over the age of 65 currently account for 24.8% of Folkestone & Hythe's population. By 2038 this is expected to have increased by over 8% a more significant increase than the 5.7% anticipated across Kent.



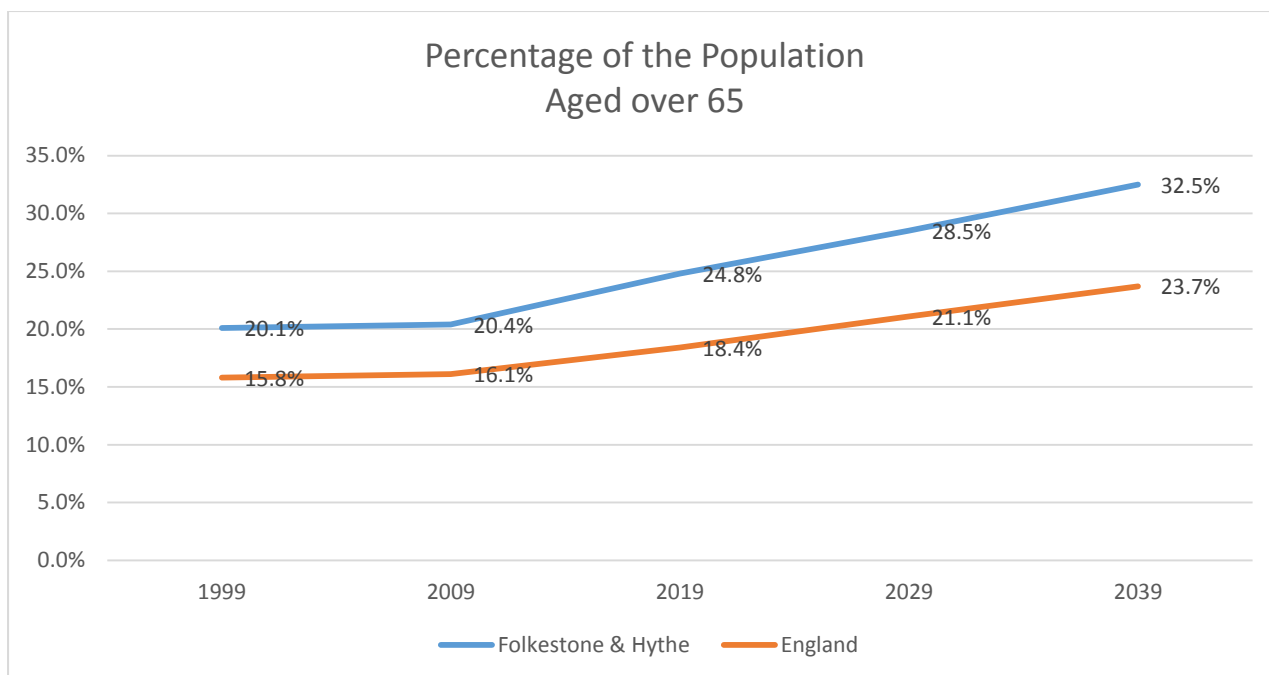
Source: KCC Housing Led Forecasts (November 2019) – Interactive Population Toolkit

The concept of an 'ageing population' is, of course, not solely confined to the Folkestone & Hythe district and the Office of National Statistics forecast continued growth in the proportion of the population aged over 65 across the UK. However, future estimates for Folkestone & Hythe, particularly relating to a proportion of the population over the age of 85, are notable rising from 3,800 in 2019 to 8,000 by 2038.



Source: ONS, 2018-based subnational population projections

The graph above shows the number of people aged over 65 for every thousand people aged 16-64 (known as the Dependency Ratio) is projected to grow faster for Folkestone & Hythe from 411.9 in 2019 to 517.1 in 2038, which is significantly above Kent and the South East region projections also set out.



Source ONS: Overview of the UK population: January 2021

## Population: Household Composition

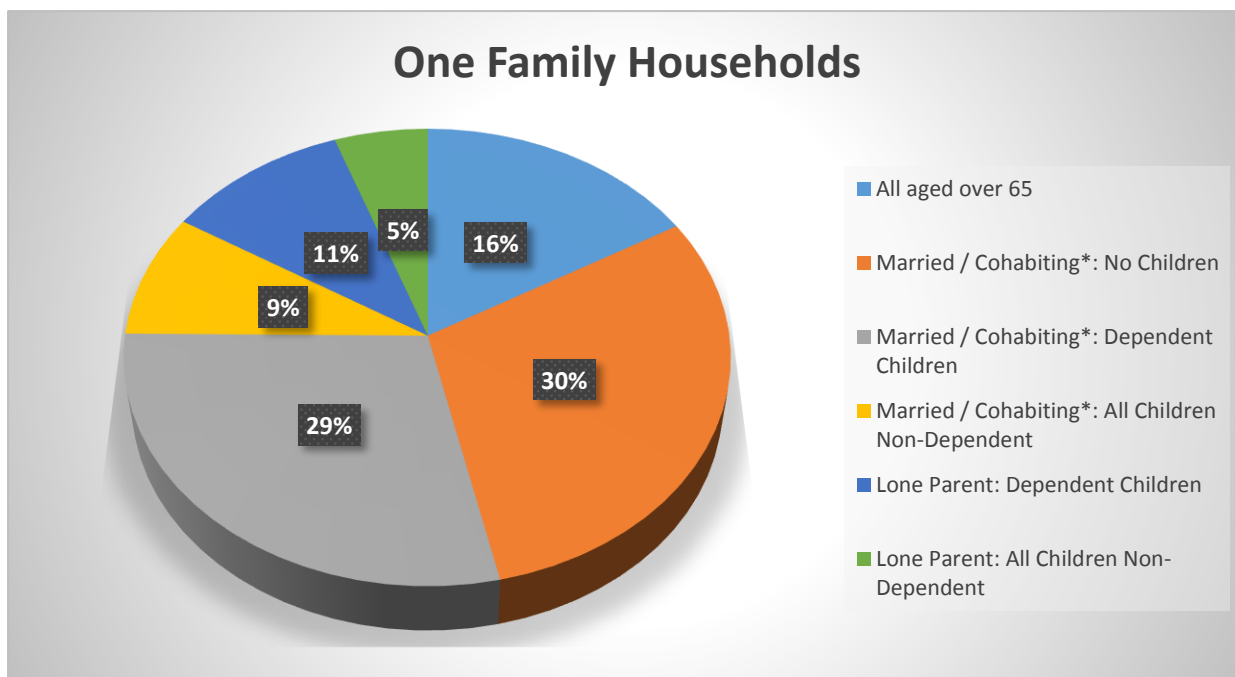
The 2011 census reported 47,379 households in the Folkestone & Hythe district.

65% of households were owned (either outright, with a mortgage, or part owned through a shared ownership scheme), 11% were social rented (including through F&HDC) and 22% were privately rented. The remaining percentage were under other arrangements.

Nearly 70% of all households in the district were two people or under.

Of the 47,379 households in the district, a third were one-person households. 45% of those that lived on their own are aged over 65.

The majority (60%) were one family households. The 2011 census classified these by the “type of family” (married, same-sex civil partnership or cohabiting couple family, or lone parent), by the amount of dependent children, or recorded that all occupants were over the age of 65:



Source: 2011 Census.

\* 'Married / Cohabiting' includes couples that are married, in same- sex civil partnerships, or cohabiting. A short hand version has been used in the graph key solely for the reason of space.

## Ethnicity

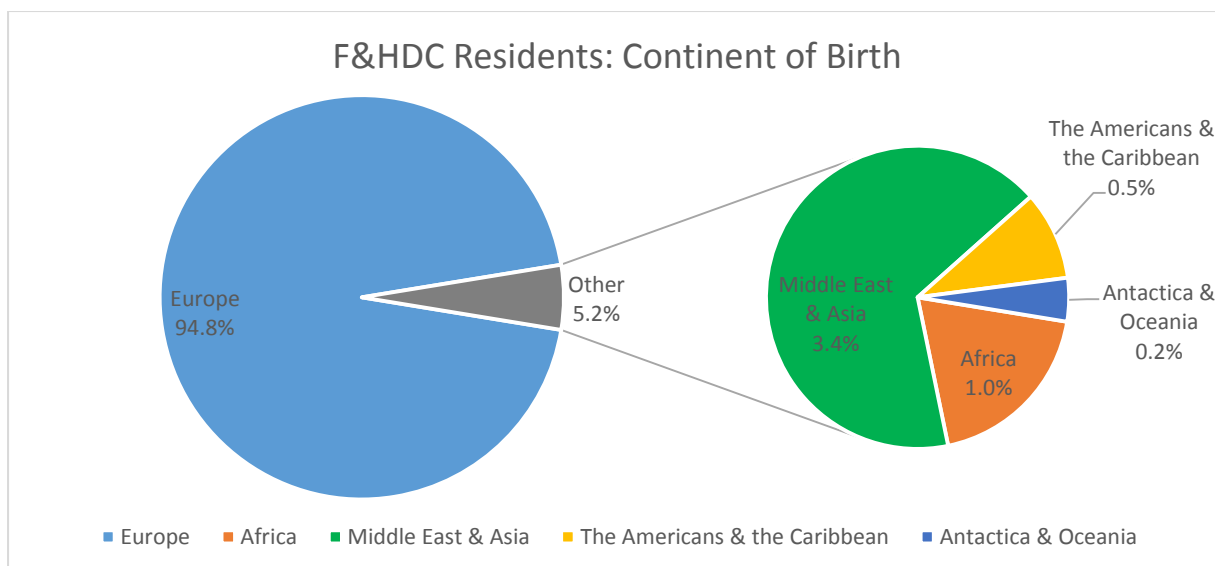
Nearly 95% of Folkestone & Hythe's population are from white ethnic backgrounds, with just over 5% from black and minority ethnic (BME) groups. While the proportion of residents from BME groups are low in comparison to regional and national averages, this is largely in line with other districts in east Kent.

	White	BME
<b>Folkestone &amp; Hythe</b>	94.7%	5.3%
<b>Kent</b>	93.7%	6.3%
<b>South East</b>	90.7%	9.3%
<b>England</b>	85.4%	15%

Source: 2011 Census

Shorncliffe Barracks is a base for the Royal Gurkha Rifles and the district is home to a significant Nepalese community. The 2011 census reported 2,341 Nepalese residents, the highest in Kent. This accounts for just over 2% of the local population and the largest black and minority ethnic grouping within Folkestone & Hythe.

9.2% of Folkestone & Hythe residents were born outside the UK. The majority (53%) of those born outside the UK have been resident in the UK for over 10 years.



Source: 2011 Census

Analysis shows there is some relationship between ethnicity and age. Only 1.2% of those aged over 65 are from black and ethnic minority groups, compared with 6.13% of those aged between 16 and 64 and 7.3% of those aged 15 and under.

Source: 2011 census

2.8% of households in Folkestone & Hythe do not contain any people that have English as their main language. This is slightly higher than the Kent average (2.5%) but lower in comparison to the south east (3.1%) and nationally (4.4%)

Source: 2011 census

In 2018/19 a total 1,282 households approached the council as homeless and made applications under Part VI of the Housing Act 1996. 603 (47%) applicants stated they were from white ethnic backgrounds and 34 (2.7%) from black and minority ethnic (BME) groups.

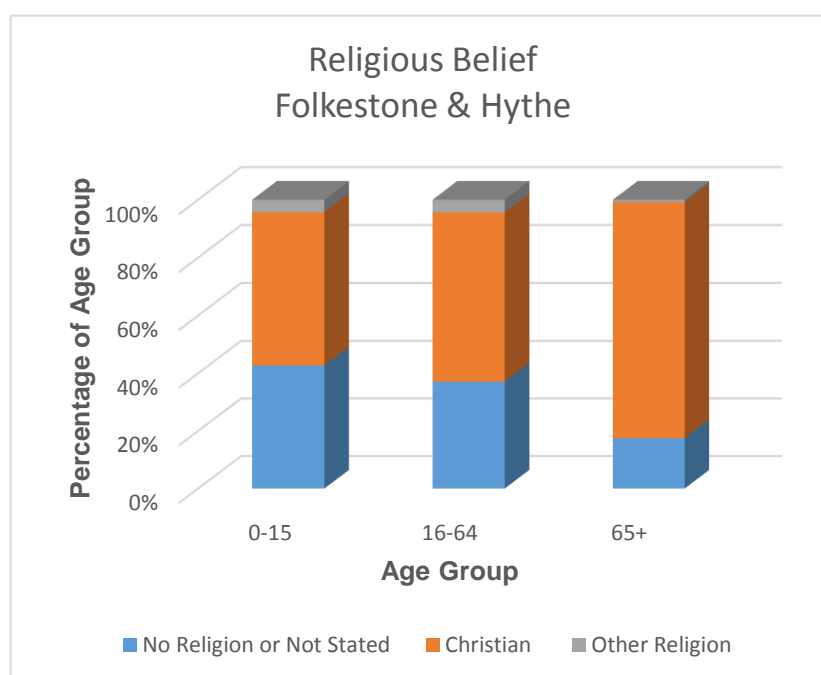
Overall, there were 1,590 applications to join the housing register. Of these, 1470 (92.5%) stated they were from white ethnic backgrounds and 79 (5%) from black and minority ethnic (BME) groups. All applicants were of a European nationality, with 54 stating their nationality as other than British or Irish.

A total of 300 applicants were housed in 2018/19. Of those housed, 278 (92.5%) were from white ethnic backgrounds and 11 (3.5%) from black and minority ethnic (BME) groups.

## Religion

The majority of Folkestone & Hythe residents (62%) have indicated their religion as Christian. Hindu is the second most popular religion in the district (1.4% of residents). Other religious groups that are represented in the community include Buddhist, Jewish, Muslim, and Sikh.

Analysis shows there is some relationship between religion and age, with those aged 65 and over are more likely to identify with a religion, particularly Christianity, than those in other age categories.



Source: 2011 Census

## Health

### Overview

6.1% of Folkestone & Hythe residents describe their health as bad or very bad. This is higher than Kent (4.9%), south east (4.1%), and national (England: 5.3%) comparisons.

Over 20% of those that live in the district indicated that their day-to-day activities are limited by a long-term health problem or disability. This is higher than Kent (16.9%), south east (15.1%), and national (England: 17.2%) comparisons.

Source: 2011 Census

In the latest data from Public Health England, in 2018/19, 66.9% of adults in the district were classified as overweight and in 2019/20 22.1% of 10-11 year olds (Year 6 school age) were classified as obese. Both figures are above the South East and national averages.

The rate of alcohol related harm hospital stays for adults is better than the average across England with 532 per 100,000 recorded in the district during 2018/19 compared with 664 per 100,000 in nationally. The rate of alcohol-specific hospital stays among under 18s in the district is in line with the average across England with 31.2 per 100,000 recorded compared with 31.6 per 100,000 nationally.

In line with the national average, 14.1% of those over the age of 18 are smokers. However, those smoking at the time of delivery (a determinant of child health) is significantly worse than average.

Recordings of self-harm hospital stays, sexually transmitted infections, tuberculosis, and the employment rate of those aged between 16 and 64 (which is considered a wider determinant of health) are all better than the average for England.

Rates of statutory homelessness, violent crime, GCSE achievement, children in low income families (all considered wider determinants of health), and early deaths from cancer are worse than average. Source: Public Health England: Local Authority Health Profile, 2019

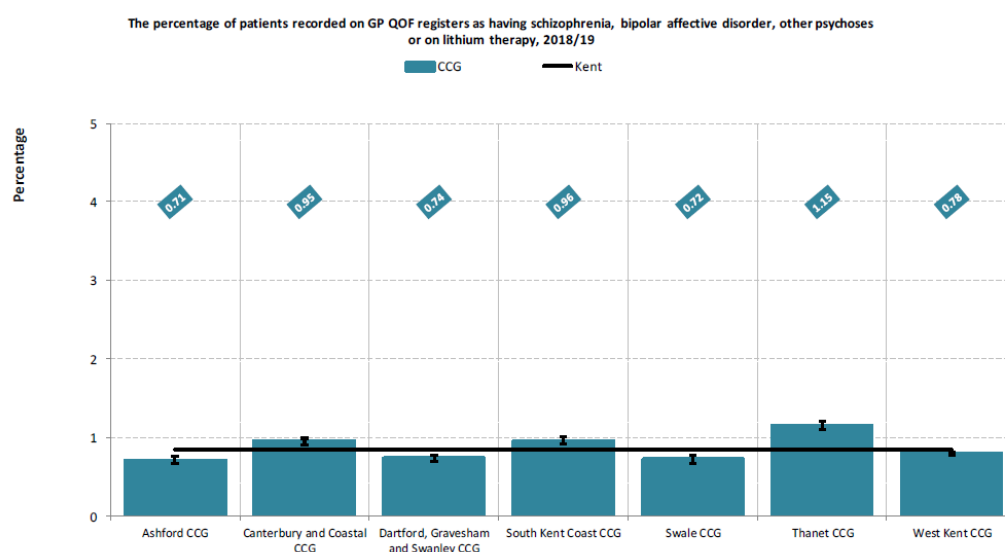
## Mental Health

In 2018/19 (the most recent figures available from the Kent Public Health Observatory) 11.2% of adults in the district were recorded by their GP as having depression.

The prevalence of serious mental health conditions by NHS Clinical Commissioning Groups (CCGs) shows South Kent Coast CCG (that includes Folkestone & Hythe) as being the second highest out of seven CCGs established in Kent. The percentage of patients recorded on GP QOF registers as having schizophrenia, bipolar affective disorder, other psychoses or on lithium therapy is highest in the Thanet CCG with 1.15%, followed by South Kent Coast with 0.96%, and the lowest being in the Ashford CCG with 0.71%. The overall average across Kent is 0.8%.

### **Recorded Prevalence of Serious Mental Health Conditions by CCG**

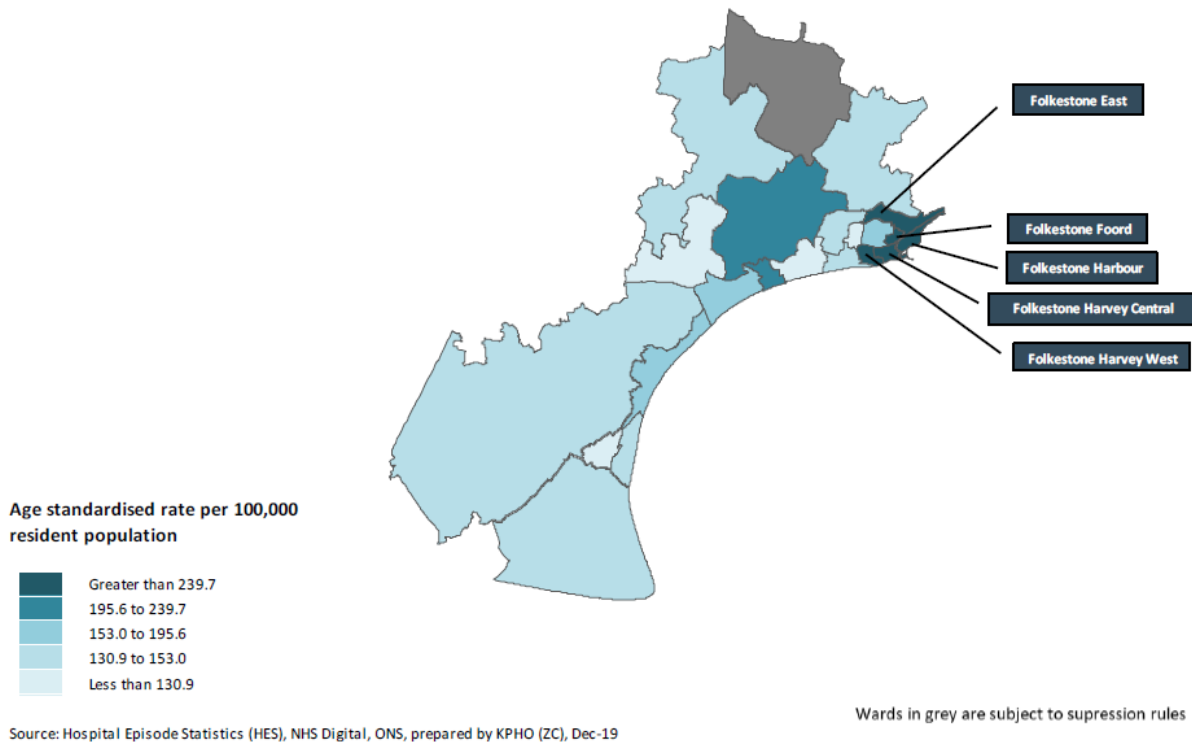
**2018/19**



Source: QOF, prepared by KPHO (ZC), Dec-19

## Hospital Admissions for Mental Health Conditions by electoral ward

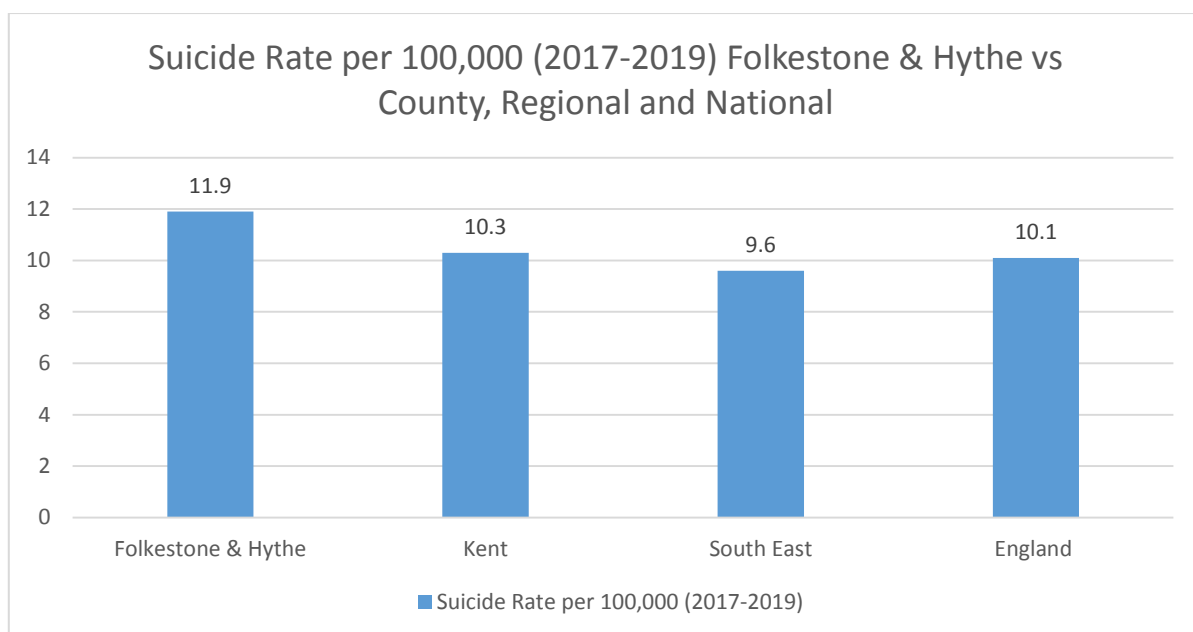
2014/15-2018/19



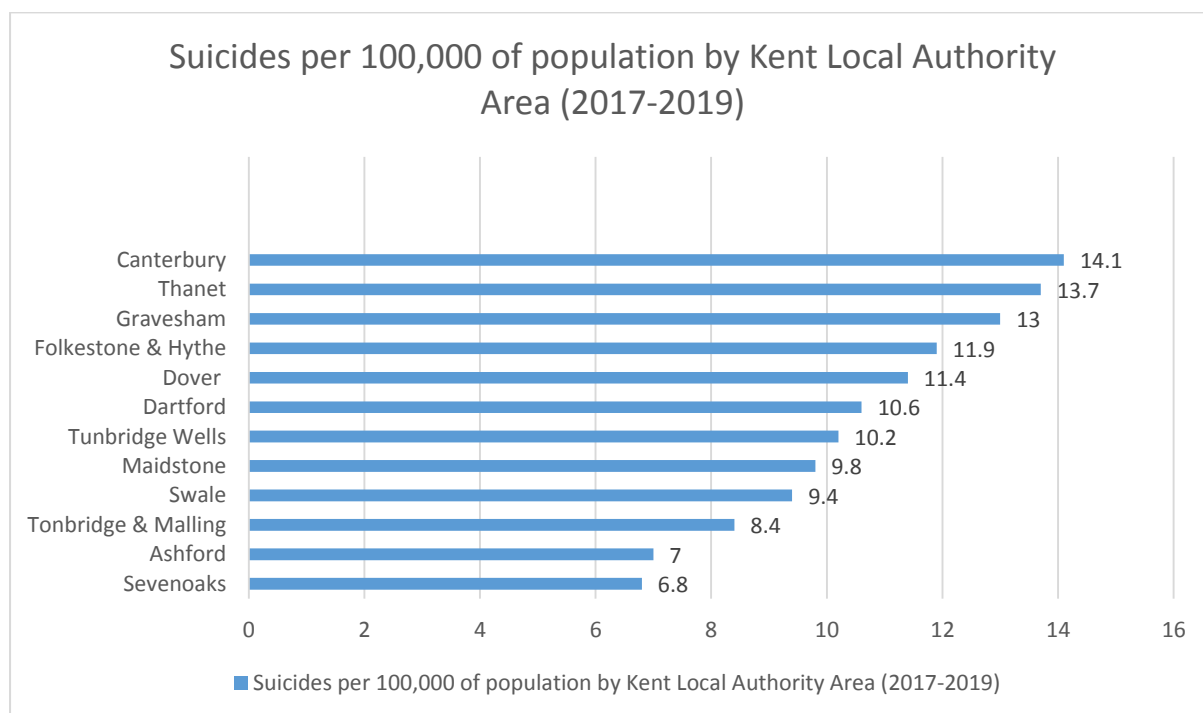
Hospital admissions for mental health conditions are slightly above the Kent average. The latest rate between 2014/15 and 2018/19 was recorded as 195.3 per 100,000 residents compared with 194.9 per 100,000 for Kent, it should be noted the figures reflect an overall fall when compared with previous five year period (2013/14-2017/18). There is however, some variance within the district, with the highest proportion of hospital admissions recorded in Folkestone Harbour ward (415.6 per 100,000) and the lowest in Folkestone Morehall ward (98.2 per 100,000).

The suicide rate in the district is above the average for Kent, the South East and England as a whole. Data Between 2017 and 2019 recorded by Public Health England shows the rate at 11.9 per 100,000 of the population, the fourth highest amongst the Kent districts. The rate across Kent overall was 10.3, 9.6 in the South East and 10.1 nationally (England).





Source: PHE Local Authority Health Profile 2019

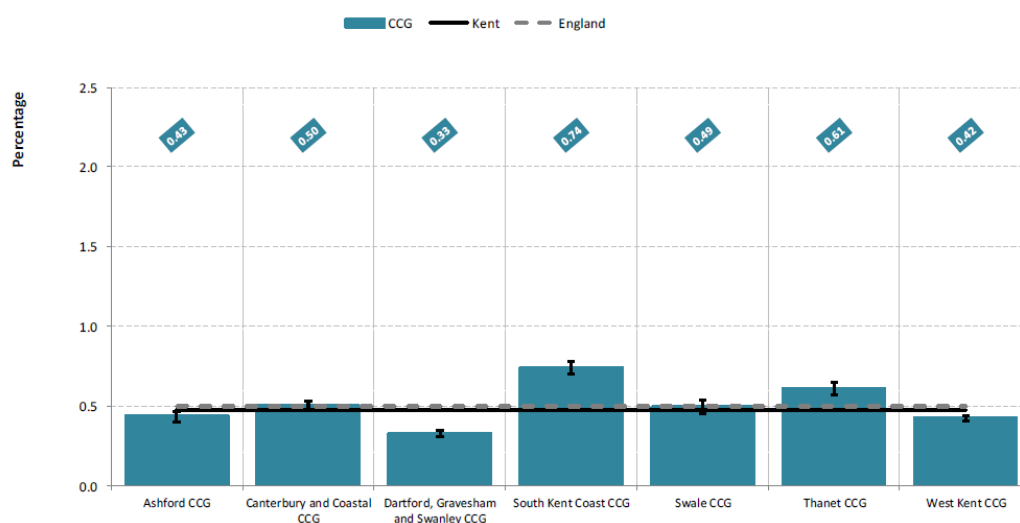


Source: PHE Local Authority Health Profile 2019

There is a higher prevalence of learning disabilities within the South Kent Coast CCG (that covers Folkestone & Hythe) than in any other Kent CCG according to the latest data from 2018/19. 0.74% of patients are recorded on GP QOF registers as having a learning disability. The average across all Kent districts is 0.45%

### Recorded prevalence of learning disabilities: by CCG

Percentage of patients recorded on GP QOF registers as having a learning disability, 2018/19

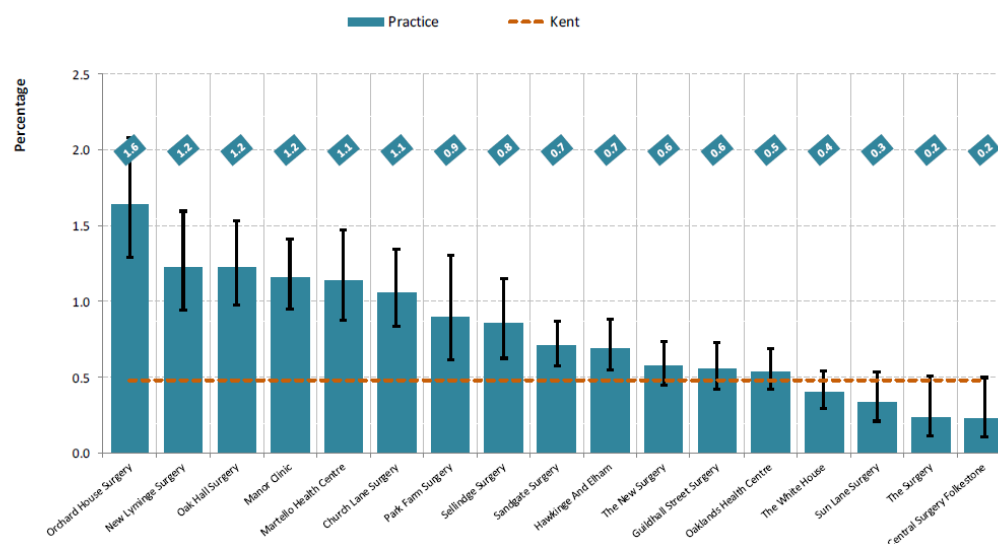


Source: QOF, prepared by KPHO (ZC), Feb-19

The latest data recorded on the prevalence of learning disabilities by GP practice shows a variance across the district with the highest at Orchard House Surgery in Lydd (1.6%) and the lowest at Central Surgery in Folkestone (0.2%).

### Recorded prevalence of learning disabilities: by practice

Percentage of patients recorded on GP QOF registers as having a learning disability, 2018/19

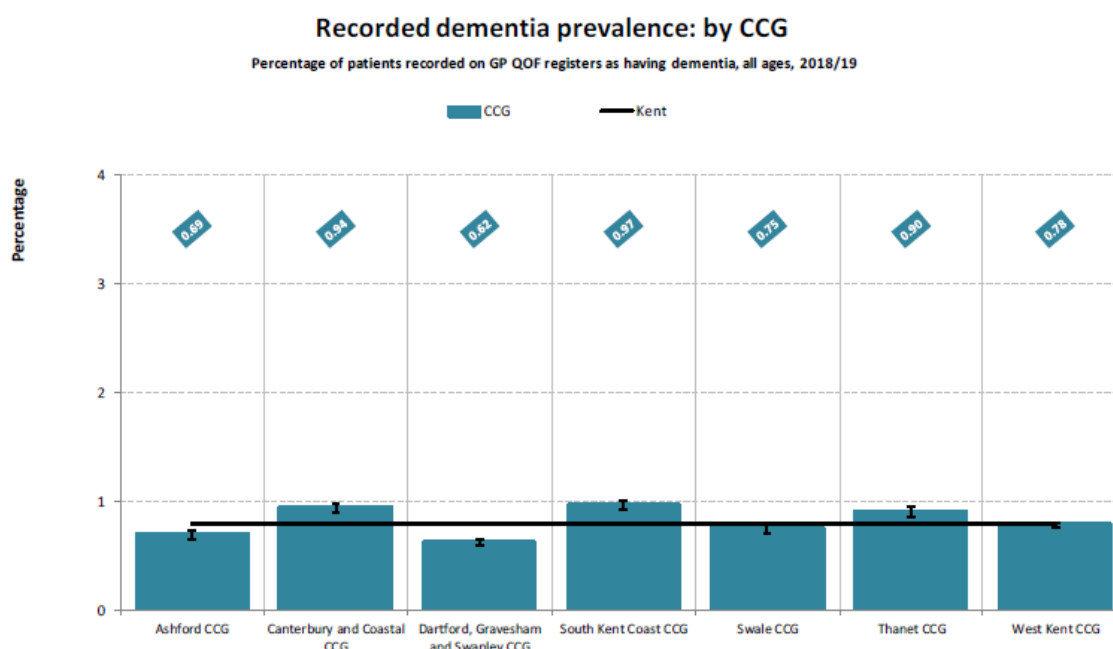


Source: QOF, prepared by KPHO (ZC), Feb-19

The Kent Public Health Observatory have established a correlation between deprivation and mental health and wellbeing. The recorded prevalence of serious mental health conditions, the rate of hospital admissions and the suicide rate are all

higher in the more deprived areas of Kent. The prevalence of learning disabilities also follows this correlation.

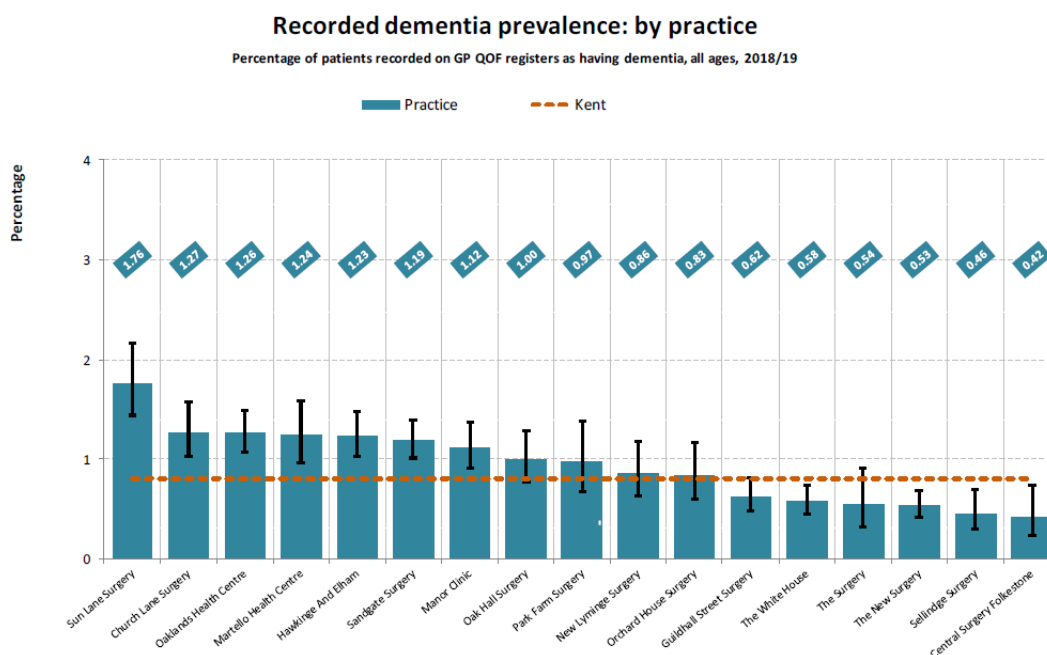
Source: KPHO, Kent Mental Health & Wellbeing Index: Comparison with Index of Multiple Deprivation  
Source: KPHO. Living Well: Specific Conditions



Source: QOF, prepared by KPHO (ZC), Nov-19

In recent years the recorded prevalence of dementia has increased in the district and across Kent as a whole. The latest data from 2018/19 by Clinical Commissioning Groups (CCGs) shows the South Kent Coast CCG (which includes Folkestone & Hythe) as having the highest proportion of residents (0.97%) with dementia compared with the Kent average of 0.8%.

The latest data recorded for prevalence of dementia by GP surgeries shows a variance across the district with the highest number being recorded at Sun Lane Surgery in Hythe (1.76%) and the lowest at the Central Surgery in Folkestone (0.42%).



Source: QOF, prepared by KPHO (ZC), Nov-19

## Births & Deaths

There are traditionally more deaths per year in the district than births. Latest figures from 2019/20, for example, show 1,027 live births and 1,171 deaths. This is in contrast with the picture for Kent as a whole, where the live birth rate is higher than the death rate.

Source: ONS, Births in England and Wales: Summary Tables, 2019

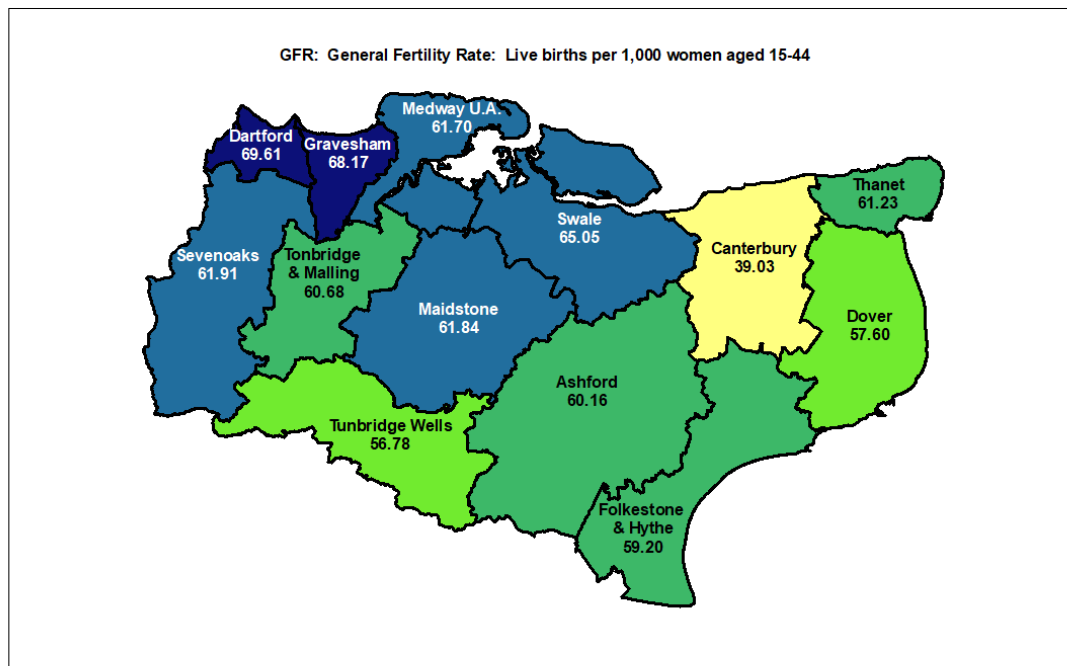
ONS: Deaths registered monthly in England and Wales, 2019 & 2020

## General Fertility Rates

The General Fertility Rate (GFR) is the number of live births per 1,000 females aged between 15 and 44.

In 2019, the GFR for Folkestone & Hythe was measured at 59.2. This is the fourth lowest rate when compared with other Kent local authority areas in the County map below. Source: KCC Strategic Commissioning Statistical Bulletin – Births & Deaths in Kent 2019

## 2019 General Fertility Rate: Local Authority Areas in Kent



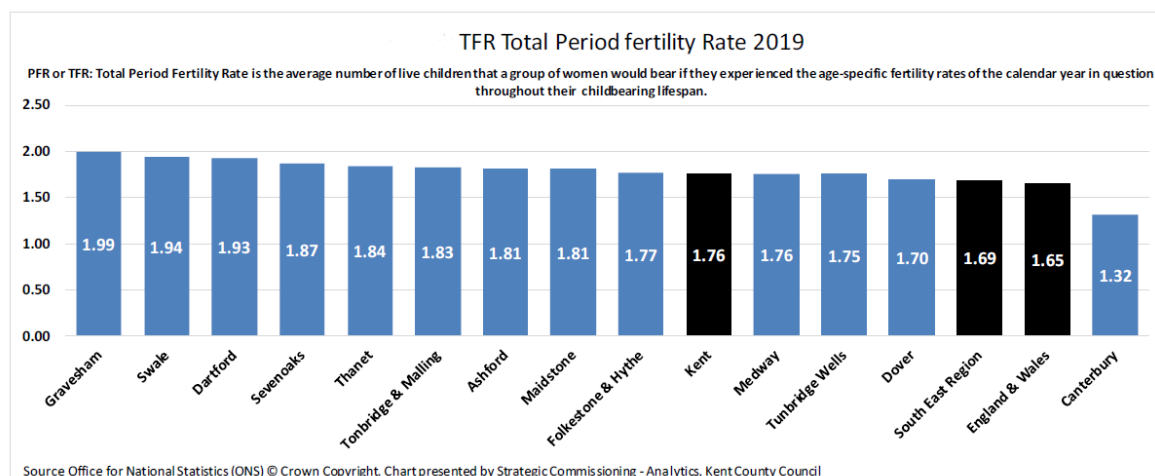
This map produced by Strategic Commissioning - Analytics, Kent County Council  
© Crown Copyright and database right 2020, Ordnance Survey 100019238



## Total Fertility Rates

Total fertility rates defined as 'the average number of live children that a group of women would bear if they experienced the age-specific fertility rates of the calendar year throughout their childbearing lifespan'.

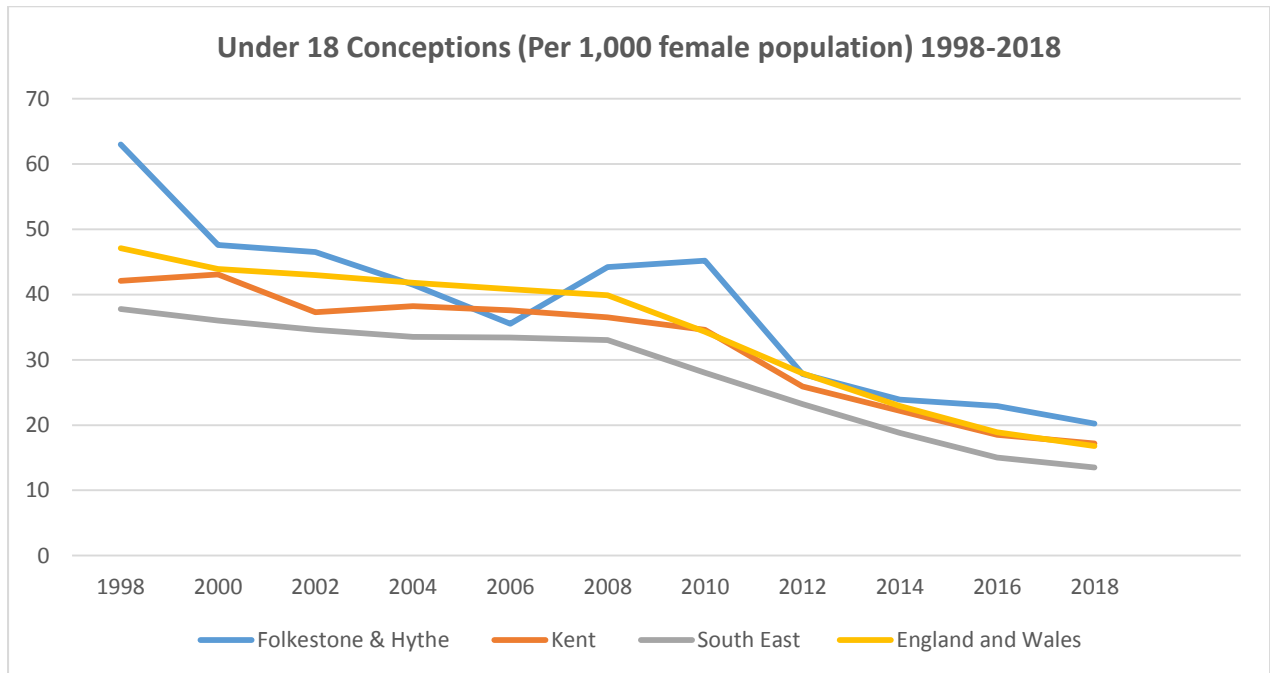
Folkestone & Hythe has the third lowest total fertility rates (1.77) in 2019 compared with neighboring East Kent local authority areas. The graph below shows the total period fertility rate for the district to be above the Kent average (1.76), South East Region (1.69) and England Wales (1.65)



Source: KCC Strategic Commissioning Statistical Bulletin – Births & Deaths in Kent 2019

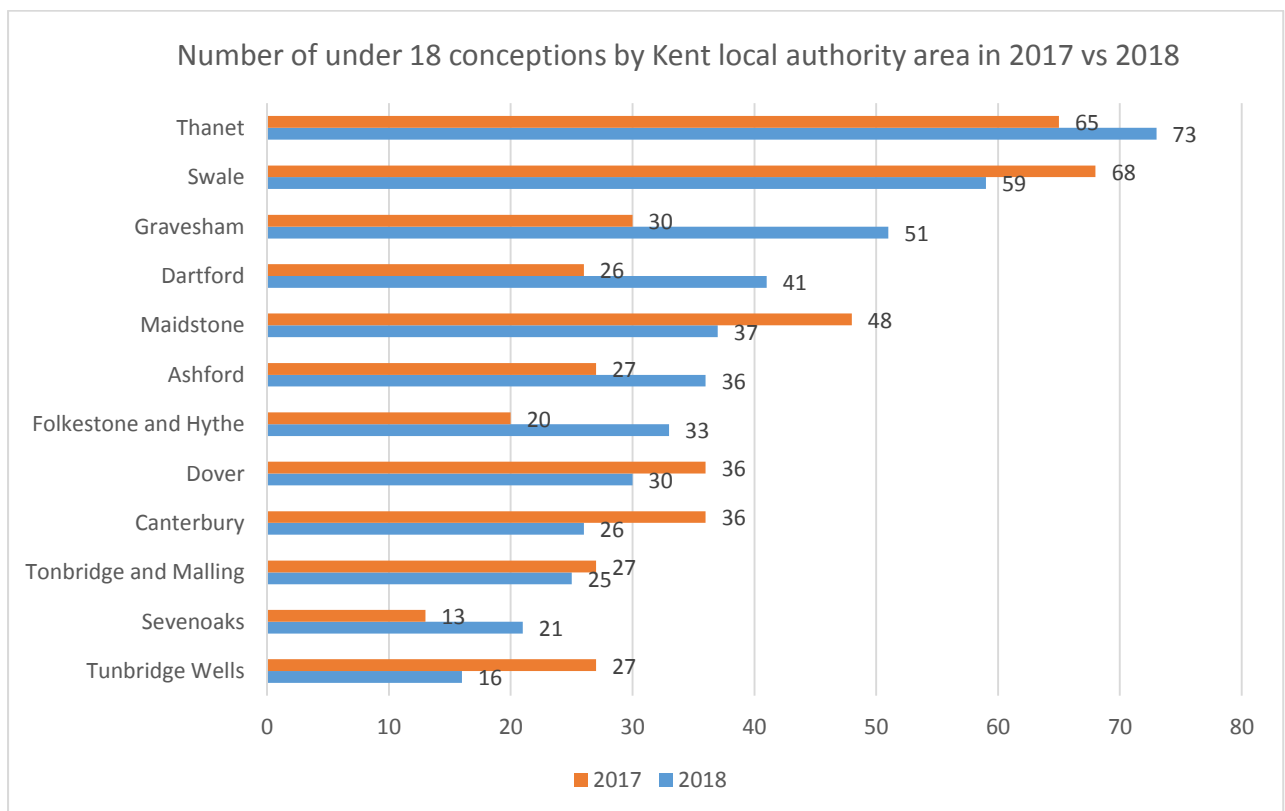
## Teenage Pregnancies

Under 18 conception rate – An Historical Comparison:



Source: ONS Conception Statistics 2018

## Teenage Conceptions: A Kent Comparison



Source: ONS Conception Statistics 2018

The latest ONS data on conceptions in the above graph shows all Kent local authorities ranked from highest to lowest in terms of under 18 conceptions. Thanet is recorded as having the highest number in 2018, previously in 2017, Swale recorded the highest number. In Folkestone & Hythe, a total of 20 under 18 conceptions were recorded in 2017, which increased to 33 in 2018. Tunbridge Wells saw a decrease in under 18 conceptions and recorded the lowest number within the County in 2018.

### Life Expectancy

The latest available data from the 2017-2019 period shows average life expectancy of a Folkestone & Hythe resident as similar to the national average.

Life expectancy in years:

	Folkestone & Hythe	Kent	South East	England
<b>Female</b>	82.9	83.5	84.3	83.4
<b>Male</b>	79.3	79.9	80.8	79.8

Source: ONS: Life expectancies for local areas of the UK: Between 2001-03 and 2017-19

At the age of 65 years, the average female in the Folkestone & Hythe District lives for a further 21.3 years, with the average male living for a further 19.2 years.

Life expectancy is 6.9 years lower for men and 5.4 years lower for women in the most deprived areas of the district when compared with the least deprived areas.

Source: Public Health England: Local Authority Health Profile 2019.

### Disability Benefits

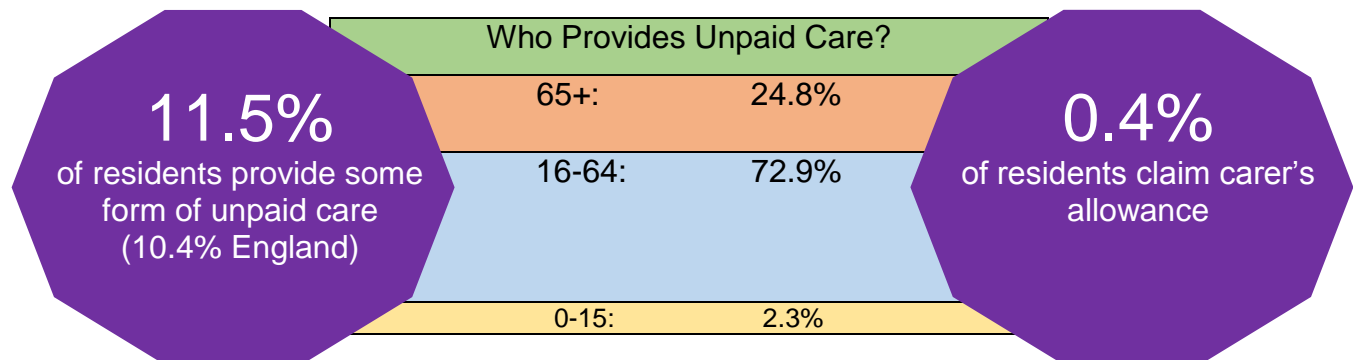
7.5% of Folkestone & Hythe residents claim disability benefits, defined as including Disability Living Allowance / Personal Independence Payments or Attendance Allowance. Across all Kent authorities, Thanet (at 11.4%) has the highest percentage of disability benefit claimants. While the percentage of disability claimants for both under 24's and 16-64's are below national figures, there is a higher proportion across all other age brackets.

	Folkestone & Hythe	Kent	South East	England & Wales
<b>Overall</b>	7.5%	8.1%	6.8%	8.2%
<b>0-15</b>	7.0%	5.3%	4.1%	4.2%
<b>16-64</b>	5.3%	5.4%	4.5%	5.6%
<b>65+</b>	6.7%	7.4%	5.9%	6.5%
<b>Young People (24 and under)</b>	11.7%	12.0%	10.3%	12.2%

Source: KCC District Profile/ DWP Longitudinal Study, February 2020

The 97.6% of disability benefit claimants in the district claim due to a physical disability, 24.2% due to a mental health condition, and 20.7% due to a learning difficulty.

## People Providing Unpaid Care



Source: 2011 Census

Source: : KCC District Profile/  
DWP Longitudinal Study, February 2020

Percentage of age groups claiming carers allowance:

	Folkestone & Hythe	Kent	Great Britain
16-24	1%	0.7%	0.7%
25-64	3.5%	2.8%	2.7%
65+	2.8%	2.4%	2.9%

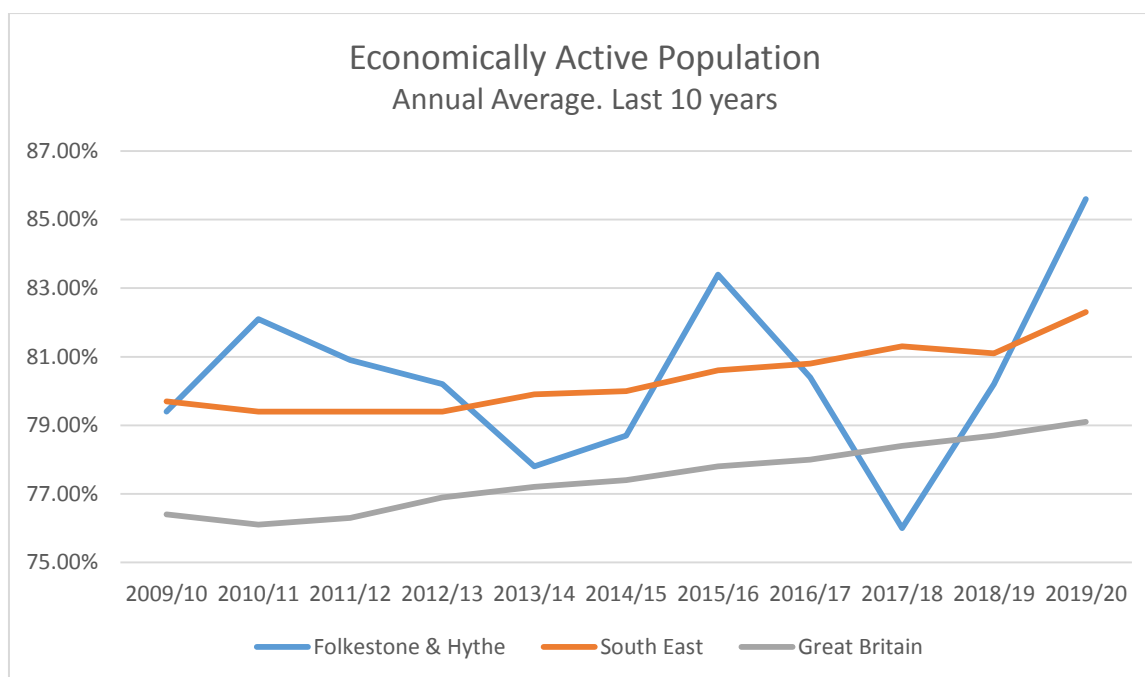
Source: KCC District Profile/ DWP Longitudinal Study, February 2020

## Economic Profile

### Labour Supply & Economic Activity

In 2019/20, 85.6% of those aged between 16 and 64 were 'economically active', defined as 'either in employment or unemployed and available for and actively seeking work' compared with 80.2% in 2018/19.





Source: NOMIS

There has historically been some differential between the proportion of economically active men and women. In 2015/16 for example, 91.2% of males were economically active in comparison to 75.4% of females. In 2019/20, the proportion of economically active females has now risen to 83.3% whilst the proportion of economically active males decreased to 88%.

In 2019/20, 83.3% of those aged 16-64 were in some form of employment. The majority of people aged 16-64 who were classed as employees fell slightly from 69% in 2018/19 to 61.7% in 2019/20. The number of those classed as self-employed has increased to from 10.6% in 2018/19 to 20.8% in 2019/20.

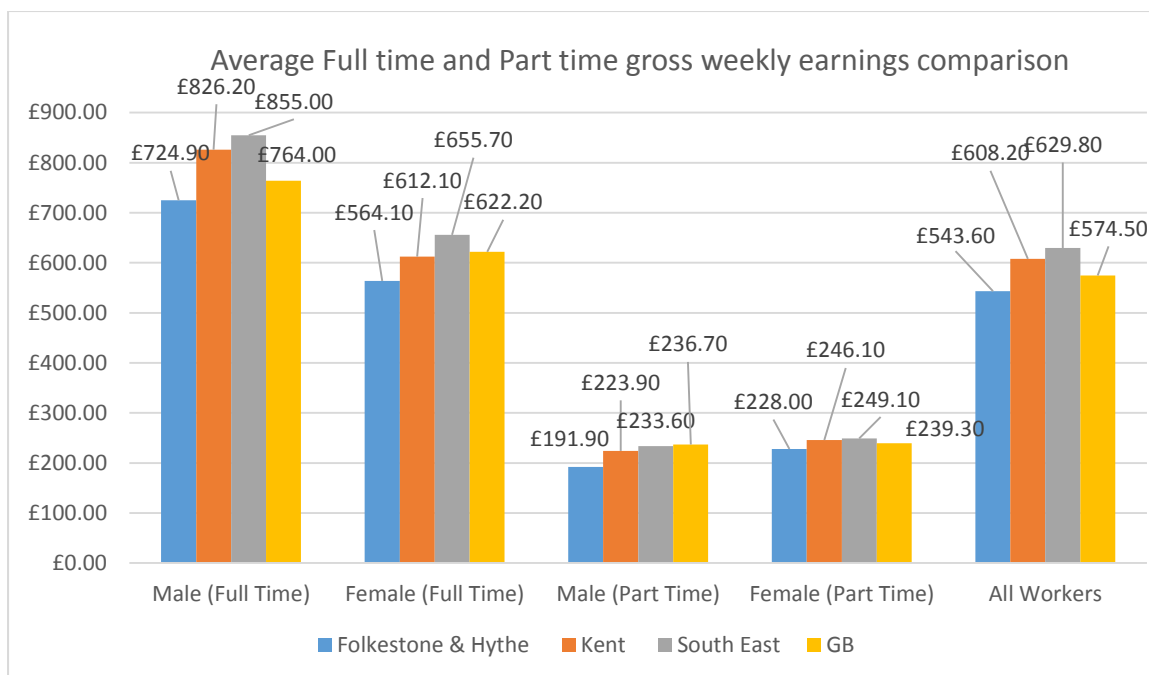
Residents that are classed as 'economically inactive' has continued to decrease this year. In 2019/20, 14.4% of those aged 16-64 were unavailable to work because of family commitments, retirement or study, or unable to work through sickness or disability compared with 19.8% in 2018/19. The figure for 2019/20 is below average when compared to the south east (17.7%) and Great Britain as whole (20.9%).

### Earnings and Income

The average gross earnings for a Folkestone & Hythe resident is £543.60 per week, which is lower than the average Kent resident (£608.20 per week), the south east (£629.80 per week) and Great Britain as a whole (£574.50 per week).

Source: NOMIS, Annual Survey of Hours & Earnings, 2019

There are, however, variations between the earnings of men and women, and those in full time and part time employment.



Source: NOMIS, Annual Survey of Hours & Earnings, 2019

### Employment by Occupation

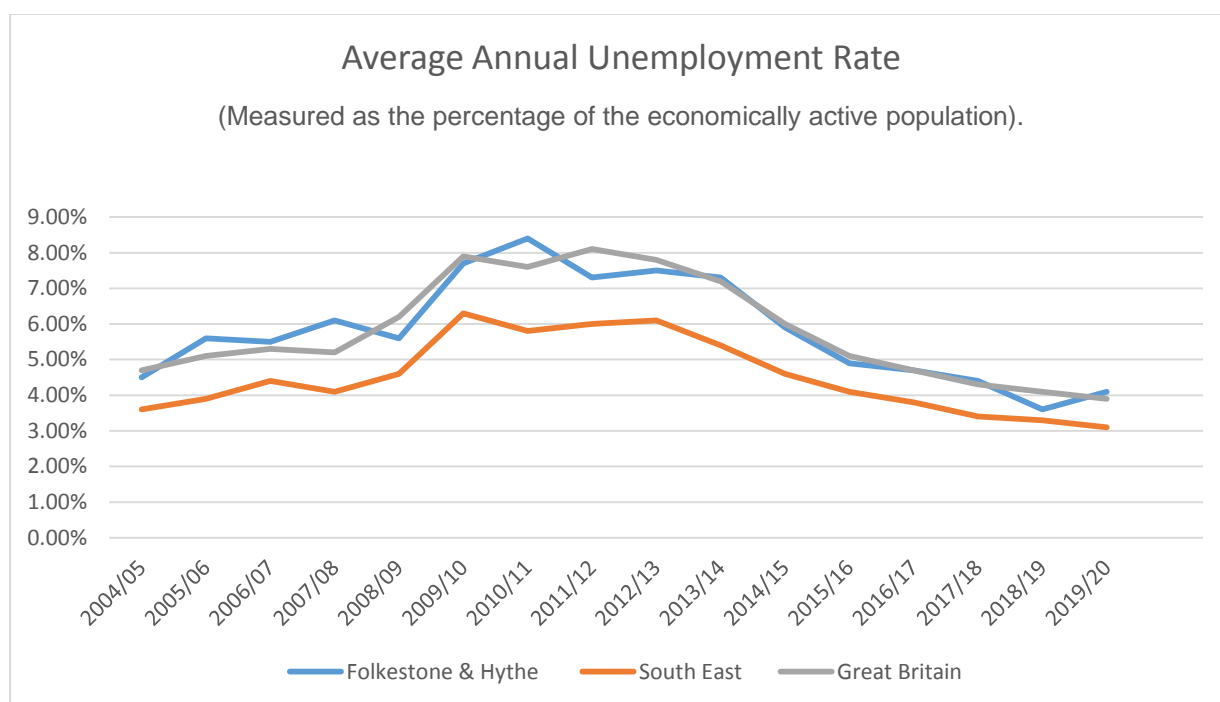
	Proportion of those in Employment in 2019/20		
	Folkestone & Hythe	South East	Great Britain
<b>Soc 2010 major group 1-3</b>	43.7%	53.2%	47.9%
1 Managers, directors and senior officials	10.1%	13.4%	11.5%
2 Professional occupations	14.2%	23.2%	21.5%
3 Associate professional & technical	19.5%	16.4%	14.7%
<b>Soc 2010 major group 4-5</b>	23.8%	18.5%	19.7%
4 Administrative & secretarial	12.9%	9.8%	9.7%
5 Skilled trades occupations	10.9%	8.7%	9.9%
<b>Soc 2010 major group 6-7</b>	21.9%	15.3%	16.1%
6 Caring, leisure and Other Service occupations	11.3%	8.7%	9.0%
7 Sales and customer service occs	#	6.6%	7.0%
<b>Soc 2010 major group 8-9</b>	10.6%	13.0%	16.3%
8 Process plant & machine operatives	#	4.5%	6.0%
9 Elementary occupations	#	8.4%	10.2%

# Sample size too small for estimate

Source: NOMIS, 2020

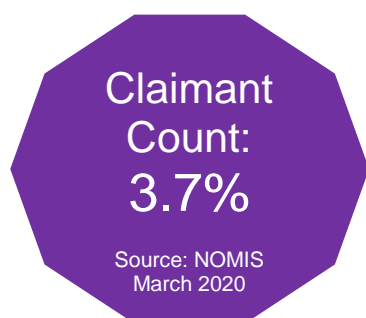
## Unemployment and Working Age Benefits

The unemployment rate in the district has risen from 3.6% in 2018/19 to 4.1% in 2019/20.



Source: NOMIS

The 'claimant count' is the proportion of those aged 16-64 claiming benefits principally for the reason of being unemployed.



At the end of 2019/20 the claimant count recorded a slight increase in those claiming benefits within the district from of 3.2% in March 2019 to 3.7% in March 2020. The current count is higher in comparison to the south east (2.2%) and national average (3.1%). Moving into 2020/21 local, regional and national averages are likely to show increases as a result of the COVID 19 pandemic.

When we consider claimant count by age, there appears to be a higher claimant count amongst 18-21 year olds.

Age Range	Percentage of Resident Population at Same Age		
	Folkestone & Hythe	South East	Great Britain
<b>18-24</b>	6.6%	3.0%	4.2%
<b>(of which 18-21)</b>	7.2%	3.2%	4.5%
<b>25-49</b>	3.8%	2.3%	3.3%
<b>50+</b>	2.9%	1.7%	2.4%

Source: Nomis, March 2020

## Deprivation

Folkestone & Hythe is the third most deprived district in Kent

Folkestone and Hythe is a diverse district. Not dissimilar to other local authority areas in East Kent, it has areas that are within the most deprived 10% of England and areas that are within the least deprived 10%.

Source: Ministry of Housing Communities & Local Government (MHCLG), 2019

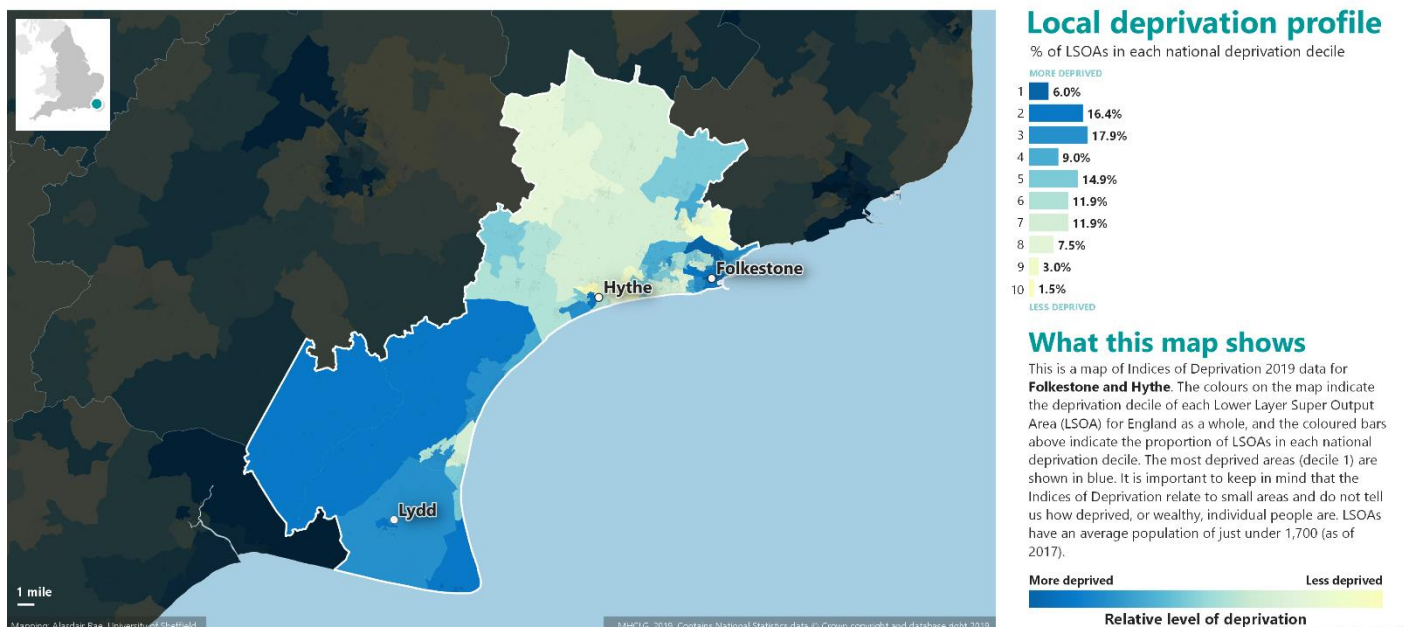
The map below shows the latest indices of multiple deprivation (2019) based on combined data from income, employment, education, skills and training, health deprivation and disability, crime, barriers to housing and services as well as living environment deprivation. The darkest blue areas show the worst deprivation. Data is split into areas generated by the Office of National Statistics based on population size called Lower Layer Super Output Areas (LSOAs) rather than by electoral ward.

**LSOA Definition:** Lower-Layer Super Output Areas (LSOAs) are small areas designed to be of a similar population size, with an average of approximately 1,500 residents or 650 households. There are 32,844 Lower-layer LSOAs in England. LSOAs are a standard statistical geography produced by the Office for National Statistics for the reporting of small area statistics.

## English Indices of Deprivation 2019

  
Ministry of Housing,  
Communities &  
Local Government

### FOLKESTONE AND HYTHE



Source: Ministry of Housing Communities & Local Government (MHCLG), 2019

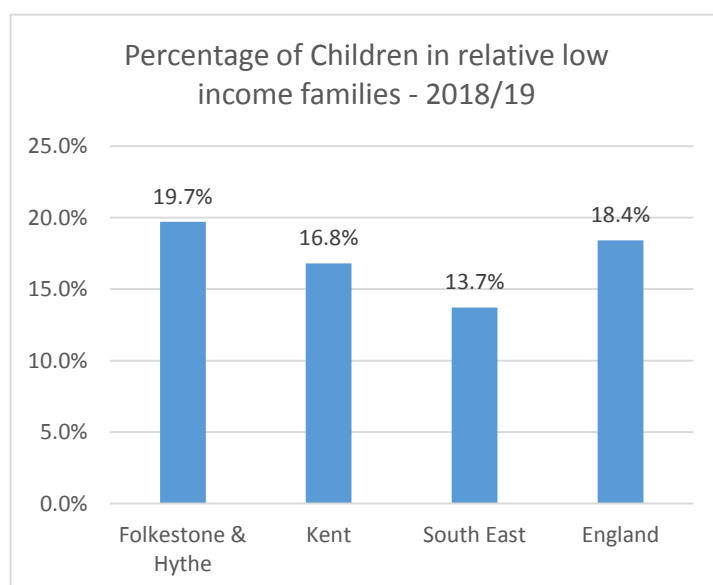
The table below shows how Folkestone and Hythe compares to other Kent local authority areas in an Index of Multiple Deprivation (IMD).

Local Authority	IMD - Rank of average score* (Out of 317 local authorities in England)	Ranking for Deprivation in Kent
Thanet	30	1
Swale	56	2
Folkestone and Hythe	90	3
Dover	113	4
Gravesham	123	5
Dartford	154	6
Ashford	158	7
Canterbury	179	8
Maidstone	185	9
Tonbridge and Malling	234	10
Sevenoaks	251	11
Tunbridge Wells	274	12

Source: Ministry of Housing Communities & Local Government (MHCLG), 2019

#### Table Notes

**\*IMD - Rank of average score:** The average score summary measure is calculated by averaging the Lower Layer Super Output Area (LSOA) scores in each larger area after they have been population weighted. The resultant scores for the larger areas are then ranked, where the rank of 1 (most deprived) is given to the area with the highest score.



Child poverty figures show the proportion of children living in relative low income families.

**Relative low income** is defined as a family in low income before housing costs in the reference year.

The latest data from 2018/19 shows 19.7% of children are in relative low income families in Folkestone & Hythe and is “significantly worse” than the average across Kent and the South East.

Source: KCC Strategic Commissioning Statistical Bulletin 2020 – Child Poverty

## Data Sources

The most up to date data at the time of publication has been utilised when compiling this demographic and socio-economic information. Further information can be found at the following sources:

### General:

The 2019 district profile, published by Kent County Council's Strategic Business Development & Intelligence Unit on 6<sup>th</sup> January 2021, contains data from the ONS mid-2019 population estimates and the 2011 census:

<https://www.kent.gov.uk/about-the-council/information-and-data/Facts-and-figures-about-Kent/area-profiles>

### Population:

Historical trends and future estimates are published by Kent County Council's Strategic Business Development & Intelligence Unit (link above) and the Office of National Statistics' (ONS):

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/populationestimatesforukenglandandwalesscotlandandnort hernireland>

KCC Interactive mid-year population estimate toolkit: provides access to population estimates by gender and single year of age for all 12 Kent local authority districts and Kent County as a whole back to 1994:

[https://www.kent.gov.uk/data/assets/excel\\_doc/0009/12879/Interactive-mid-year-population-estimates-toolkit.xlsm](https://www.kent.gov.uk/data/assets/excel_doc/0009/12879/Interactive-mid-year-population-estimates-toolkit.xlsm)

KCC Housing Led forecasts (November 2019) - Interactive population toolkit:

<https://www.kent.gov.uk/data/assets/excel/0019/12880/Interactive-population-forecast-toolkit.xlsm>

ONS: Births in England and Wales: Summary Tables (2019)

<https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/livebirths/datasets/birthsummarytables>

ONS: Deaths Registered monthly in England and Wales (2019 & 2020)

<https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/deaths/datasets/monthlyfiguresondeathsregisteredbyareaofusualresidence>

ONS: Conception Statistics – England and Wales (2018)

<https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/conceptionandfertilityrates/datasets/conceptionstatisticsenglandandwalesreferencetables>

ONS: Overview of UK Population: January 2021

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/articles/overviewoftheukpopulation/january2021>

ONS: Life expectancy for local areas of the UK: between 2001 to 2003 and 2017 to 2019

<https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthandlifeexpectancies/bulletins/lifeexpectancyforlocalareasoftheuk/between2001to2003and2017to2019>

KCC Births and Deaths in Kent - 2019

[https://www.kent.gov.uk/data/assets/pdf\\_file/0003/13827/Births-and-deaths-bulletin.pdf](https://www.kent.gov.uk/data/assets/pdf_file/0003/13827/Births-and-deaths-bulletin.pdf)

KCC Housing Led Forecasts, 2019:

[www.kent.gov.uk/about-the-council/information-and-data/facts-and-figures-about-Kent/population-and-census#tab-3](http://www.kent.gov.uk/about-the-council/information-and-data/facts-and-figures-about-Kent/population-and-census#tab-3)

**Labour market profiles** of the district are constantly updated by the ONS National Online Manpower Information System (NOMIS):

<http://www.nomisweb.co.uk/reports/lmp/la/1946157318/printable.aspx>

NOMIS: annual survey of hours and earnings (2019)

<https://www.nomisweb.co.uk/datasets/asher>

### **Health:**

Public Health England's 2019 Local Authority Health Profile of the District:

<https://fingertips.phe.org.uk/profile/health-profiles>

KCC Strategic Commissioning Statistical Bulletin 2020 – Child Poverty:

[https://www.kent.gov.uk/data/assets/pdf\\_file/0009/7956/Children-in-poverty.pdf](https://www.kent.gov.uk/data/assets/pdf_file/0009/7956/Children-in-poverty.pdf)

Kent Public Health Observatory documents that are referenced can be sourced at:

<https://www.kpho.org.uk/>

**Deprivation:** Ministry of Housing Communities and Local Government (MHCLG) - English indices of multiple deprivation 2019

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

## **Section 2: Understanding our Customers**

### **Equality Impact Assessments**

Under the Equality Act 2010 there is no longer a requirement to produce Equality Impact Assessments (EIAs). However, the council believes it is good practice to have an EIA framework in place in order to fully consider any potential equality implications prior to making decisions. As such, the council is committed to ensuring that EIAs are completed when the council introduces or significantly revises a policy or service and that they are carried out in the correct manner, including, for example, appropriate consultation with affected parties.



EIAs are most often conducted when a new or significantly revised policy or service is set to be considered by elected Members, normally at Cabinet Committee stage. Further information, including copies of reports and associated EIAs, can be found at: <https://www.folkestone-hythe.gov.uk/moderngov/uuCoverPage.aspx?bcr=1>

During 2019/20 the council completed the following EIAs:

- Housing Management Options Appraisal
- General Fund Revenue Budget 2020/21
- Safeguarding Children and Young People and Vulnerable adults Policy

In addition, all reports that are submitted to Council Committees or the Corporate Leadership Team require comments on equality implications from the officer leading on equality and diversity. This further ensures that potential implications are considered prior to making decisions.

## **Understanding Our Customers through Consultation**

Consultation provides an important means of understanding the needs of service users and local residents. It also allows the council to assess what impact decisions will have on different groups.

The following public consultations were undertaken during 2019/20:

- Polling District and Polling Place Review
- Otterpool Park Garden Town Planning Application
- Places and Policies Local Plan – consultation on additional gypsy and traveller site allocation
- Places and Policies Local Plan – consultation on Main Modifications to the local plan
- Core Strategy Review – consultation on changes to housing numbers
- Folkestone Town Centre And The Bayle Parking Zone
- Folkestone West Controlled Parking Zone
- Bellevue Street Area Parking Zone
- Folkestone Central Parking Zone
- Sandgate East Parking Zone
- Prohibition Of Overnight Parking For Vehicles With A Weight Limit Of 7.5 Tonnes Or More
- Various Roads - Provision Of On-Street Disabled Person's Parking Places
- Various Roads - Restrictions and Prohibitions of Waiting, Loading and Unloading

## **Improving our Customer Experience**

Across the council a wide range of efforts have been undertaken to gauge and improve customer satisfaction in different services.



The council's Lifeline service undertook an annual customer satisfaction survey, demonstrating that 98% of customers are satisfied with the service they receive and agreeing that we regularly provide an excellent quality of service and represent good value for money.

In November 2019, we successfully reapplied for the nationally acclaimed Customer Service Excellence standard. The council first achieved this standard in 2013 and then reapplied in 2016, we have continued to meet all the elements of the standard and in some of the areas achieve "compliance plus". After the three day visit in November, the independent assessor found us fully compliant in elements and awarded 12 "compliance plus (the highest we have ever achieved). Compliance plus is the highest possible category where customer service is recognised as going *above and beyond* what is expected. To reach this standard, the practice also has to be innovative and something that could be shared and replicated in other organisations.

The 12 "compliance plus" were awarded for:

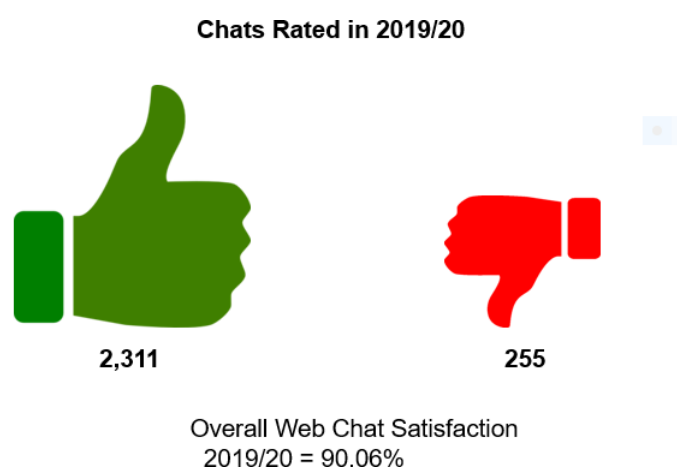
- The range of work being done on vulnerability including training staff to spot potential vulnerabilities and how to deal with them.
- Safeguarding training for staff.
- The street homeless drop in service.
- Dementia Friendly training for staff.
- Public spaces protection order consultation (used as best practice by other local authorities).
- Changes made to letters/communication and the website as a result of listening to customers.
- Development of the Area Officer role to respond to residents' concerns about the appearance of certain areas.
- The new competency behaviour framework for all staff, focusing on the customer and delivering excellence.
- Staff involvement in the process mapping of services to make sure they are effective in meeting customer needs.
- Staff "going the extra mile" to meet customers' needs
- Investment in learning and development for staff
- Feedback from customers

Feedback from the independent assessor included:

- *The ongoing passion and motivation of staff and the high levels of empowerment for all staff to deliver what is needed and to vary the offer to meet individual needs".*
- *The rate and scale of developments and improvements each year continues to illustrate the focus on continuous improvements in all areas of work.*
- *The partnership working is well developed and effective.*

We have various mechanisms that support customers to access our services and information, including providing a translation service in 14 different languages on request and a visiting officer service for Revenues and Benefits. We have continued to develop online forms and to, provide support via our in the self-serve area at the Civic Centre, over the phone and via our webchat service which is also available weekday evenings until 8pm and on Saturday mornings 9am to 2pm. We have also continued to provide a weekly drop in service at New Romney Town Council throughout the year.

Since the beginning of the coronavirus lockdown on 23 March 2020, customers and businesses have been supported to apply for welfare benefits, help with their council tax, grants and many other services over the phone or by webchat.



In 2019-20, 90.06% of customers who used our webchat service stated they were satisfied with the service they received. Some examples of feedback include:

- *“Great help, very responsive and understanding”*
- *“I am Deaf so this chat is excellent communication tool for me”.*
- *“Very helpful and quick and easy to use”*
- *“Brilliant service I'm very happy thank you”*
- *“Fantastic service and fast and very helpful thank you”*
- *“Thank you for your support, and helping me coming to a payment plan I can afford.”*
- *“Very understanding and sympathetic person. Thank you Chat is very effective and good service”*
- *“Speedy service to help me amend my council tax payment months and went out of her way to do so at this moment in time right now, this was the best thing someone could have done for me. Thank you”.*

In April 2019, we worked with the Money Advice Trust to improve our understanding of our more vulnerable counters. A training package was created and delivered to

both our customer services and revenue and benefits teams on how to identify vulnerable customers and more importantly how to support them.

The work on identifying vulnerable customers has grown since April 2019 into a dedicated welfare team of three officers trained to support customers and signpost them appropriately. Additional software has been purchased to allow the welfare team to analyse our benefit caseload to proactively identify customers who may need our support as it's recognised that some vulnerable customers find it hard to engage with the council.

The council has also been quick to provide support for residents at the start of the coronavirus pandemic, with a dedicated emergency covid-19 telephone line set up (available 7 days a week) that went live on Saturday 21 March 2020. This enabled any residents who required help with their shopping and medical needs to contact us.

In addition to the Covid-19 telephone line being established, the Council was instrumental in funding and setting up three community hubs within the district. Each hub together with the Council's central covid response provided support to vulnerable people across the district using over-70s patients and shielding lists. People with disabilities and from all sectors were given support with shopping and prescription collections, dog walking etc. Welfare calls were being made regularly to ensure anyone experiencing loneliness, isolation or mental health issues were signposted to the relevant support. Translation services were provided to those groups that needed help with understanding Covid -19 guidelines and leaflets encouraging residents to call their local hub if they required help were distributed across the district by local volunteers.

The Folkestone Community Works programme has continued to address issues faced by the most vulnerable in the district by funding projects that are working to improve access to services and opportunities for businesses and residents within the Central and East Folkestone wards.

Funding for the programme is supporting services to help both residents who are unemployed and are finding it hard to navigate their way back to work, and residents who want to return to work after having taken a break due to ill-health or family commitments but are finding the work place has changed. These services offer free, independent 1-2-1 support with experienced advisors. Each client works with an advisor who helps the client to identify their goals and employability barriers and then supports the client on their journey.

In addition, funding is also providing professional support for residents who want to supplement their income by developing a skill or hobby into a business. This support helps residents to work through their idea and understand how they could make it a reality by demystifying the process of starting-up a business as a sole-trader.

The council has continued to support charities, the voluntary and community sector and have awarded funding to organisations such as Citizens Advice, Volunteering services, Shepway Sports Trust and the Quarterhouse that undertake activities to support physical and mental health and wellbeing across our district. During 2019/20

we awarded 201 different Member Ward Grants that have benefitted local charities and community groups.

The Folkestone Haven provides an important service within the district to support people who are struggling with their mental health. In 2019/20. Folkestone safe Haven was started in collaboration with the Roger De Hann Charitable Trust who worked with the council to help the service establish a connection with the Rainbow Centre to ensure it has permanent base within Folkestone town centre for people to access ongoing advice and support.

The services of Folkestone Haven are heavily promoted with multi agency partners through the Folkestone & Hythe Community Safety Partnership and Community Safety Unit. Posters are displayed on the council's website and shared via social media channels, details of the service are also cascaded to the community hubs so they can help signpost people to these services.

Further details and examples of how the council has supported community initiatives can be found in Section 4: Our Achievements and Engagement Activities.

## **Developing Our Staff**

All staff are required to undertake specific equality and diversity e-learning on a regular basis, we also provide safeguarding training to ensure staff know how to support vulnerable people, and we deliver training on preventing extremism, which gives our staff an understanding of radicalisation and who can be drawn into it. We support staff in understanding people with different support requirements and currently have staff and Councillors trained as Dementia Friends supported by a dementia champion within HR. In some areas we ensure staff get the additional training they need to understand customer groups (e.g. specialist training on Mental Health and also Autism for the Vulnerability Group in Revenues and Benefits).

In addition, we run a Management Development Programme on an ongoing basis and offer formal management qualifications that enable our middle managers and team leaders to understand how to further equality and diversity in the workplace and how best to work well with people from a variety of backgrounds. Recognising the demographic of our staff we offer a range of flexible development opportunities and put on shorter courses or split over different days to enable part-time staff to attend. We also avoid running training during school holidays to give parents the best chance of being able to attend. We record our training and staff briefings to ensure everyone has the opportunity to access this information.

## **Section 3: Understanding our Workforce**

On 31<sup>st</sup> March 2020 there were 370 members of staff employed by Folkestone & Hythe District Council. The number of full time equivalent staff was 328. Looking at the 2019/20 year as a whole, the average headcount was 363 and the average number of full time equivalent staff was 318.

## Workforce Profile

All figures used in the workforce profile information below are as at 31<sup>st</sup> March 2020 and include staff the council directly employs only.

### Age and Sex

- 56% of the Council's workforce are female; 44% are male.
- 6% of staff are aged 24 and under
- 84% of staff are aged between 25 and 59
- 8% of staff are aged between 60 and 64
- 2% of staff are aged 65 or over

Number of staff by age and sex:

Age	16-19	20-29	30-39	40-49	50-59	60 +	Total
Female	4	18	43	48	76	19	208
Male	4	22	27	38	53	18	162
Total	8	40	70	86	129	37	370

### Ethnicity and Disability

- 3% of the council's workforce have declared a disability.
- 88% of the council's workforce have indicated that they are from white ethnic backgrounds and 6% from black and minority ethnic groups. The remaining 6% have not declared their ethnicity.

### Working Hours and Pay Grade

- 24% of the council's workforce are part-time and are contracted to work 36 hours per week or under.
- Analysis shows a correlation between sex and working hours. 83% of part-time staff are female. Further analysis of sex and working hours can be found on the gender pay gap reporting section of the council's website: <https://folkestone-hythe.gov.uk/reducing-the-gender-pay-gap>

Number of staff by pay grade:

No. of Staff	Pay Grades A-D	Pay Grades E-G	Pay Grades H-L	Total Staff
Part-Time Staff	47	40	3	90
Full-Time Staff	114	112	45	271
Total Staff	161	152	48	361
% of Total Staff	44%	41%	13%	98%*

\* The remaining 2% of staff are not paid on the council's main pay scale. This includes, for example, the Head of Paid Service, Directors and those on apprenticeship schemes.

- An analysis of sex and pay can be found on the gender pay gap reporting section of the council's website: <https://folkestone-hythe.gov.uk/your-council/council-information/gender-pay-gap-reporting>

## Turnover

- 56 people left the council's employment during 2019/20. This represents a crude staff turnover rate of 15%. The 'crude' turnover figure includes reasons such as redundancy (including voluntary redundancy) and those engaged on a casual, seasonal or short-term basis to, for example, provide maternity cover or support the annual electoral registration canvass. The voluntary turnover rate, which counts resignations only, was 9%.

## Staff Grievances

- There were no staff grievances raised relating to equality in 2019/20:

Year	Total	Equality Related
2015/16	0	0
2016/17	1	0
2017/18	1	0
2018/19	1	0
2019/20	1	0

## Section 4: Our Achievements and Engagement Activities

The council has undertaken several major projects during 2019/20 and the below outlines some of the engagement activities over the year that have promoted equality, diversity and inclusion. Our achievements are fully detailed in ["Making a Difference: A Snapshot of Our Year 2019/20"](#)

We have worked to deliver homes that meet the needs of our changing population, building new affordable homes, offering shared ownership schemes that will support first time buyers, in 2019/20 we have:

- Delivered a total of 76 new affordable homes with partners for rent and shared ownership continuing to boost the supply of much needed homes in the district.
- Improved 257 private sector homes for local people as a result of enforcement action and the provision of the Disabled Facilities Grant, Winter Warmth and Home Safe loans.
- Awarded a total of 78 disabled facilities grants to support those with disabilities adapt their own homes.

The Local Area Officer team ensures our district is a welcoming and attractive place to live, work and visit. Part of their work involves engaging and empowering communities to help themselves by increasing the number of volunteer clear-ups, as well as events led by local businesses.

In 2019/20 our Area Officers have successfully overseen 2,820 community volunteer hours and supported 81 community environmental events with participation from Lydd and Hawkinge Town Councils and Parish councils of Elham, Lyminge, Brookland, Stanford and Ivychurch as well as community organisations including, Stowting Wombles and The Hythe Environmental Group.



Volunteers came from a range of backgrounds and the programme has been viewed as supporting integration amongst different community groups, reducing isolation, and promoting community involvement. In addition over 120 'Lone Ranger' sets of litter picking equipment were issued during the year.

Local businesses have also continued to support local areas, with over 970 corporate social responsibility volunteer hours undertaken in the year to support community litter picks. Participating organisations have included ASDA, Holiday Extras, Balfour Beatty, Sleeping Giant Media, Dell Europe, Network Rail and the Environment Agency.

### ***Engagement with local Armed Forces Community***

The Folkestone & Hythe District has a long tradition of cooperation between its civilian community and the local armed forces. In 2019/20, the following engagement was undertaken with the local armed forces community:

In June 2019, the council helped to organise a Family Health Fair at Sir John Moore Barracks for the serving Gurkhas and their families. Stall holders providing information and advice included:

- Forward (East Kent Drug and alcohol service)
- Midwives
- Child Care
- Breastfeeding
- Folkestone Sports Centre
- Armed Forces Network
- Porchlight Live Well Kent with Folkestone Mind)
- One You Kent NHS programme

Our Armed Forces Champion established an 'Armed Forces Veterans Support Group' that meets on the last Friday of each month in Folkestone Town Hall to provide support and advice to veterans on employment, health, debt and housing

matters. The drop in sessions are staffed by case officers from Cheriton branch of the Royal British Legion.

In September 2019, we were successfully awarded the Defence Employer Recognition Scheme Silver award for supporting staff members who have worked in the Armed Forces.

In October 2019, we hosted Mental Health First Aid training at the Civic Centre delivered by Armed Forces Network for staff whose work may bring them into contact with members of the Armed Forces community.

In preparation for the Royal Ghurkha Regiment Unit moving to Shorncliffe, officers from both Kent County Council and Folkestone & Hythe DC travelled to Brunei during 2019/20 to better understand the challenges facing serving families moving to Folkestone and establish and build relationships with key partners to support their transition. *(The move of this regimental unit has been subsequently postponed to 2021 due to the Coronavirus pandemic).*

In the wake of the coronavirus pandemic, the Council signed posted government guidance and materials on COVID 19 for Nepalese community on its website.

### ***Adult Safeguarding Week***

As part of Adult Safeguarding week in October 2019, we set up a stall in Folkestone Town Centre with Community Safety Partners including Kent County Council, Kent Police and Community Wardens. The aim of stall was to raise awareness and provide information to the public on a range of subjects including domestic abuse, trading standards, scams, hate crime, adult abuse, mental health, physical health, neglect and self-neglect.

### ***Annual Grant Funding***

The Council has continued to support charities, the voluntary and community sector through grants. Our Local Children's Partnership Group distributed over £55,000 of funding towards local community projects for young people including:

- Raising aspiration and educational attainment, and extending employment opportunities
- Creating Safe and Resilient Communities
- Enhancing communication skills as a foundation for life

201 Ward Grants, totalling over £86,000, have benefitted local charities and community groups during 2019/20, further enhancing the council's involvement with local communities, and assisted with the delivery of efficient and effective projects and services to ward areas.

In 2019/20 Annual grant funding was renewed by the council for the following community organisations. Many have adjusted their activities to deliver online services when the when the coronavirus lockdown occurred:



- **Shepway Sports Trust:** To provide accessible sports and play based facilities and activities within the district, focusing on reducing health inequalities and engaging children and young people in order to encourage health lifestyles as well as reduced anti-social behaviour. From Mid-March when the coronavirus lockdown occurred many sports activities were successfully delivered online.
- **Folkestone Sports Centre Trust:** To provide accessible sports and wellbeing based facilities and activities for all age groups within the district. The Trust also supports council events like its dementia training, Armed Forces Day and Tall Ships Training.
- **Kent County Sports Partnership:** To improve access to sports clubs and coaching activities across the district.
- **Citizens Advice Bureau:** To deliver debt, legal, housing and consumer advice on the Council's behalf and working closely with FHDC teams.
- **Academy FM:** To support a community radio station serving the community by promoting the District, working with young people, aiding community interaction and raising awareness of local issues and activities to aid community cohesion.
- **Red Zebra:** To support the running of four volunteer networking session across the District to increase volunteering, support the voluntary and community sector as well as improve health and wellbeing.
- **Folkestone Quarterhouse:** To deliver a programme of visual, performance and musical arts educational and performance based activities to families, schools and hard to reach groups in the district. The Quarter House closed on 23<sup>rd</sup> March 2020 due to the coronavirus lockdown, but Creative Folkestone have provided signposting on their website for advice and support for businesses, the self-employed and individual wellbeing.
- **Musical walkabout –** To deliver music sessions to address the young onset of dementia in care homes and supporting Folkestone's music town.
- **Kent Coast Volunteering:** To part fund a Volunteer Outreach Coordinator post to support the development of volunteering groups in the district.

### ***Young Persons Community Safety Conference***

During 2019/20, the Folkestone & Hythe Community Safety Partnership, played a key role in supporting the Young Persons Community Safety Conference where over 900 young people learned about the dangers of knife crime, drugs and gangs.

The event hosted at The Leas Cliff Hall focused on the importance of emotional health and positive relationships and was targeted at Year 9 pupils. Students from secondary schools across Folkestone, Hythe and Romney Marsh attended.

Presentations included a screening of Breck's Last Game, telling the story of 14-year-old Breck Bednar who was murdered by someone he met online. His mother Lorin LaFave was there to share her experience. There were also sessions on drug and alcohol awareness as well as how to stay safe.

This is the second time a conference has been held for young people and the aim was to encourage them to think about their decisions and choices. It was an opportunity to talk about risk-taking behavior and how to stay safe and to look out for each other.



### ***Safety in Action Day***

We have worked extensively with young people. More than 600 children from 18 schools across the district attended a Safety in Action Day, an interactive event for Year 6, to learn about some of the risks and dangers they may face including drug and alcohol awareness, road safety and sexual exploitation.

### ***Tall Ships Programme***

In July 2019 more than 30 children from local schools took part in the Tall Ships programme, a life changing cross border project with schools in Boulogne, France. Those involved experienced different cultures, formed new friendships, improved confidence and self-esteem and overcame many personal and physical challenges, culminating in a 4 day sailing voyage as part of the Boulogne Sea Festival. The scheme takes place every two years and is funded by the Council, Boulogne Town Council, Eurotunnel and Folkestone Harbour Company.

The project received some incredible feedback from the children and parents. For many of the children there was a marked increase in their self-confidence, esteem and friendship skills. Parents commented that this was a once in a life time opportunity that their children will never forget. Friendships were formed that we are proud to say are still on going to this day, many of the children who took part in the project now socialise out of school.

## ***New Disabled Swing and Gym equipment installations in Radnor Park***

The Council installed a new wheelchair swing in Radnor Park, Folkestone to enable local disabled children to experience the unique sensation of being on a swing. The local Radnor Park Community Group raised funds for the wheelchair swing which the Council match funded through the Roger De Haan Charitable Trust. The remaining costs for the swing were funded through Kent County Council and via local councillor ward grants. In addition to the new wheelchair swing, outdoor gym facilities were also introduced for adults and young people aged 14+ within the park. The new facilities included gym rings, high bars, plyometric step boxes, and easy fixing points for TRX strength bands to help with promoting healthy lifestyles with our communities.



## ***Community Hubs***

In the wake of the COVID-19 Pandemic, the Council swiftly funded the establishment of three community hubs in the District. The hubs are operated by key partners; Three Hills Sports Centre supported by Citizens Advice and Kent Coast Volunteering in Folkestone; Age UK in Hythe and the Romney Marsh Day Centre in New Romney to provide vital support to locally vulnerable people who are self-isolating. The hubs are supported by local volunteers and council officers, which in the first three weeks from 30<sup>th</sup> March 2020 dealt with over 9,000 calls, 3,500 hot meal requests, 1,000 shopping requests and 724 prescription requests on behalf of residents.

For further information on the above and for full details of all our key achievements, please see ["Making a Difference: A Snapshot of Our Year 2019/20"](#)

## **Section 5: Compliments, Feedback and Complaints**

The council records compliments, feedback and complaints received from customers. These are categorised, analysed and reported on so that improvements can be made to services.

Further information can be found at: <https://folkestone-hythe.gov.uk/your-council/council-information/make-a-complaint-or-compliment>

During 2019/20 the council received 486 complaints and 147 compliments.

Of the 486 complaints received:

- 416 were resolved at Stage One
- 70 progressed to Stage Two
- 59 were resolved at Stage Two
- 11 progressed to the Local Government Ombudsman

Stage One complaints are investigated and responded to by the relevant service manager. If the complainant is not satisfied with the response their complaint will be progressed to Stage Two, where it is investigated by an independent manager.

Of the 486 complaints received, four was related to equality and diversity issues. The nature of the complaints related to:

- Disabled access to a polling station
- 2x Blue Badge parking
- Ending of a Disabled tenancy due to partner moving out

The complaint relating to a disabled tenancy was escalated to the Local Government Ombudsman (LGO). The LGO found fault with the allocation and ordered the council to provide the disabled tenant with an apology and compensation.

All complaints are investigated thoroughly and each complainant was formally written to with a detailed explanation of the findings. Where appropriate the council apologised and indicated how it would improve service delivery in the future.

## Section 6: Equality Objectives

The council's Equality and Diversity Policy (2016-2020) has an associated action plan that details the pieces of work the council will deliver in relation to its duties. These objectives outline the actions we have taken over the last year.

### Actions undertaken between 2016 and 2020:

	Action	Lead Function	Deadline	2019/20 Update
1.	Ensuring EIAs are completed where they are required (i.e. where the council introduces a new policy or service, or where there is a significant revision to an existing policy or service) and that they are carried out in the correct manner (e.g. with appropriate consultation with affected parties).	Performance and Improvement Specialist	Ongoing	EIAs are documented as part of the service planning process annually and managers complete EIAs when policy or service is introduced or revised. The EIAs undertaken during the year have been documented in section 2 of this report.
2.	Continually improving the council's management information relating to equality matters including complaints and customer satisfaction.	Information & Complaints	Ongoing	A corporate complaints and compliments report is produced for Corporate Leadership Team to review on a six monthly basis. Further work is being undertaken to introduce a complaints report that will focus on solely on equality related issues that arise.

3.	Involving service users and local communities (including people with protected characteristics) in the design of council services.	Assistant Directors/Chief Officers and service managers	Ongoing	<p>We have consulted with services and local communities in design council services in the following ways during 2019/20:</p> <ul style="list-style-type: none"> <li>• The Electoral Services team held a district wide polling station review consultation during 2019. The consultation process ensured both local ethnicity and disability groups were contacted for their views on proposed changes.</li> <li>• Following community feedback received when the Radnor Park Play Area was refurbished in 2017, the council installed a wheelchair accessible swing to the park in 2019.</li> <li>• Local residents have helped to continually shape our parking schemes across the district. We have consulted with all residents within a proposed area throughout the year to receive a wide range of views from people including those with protected characteristics.</li> </ul>
	All managers undertaking stage 2 EIA exercise will consult appropriately and publish the results.	All managers	As required	<ul style="list-style-type: none"> <li>• No Stage 2 EIAs have been undertaken during the year. Managers will complete EIAs in line with guidance as and when a policy or service is introduced or revised.</li> </ul>

4.	Routinely publishing the result of consultation exercises on the council website and disaggregating the results (where possible) for different equality groups.	All managers	As required	<p>The Planning Policy Team undertook the following consultations:</p> <p>Core Strategy Review Submission Draft (Housing Requirement) – 2 December 2019 to 20 January 2020</p> <p>Places and Policies Local Plan Main Modifications –13 January to 24 February 2020</p> <ul style="list-style-type: none"> <li>• All comments received during both these consultations were made publically available on our website, suitably anonymised.</li> <li>• These consultations were undertaken as part of a statutory process, with requirements for consultation set out in regulations.</li> <li>• Results are not disaggregated for different equality groups, as we don't ask for this information from respondents. However, they form part of a statutory process where issues of equality are considered by an independent Inspector acting on behalf of the Secretary of State who has regard to Section 149(1) of the Equality Act 2010.</li> </ul> <p>The Electoral Services team undertook a district wide polling station review consultation during 2019.</p>

				<p>The consultation process ensured both local ethnicity and disability groups were contacted for their views on proposed changes. The result of this consultation was published on the council's website alongside the recommendations provided to Full Council to approve.</p>
5.	<p>Continue with the 'Understanding our communities' programme including sessions like:</p> <ul style="list-style-type: none"> <li>• Living with dementia and how we can support customers with dementia, 100 staff and Councillors are trained as Dementia Friends.</li> <li>• Deafness awareness sessions to enable staff to more effectively support those with hearing impairments.</li> <li>• Inputs from the mental health charity Mind; and Rainbow centre regarding the Roma community</li> </ul>	Learning and Development	Ongoing	<ul style="list-style-type: none"> <li>• We have continued to run training sessions re: Living with dementia for staff and members. The last session was held in November 2019.</li> <li>• During 2020 we have had staff from our Vulnerability team trained in Autism. In December 2020 a cohort of 16 staff will be trained in Mental Health First Aid.</li> </ul>
6	<p>Equality and diversity training is part of our induction and for all staff to undertake a mandatory refresh e-learning module every 3 years.</p>	Learning and Development	Ongoing	<ul style="list-style-type: none"> <li>• Staff continue to undertake the Equality and Diversity e-learning module. In addition to this E&amp;D is included as part of our Manager Development Programme, for example as part of training on resourcing.</li> </ul>

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This report will be made public on 9 March 2021



Report Number **C/20/83**

**To:** Cabinet  
**Date:** 17<sup>th</sup> March 2021  
**Status:** Non-Key Decision  
**Responsible Officer:** Charlotte Spendley – Director for Corporate Services  
**Cabinet Member:** Councillor Jennifer Hollingsbee - Deputy Leader & Cabinet Member for Communities

**SUBJECT: EQUALITY & DIVERSITY POLICY (2021-25)**

**SUMMARY:** This report presents the draft Equality and Diversity Policy for 2021-2025 for consideration by Cabinet. The existing Policy covered the period 2016-2020 and therefore a refresh was required. The duties with regard to equality and diversity have not changed and therefore the proposed changes to the Policy are minor. The aim of the Equality and Diversity Policy remains the same; to ensure everyone has the right to be treated fairly at work or when using the council's services.

**REASON FOR RECOMMENDATIONS:**

The council is committed to ensuring that everyone has the right to be treated fairly at work or when using council services. In addition, the council needs to ensure that it meets its requirements under the Public Sector Equality Duty. The recommendations made in this report are aimed at achieving these measures.

**RECOMMENDATIONS:**

1. To receive and note report C/20/83.
2. To consider and approve the draft Equality & Diversity Policy for 2021 – 2025 outlined in Appendix 1.

## 1. BACKGROUND

- 1.1 The Equality Act received royal assent on 6 April 2010 which includes general duties for all public organisations and other specific duties to listed public organisations (including local authorities) that were brought into effect through the Public Sector Equality Duty (PSED) in April 2011.
- 1.2 The Public Sector Equality Duty is made up of a general equality duty which is supported by specific duties. The 'public sector equality duty' is the formal title of the legislation, the 'general equality duty' is the overarching requirement or substance of the duty, and the 'specific duties' are intended to help performance on the general equality duty<sup>1</sup>.
- 1.3 The general equality duty requires public authorities, in the exercise of their functions, to have due regard to the need to:
  - Eliminate discrimination, harassment and victimisation and any other conduct that is prohibited by or under the Act.
  - Advance equality of opportunity between people who share a relevant protected characteristic and people who do not share it.
  - Foster good relations between people who share a relevant protected characteristic and those who do not share it.
- 1.4 The Equality Act explains that having **due regard** for advancing equality involves:
  - Removing or minimising disadvantages suffered by people due to their protected characteristics.
  - Taking steps to meet the needs of people with certain protected characteristics where these are different from the needs of other people.
  - Encouraging people with certain protected characteristics to participate in public life or in other activities where their participation is disproportionately low.

Public authorities are required to have due regard to the aims of the general equality duty when making decisions and when setting policies.

- 1.5 The Equality Act 2010 outlines the following protected characteristics that must be considered when referring to equality and diversity:
  - Age
  - Disability
  - Gender reassignment
  - Marriage and civil partnership (this is only in regard to the first general equality duty of eliminating discrimination).
  - Pregnancy and maternity
  - Race (including colour, nationality and ethnic or national origins)

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<sup>1</sup> <https://www.equalityhumanrights.com>

- Religion or belief (including atheist beliefs and no religion or belief)
- Sex
- Sexual orientation (gay, lesbian, bisexual and heterosexual)

- 1.6 The Public Sector Equality Duty requires us to demonstrate 'due regard' to equalities through the:
- Production of an Equality Policy every 4 years outlining how we will meet our statutory duties in regard to equality and diversity.
  - Assessment of the impact on the protected characteristics in relation to how the council acts as an employer, how it develops, evaluates and reviews policy, how the council designs, delivers and evaluates services and how the council commissions and procures from others. Although no longer specifically required by the legislation, the council will continue to use Equality Impact Assessments as a process to demonstrate how the council consciously considers the aims of the Equality duty in the development of our services, functions and policies.
  - Analysis of equality information to help inform decision making including the publication of Equality Impact Assessments.

## **2. THE EQUALITY & DIVERSITY POLICY 2021-2025**

- 2.1 The Act requires local authorities to review their Equality & Diversity Policy every 4 years. The current Policy ran from 2016 to 2020.
- 2.2 The Policy itself remains largely unchanged as there have been no changes in legislation since 2010. The changes are mainly process-based such as:
- The Policy has been produced on a new corporate template to meet accessibility guidelines.
  - Updating of local authority name from Shepway to Folkestone and Hythe.
  - Updating of job titles.
  - Updating the contact details associated with the policy.
  - The supporting action plan (outlined in Appendix 1 of the Policy) has been updated.
- 2.3 An additional section has been added to the policy (Section 9 – Wider role in the community) to reflect the council's influence in promoting equality and tackling discrimination within the community through its work with partners. This section also draws links to the emerging Corporate Plan, 'Creating Tomorrow Together, 2021-2030', considered by Cabinet on 24 February 2021.
- 2.4 This section also sets out the council's denunciation of all forms of discrimination and commitment to eradicating hate crime, including the full adoption of the International Holocaust Remembrance Alliance's (IHRA's) definition of Anti-Semitism. This is intended to reflect the resolution to full

Council on 21 October 2020 that the council demonstrate that it is intolerant of racism and all forms of discrimination.

### **3. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS**

#### **3.1 Legal Officer's Comments (NM)**

The report sets out the council's duties, the legal implications are therefore set out in the report.

#### **3.2 Finance Officer's Comments (LW)**

There are no direct financial implications associated with the report.

#### **3.3 Human Resources Comments (RB)**

There are no direct Human Resource implications emanating from this report. Our commitment to supporting equality and diversity within our workforce is stated within the draft policy and action plan.

#### **3.4 Diversities and Equalities Implications (GE)**

The adoption of the draft Equality and Diversity Policy 2021–25 is essential to enable the council to meet its statutory requirements and uphold its continued commitment to support and promote Equality and Diversity.

#### **3.5 Communications (KA)**

There are no direct communications implications associated with the report.

### **4. CONTACT OFFICER AND BACKGROUND DOCUMENT**

#### **4.1** Councillors with any questions arising out of this report should contact the following officer prior to the meeting:

*Gavin Edwards*

*Performance & Improvement Specialist*

*Email: [gavin.edwards@folkestone-hythe.gov.uk](mailto:gavin.edwards@folkestone-hythe.gov.uk)*

*Tel: 01303 853436*

### **5. APPENDICES**

Appendix 1: Draft Equality & Diversity Policy 2021-25

# Equality and Diversity Policy 2021-25 (Draft)

February 2021



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# 1. Aims

In line with the Equality Act 2010<sup>1</sup>, this policy aims to ensure **everyone has the right to be treated fairly at work or when using our services**. The law protects people from discrimination on the basis of nine **protected characteristics**, which are:

- Age
- Disability<sup>2</sup>
- Sex (gender)
- Gender reassignment<sup>3</sup>
- Marriage or civil partnership<sup>4</sup>
- Pregnancy or maternity
- Race (ethnicity)
- Religion or belief
- Sexual orientation

The Equality Act 2010 introduced a single Public Sector Equality Duty (PSED) on public bodies and this duty came into effect in April 2011. Its three main aims are to ensure that in carrying out their functions, public bodies **have due regard to the need to:**

- **Eliminate unlawful discrimination, harassment and victimisation** and other conduct prohibited by the Act.
- **Advance equality of opportunity** between people who share a protected characteristic and those who do not.
- **Foster good relations** between people who share a protected characteristic and those who do not.

To have **due regard** means consciously thinking about the Equality Duty's three aims. For example:

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<sup>1</sup> The Equality Act 2010 replaces a number of Acts and Regulations covering Race, Gender, Disability, Age, Sexual Orientation, and Religion and Belief.

<sup>2</sup> This includes people with mental health problems, learning disabilities and long-term or serious illnesses such as heart disease, cancer or HIV/AIDS.

<sup>3</sup> A person has the protected characteristic of gender reassignment if the person is proposing to undergo, is undergoing or has undergone a process (or part of a process) for the purpose of reassigning the person's sex by changing physiological or other attributes of sex.

<sup>4</sup> This protected characteristic only applies to employees.

- Decision makers must be aware of the duty to have “due regard” when taking decisions which may have implications for people with particular protected characteristics.
- Councils should consider equality before and while developing policy and taking decisions, not afterwards and they need to keep it under continual review
- The equality duty must be integral to the council’s activities and has to be carried out seriously, rigorously and with an open mind – it is not just a question of ticking boxes.

In view of the statutory requirements placed on the council this policy formalises the council’s commitment to supporting and promoting Equality and Diversity and ensures that to that end the council will strive to:

- **Remove or minimise disadvantages suffered by people because of their protected characteristics;**
- **Take steps to meet the needs of people from protected groups where these are different from the needs of others;**
- **Encourage people from protected groups to participate in public life or in other activities where they are under-represented**

## 2. Responsibilities

Under the Equality Act 2010, all employers and service providers (5) must treat their employees and service users fairly. For the District Council:

- The council’s **Cabinet** has overall responsibility for this Policy and ensuring adequate resources are provided for its implementation. Senior officers and Members will scrutinise progress against the principles set out in this Policy by consistently monitoring the Equality Objectives outlined in the supporting Action Plan (Appendix 1).
- The council’s **Overview & Scrutiny Committee** is responsible for monitoring and scrutinising this policy and the supporting Action Plan in terms of the impact it has on the Council’s relationship with its communities and in terms of the equality and diversity issues covered by the Policy, where they affect local communities.

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<sup>5</sup> You are a service provider regardless of if the goods, facilities or services you provide are free or paid for.



- The council's **Corporate Leadership Team** is responsible for overseeing implementation of the Policy and monitoring progress in delivering the supporting Action Plan.
- Service Leads are responsible for ensuring that all aspects of their services comply with the Policy and all staff are informed of their responsibility towards the promotion of equalities. Service Leads must also complete Equality Impact Assessments (EIAs) when reviewing how council functions are delivered or when they develop new or review existing council policies or strategies.
- **Senior Management Team (SMT)**<sup>6</sup> is responsible for advising on diversity and equalities issues across the council and ensuring these are reflected in strategy and policy development, and service improvements. SMT is also responsible for co-ordinating and publishing the EIAs and monitoring progress against the Equality Action Plan.
- **All staff** must ensure fairness towards colleagues, service users and other members of the community in carrying out their duties. All staff should help to promote the Policy in the workplace in all aspects of service delivery and to work towards the elimination of discrimination. All staff have a duty to report instances of discrimination to their manager at the earliest opportunity so that appropriate action can be taken to remedy the situation.
- The council requires those who **provide services on its behalf** or organisations, which are funded by the council to ensure their service provision and employment practices are consistent with this Policy.

All elected Members and employees must adhere to this Policy. The consequences of non-compliance may include disciplinary action and/or legal action (see Section 6: Breaching this Policy).

### 3. Communication

Effective information, consultation and involvement are essential to the Policy's success, and the Council will:

- Inform, consult and involve the relevant people including elected Members, employees and stakeholders about decisions which affect them so that they have the opportunity to influence policies and practises;
- Ensure that people from different backgrounds and protected characteristics are able to fully participate in consultation and involvement activities;

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<sup>6</sup> SMT consists of CLT and their Direct Reports

- Give people a voice by promoting involvement in decision-making and review such structures so that any proposed changes are considered and adopted where appropriate.
- Ensure all staff and Members are aware of their duties under the Equality Act 2010 outlined in this Policy.

### **Our promise on equality monitoring**

Whenever we seeking personal information needed for equality monitoring we will:

1. Only ask for the information we need;
2. Explain why we need the information and how it will be used;
3. Take care to ensure that individuals cannot be identified from the information collected, especially where the results of monitoring are made public or shared; and
4. Act legally in relation to confidentiality, data protection\* and freedom of information.

*\*Data gathered for the purpose of equalities monitoring will often fall within the special categories of data under the General Data Protection Regulation (GDPR), i.e. where it relates to 'racial or ethnic origin, religious or philosophical beliefs, health or sexual orientation'. The Data Protection Act 2018, which supplements the provisions of the GDPR, explicitly provides that equalities monitoring is a lawful reason to justify the holding and processing of such special category data.*

## **4. Implementation**

In line with the Equality Act 2010, the council will prepare and publish in an Action Plan Equality Objectives which we believe we should achieve to help meet section 149 of the Equality Act 2010. The Action Plan will identify the equality objective, the part of the Equality Act it will help meet, the actions that are required to achieve it, who is responsible and when the actions should be completed.

To ensure this Policy's effectiveness we will:

- **Publish equality information** on an annual basis to demonstrate compliance with the duty imposed by section 149(1) of the Equality Act 2010;
- Set specific and measurable **equality objectives**, monitor their progress and review them at least every four years;
- Consider the equal opportunities implications of any changes to policies, functions, strategies or projects and undertake **Equality Impact Assessments** before implementation;
- **Identify barriers** that prevent fair access to our services and take measures to address them; and
- **Monitor the composition** of our workforce and the take-up of our services and take positive action to redress inequalities.

Progress updates will be prepared and published once a year as part of the Annual Equalities Report.

## 5. Reporting Procedures

- **Grievance Procedures** - While this Policy aims to ensure fair and equitable treatment of all staff in all aspects of employment including recruitment and selection, terms and conditions of work, training and development, performance, retirement or redundancy, individual employees who feel they have been unfairly treated should seek information and confidential advice from Human Resources.
- **Whistle Blowing Policy** - Where a member of staff has concerns over a policy, procedure, a practice or the culture within a service or work area, and where they feel unable to raise concerns with a senior member of staff, the Whistle Blowing Policy should be referred to.
- **Complaints of Discrimination** – The council's Complaints Procedure enables service users to raise any concerns of discrimination, harassment or victimisation.

Section 10 provides additional information on ways to report.

## **6. Breaching this Policy**

The council will take seriously any instances of non-adherence to this Policy by its staff, Members, contractors and partners. Any instances of non-adherence will be investigated and, where appropriate, disciplinary action will be considered. With regard to any breach of the Policy by partners, the council will take appropriate action in relation to the nature of the incident.

Whilst this policy relates primarily to the groups listed above section 9 relates to our wider role in the community to address these important matters.

## **7. Monitoring and Reviewing**

Senior Management Team (SMT which comprises the Corporate Leadership Team and their direct reports will ensure the Policy and supporting action plan are monitored and reviewed effectively by:

- Reviewing the Policy and supporting action plan every four years and undertaking a light touch review each year to ensure it is consistent with current legislation and codes of practice;
- Developing and monitoring progress on the Equality Objectives set out in the supporting Action Plan;
- Ensuring the Equality Objectives are specific and measurable to enable the council to monitor progress;
- Ensuring consultation and engagement reviews take into account the views of elected members, staff, community and voluntary groups, and trade unions;
- Carrying out progress reviews and reports of Equality Impact Assessments.

## **8. Dissemination**

- The Policy and supporting Action Plan will be public documents and made available on the council's website;
- On request, the Policy will be made available in a range of formats and languages;

- Service Leads will be asked to brief their teams on the Policy;
- The Policy will be available to all staff via the intranet;
- Staff without computer access will be given copies of the Policy and Action Plan and instructed to make them available to their staff;

Applicants for council posts will be made aware of the Policy and it will form part of the induction programme for new employees.

## 9. Wider role in the community

This policy covers council staff, Members, contractors and others working directly on the council's behalf.

We recognise, however, that the council has a wider influence in the community and can help to promote equality and tackle discrimination through our work with partners, stakeholders and residents.

The council's Corporate Plan 2021-30, 'Creating Tomorrow Together', identifies 'Positive community leadership' as one of its four service ambitions.

This ambition states that, by 2030:

*"Local leadership in community services will be recognised for the vital contribution it plays in creating a sense of place, health and wellbeing. This will be a shared ambition with partners across our communities. Local leadership will address many of the inequalities that existing between our communities and we will have improved access to services in our most deprived neighbourhoods. A strong and distinctive sense of place will prevail."*

During the Covid-19 pandemic the council and its partners worked together to set up community hubs to support vulnerable and 'at risk' residents. Through this we developed stronger and deeper relationships with other partners and local communities that can be used to tackle discrimination and promote equality.

Creating safer communities will be a key part of this. The Corporate Plan highlights that the district's Community Safety Partnership will be at the forefront of this through its work to address crime and anti-social behaviour.

The council will not tolerate any form of discrimination and will continue to seek to eradicate racism, Islamophobia, sexual orientation discrimination, Anti-Semitism and

hate crime across the district through our work with our partners, developing initiatives that are actively inclusive and anti-racist.

The Council recognises and adopts in full, the International Holocaust Remembrance Alliance (IHRA) definition of Antisemitism defined as *“A certain perception of Jews, which may be expressed as hatred toward Jews. Rhetorical and physical manifestations of antisemitism are directed toward Jewish or non-Jewish individuals and/or their property, toward Jewish community institutions and religious facilities.”*

We will be supportive of groups and individuals that are seeking to address issues of discrimination as set out above through respectful and constructive dialogue. In order to ensure our workforce are aware of these issues, we will invite appropriate speakers to help with training developed for our councillors and staff.

## 10. Further information

If you have any enquiries about this policy please contact:

Strategy, Policy and Performance Team  
Folkestone & Hythe District Council  
Castle Hill Avenue  
Folkestone  
Kent CT20 2QY  
Email: [policy@folkestone-hythe.gov.uk](mailto:policy@folkestone-hythe.gov.uk)

If you have concerns of a criminal nature then please contact Kent Police:

- Kent Police report online – <https://www.kent.police.uk/ro/report/>

# 11. Appendices

## Appendix 1: Equalities Action Plan

	Action	Lead	Deadline date
1.	Ensuring EIAs are completed where they are required (i.e. where the council introduces a new policy or service, or where there is a significant revision to an existing policy or service) and that they are carried out in the correct manner (e.g. with appropriate consultation with affected parties).	Performance and Improvement Specialist	Ongoing
2.	To introduce a dedicated complaints report that will focus on equality related issues that arise under the Council's corporate complaints policy and will reported to the Corporate Leadership Team on a six month basis to assist with identifying and addressing any equality related issues within a council service.	Case Management	Ongoing
3.	Involving services users and local communities (including people with protected characteristics) in the design of council services.  All managers undertaking stage 2 EIA exercise will consult appropriately and publish the results.	All Service Leads  All Service Leads	Ongoing  As required
4.	Routinely publishing the result of consultation exercises on the council website and disaggregating the results (where possible) for different equality groups.	All Managers	As required
5.	Run training for staff on the particular issues faced by minority and vulnerable groups to support them to deliver appropriate services to ALL customers (e.g. Dementia awareness).	Organisational Development	Ongoing

6.	To ensure councillors and staff receive regular updates on Prevent <sup>7</sup> , Safeguarding vulnerable people and partnership working as part of the council's wider role.	Community Safety Specialist  Health, Wellbeing & Partnerships Senior Specialist	Ongoing
7	Equality and diversity training is part of our induction and for all staff to undertake a mandatory refresh e-learning module every 3 years.	Organisational Development	Ongoing
8.	Increase options for customers to connect and transact with us online to help focus resources on supporting customers who are not able to go online as defined within the Council's Customer Access Strategy.	All Service Leads	Ongoing
9.	Produce a 'Resident Involvement Strategy', ensuring that involved residents reflect the diversity of the council's tenants and leaseholders.	Housing Operations Lead Specialist	March 2021
10.	We will continue to evaluate our resourcing strategies, maximise accessible development opportunities, and promote flexible working approaches to support equality and diversity in our workforce.	Human Resources	Ongoing

<sup>7</sup> Prevent, which safeguards vulnerable people from being drawn into terrorism, is one of the 4 strands of the government's counter-terrorism strategy, CONTEST.



## Appendix 2: Forms of Discrimination (Equality Act 2010)

The legal definitions vary, but broadly speaking discrimination can occur either directly or indirectly:

**Direct Discrimination** occurs when a person is treated less favourably than others would be treated in the same circumstances on the grounds of having a protected characteristic, as referred to on page 2 (Aims of this Policy) of this document.

**Indirect Discrimination** occurs when applying a provision, criterion or practice which puts someone from a protected characteristic at a particular disadvantage.

Indirect discrimination may only be justified in exceptional circumstances if it can be shown that the action was reasonable in managing the business or organisation, i.e. that it is 'a proportionate means of achieving a legitimate aim.' A legitimate aim might be any lawful decision made in running the business or organisation, but if there is a discriminatory effect, the sole aim of reducing costs is likely to be unlawful. Being proportionate in this context means being fair and reasonable, including showing that 'less discriminatory' alternatives to any decision made have been considered.

**Discrimination by Association** is direct discrimination against someone because they associate with another person who possesses a protected characteristic. For example, disability discrimination against someone who is a carer of a disabled person.

**Discrimination Linked to a Perceived Characteristic** is direct discrimination against an individual because of a belief that they possess a particular protected characteristic. It applies even if the person does not actually possess that characteristic, for example, discrimination against someone because they are thought to be gay but are not.

**Harassment** is defined as being *“unwanted conduct related to a relevant protected characteristic, which has the purpose or effect of violating an individual’s dignity or creating an intimidating, hostile, degrading, humiliating or offensive environment for that individual”*.

Harassment applies to all protected characteristics, except for pregnancy and maternity and marriage and civil partnership.

Employees are able to complain of behaviour that they find offensive, even if it is not directed at them and the complainant need not possess the relevant characteristic themselves. Employees are also protected from harassment because of perception and association and from harassment by third parties.

**Victimisation** takes place where one person treats another less favourably because he or she has asserted their legal rights in line with the Equality Act 2010 or helped someone else to do so. This includes making a complaint, taking legal action, providing evidence related to proceedings or alleging that discrimination has taken place. There is no legal requirement to compare treatment of a complainant with that of a person who has not made or supported a complaint.

An employee is not protected from victimisation if they have maliciously made or supported an untrue complaint.

**Genuine occupational requirements** – Under current legislation, any job may be restricted to a particular characteristic if the characteristic is a genuine occupational requirement (GOR) for the job, or for the context within which it is carried out. However, the circumstances in which this applies are very limited.

## Appendix 3: Defining Equality and Diversity

By equality and diversity, we mean:

**‘Equality’** is about ‘creating a fairer society, where everyone can participate and has the opportunity to fulfil their potential’<sup>8</sup>. For us as a council it means:

- providing everyone with equal and fair access to council services, no matter where they live and whatever their background;
- ensuring equality of opportunity so that everyone has the same chance to fulfil their potential and removing the barriers that stop people from getting on in life; and
- helping to tackle the root causes of inequality – the things like poor housing or low educational attainment that can mean some people have poorer life chances than others.

It does not mean political correctness or trying to treat everyone the same. It is about treating people as individuals and ensuring that we try to do the right thing to help people based on their own particular circumstances and needs.

But we know that some groups of people may need more help than others. For example, we know that children who grow up in poverty are less likely to gain qualifications or to go on to higher education. So we know that in some circumstances we have to help people to ensure they have the same opportunities in life to succeed.

**‘Diversity’** literally means difference. When it is used as a contrast or addition to equality, it is about recognising individual as well as group differences, treating people as individuals, and placing positive value on diversity in the community and in the workforce. For us as a council, it is about providing services which respect, value and cater for the differences in the way people would like/need to have them delivered.

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<sup>8</sup> Department of Health, 2008.

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This Report will be made public on 9 March 2021

Report Number **C/20/79**

**To:** Cabinet  
**Date:** 17 March 2021  
**Status:** Non-Key Decision  
**Head of Service:** Andy Blaszkowicz – Director of Housing and Operations  
**Cabinet Member:** Councillor David Monk, Leader of the Council  
  
**SUBJECT:** OPORTUNITAS LIMITED UPDATE TO 31 JANUARY 2021

**SUMMARY:** This report provides an update from the Board of Oportunitas Limited (the company) on its activities undertaken so far in the current financial year to 31 January 2021, outlines its latest projected financial outturn for 2020/21 and summarises the financial benefit to the Council as Shareholder of the company. This report is a requirement of the Shareholder Agreement between the Council and the company. The Chairman of Oportunitas will be available to present the report and to address any questions from Cabinet.

**REASONS FOR RECOMMENDATIONS:**

Cabinet is asked to agree the recommendations set out below because Oportunitas Limited is required to provide Cabinet with regular updates of its financial position and activities under the Shareholder Agreement with the Council.

**RECOMMENDATIONS:**

1. To receive and note report C/20/79.

## **1. INTRODUCTION AND BACKGROUND**

- 1.1 In line with Shareholder Agreement between the Council and Oportunitas Limited (the company), this report provides an update on the company's activities and financial position for 2020/21 to 31 January 2021, including its latest projected financial outturn for the current financial year. This report also summarises the projected financial benefit to the Council from its relationship with the company for the current financial year.
- 1.2 This report builds on the previous Oportunitas update report which Cabinet considered and noted on 9 December 2020 (Report no. C/20/57 refers).
- 1.3 Cabinet is reminded that the company's approved business plan for the current period projected a loss of £117k for the year to 31 March 2021. The business plan also forecasts the company's financial position will begin to improve as the additional rental income from the planned new units from the Royal Victoria Hospital development is received, projected for the summer of 2021.

## **2. TRADING UPDATE**

### **2.1 Property Rental**

- 2.1.1 The company has continued to generate most of its revenue from the rental streams from its property portfolio of 38 residential units and 1 commercial unit, in-line with its approved business plan for the year. To 31 January 2021 the total rental income is £212k. The company uses Smith Woolley as the managing agent for the majority of its residential property with just two units being managed under a separate agreement with Reeds Rains.
- 2.1.2 At the time of writing, 34 units are tenanted with 2 in the process of being re-let to new tenants. However, there are a further 2 units where extensive repairs have had to be undertaken and both of these remain empty but should be available for letting in the near future.
- 2.1.3 **Rental Arrears** - At the 31 January 2021 the rental arrears owed to the company is £21k, broadly unchanged from the previously reported figure to 30 September 2020. The company's debt control process for managing its rental arrears was outlined in the previous Oportunitas update report to Cabinet on 9 December 2020. The company is continuing to work closely with its managing agents to apply and enforce its debt control procedures to reduce the level of arrears. Legal Services served notice to evict one of the tenants in January 2021 although it may take 3-6 months to finally evict the tenant (on the basis that the court makes the Order). Legal Services will be seeking a Fixed Possession Order with a money judgement and will continue to pursue the tenant and guarantor in order to recover the arrears.
- 2.1.4 **Property Safety Register** – The company maintains a register to ensure compliance with key property safety measures including, but not limited to, gas, fire, electrical and legionella. The register is continually reviewed with the managing agents and shared with Board members on a monthly basis.

The register to January 2021 identifies all required checks have been made and there are no non-compliance issues for the property portfolio to report.

## **2.2 Grounds Maintenance**

- 2.2.1 It has already been agreed as part of the approved business plan to reduce the grounds maintenance service offered by the company, in part to reflect the limited capacity available within the Council's Grounds Maintenance team who act as the contractor to the company.
- 2.2.2 The reduction in the service offered coupled with the impact of Covid-19 has limited the gross income from the grounds maintenance service to about £7.5k for the period to 31 January 2021. However, the net impact of the reduction in income, after allowing for the contractor's cost, is not having a material impact on the company's profit and loss account.

## **3. FINANCIAL UPDATE 2020/21**

- 3.1 The company's latest financial update for the current financial year, based on income and expenditure to 31 January 2021, was reported to the Board on 23 February 2021 and is shown in the appendix to this report.
- 3.2 In summary, the company has made an operating loss of £43k to 31 January 2021, which is in line with expectations, and full year projections remain on track for the council to receive £302k of income for 20/21 (as per paragraph 3.6 below).
- 3.3 The latest projected outturn for the financial year to 31 March 2021 shows an operating loss of almost £109k and is broadly consistent with both the original forecast for the year and the previous projection reported to the Board on 16 November 2020. The projected outturn includes one-off costs to be incurred or accrued by 31 March 2021.
- 3.4 Although there is a projected reduction in housing rental income and an increase in the bad debts provision, there are compensating savings in the housing rental expenses and overhead costs to offset these.
- 3.5 Former Royal Victoria Hospital Development –The developer is currently working on phase A of the scheme covering the redevelopment of the former hospital building itself into 18 flats. Phase A is expected to be handed over to the company by the autumn of this year, about two months later than forecast in the business plan. Phase B of the development for 19 purpose built flats is due to be completed by the summer of 2022. The cost of investment into the scheme is being met from the equity (£4.43m) and loan funding (£2.47m) approved by the Council to the company.
- 3.6 The projected financial benefit to the Council from the company in 2020/21 is shown in the table below:

	£'000
Loan interest	209
Loan repayments	27
Loan arrangement fee	25
Staff costs - reimbursement	23
Members Allowances - reimbursement	10
Grounds Maintenance recharge	8
<b>Total</b>	<b>302</b>

#### **4. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS**

##### **4.1 Legal Officer's Comments (NM)**

There are no legal implications arising directly out of this report.

##### **4.2 Finance Officer's Comments (LW)**

This report has been prepared by Financial Services. There are no further comments to add.

##### **4.3 Diversities and Equalities Implications**

The report does not cover a new service or policy or a revision of either and therefore does not require an Equality Impact Assessment.

##### **4.4 Communications (KA)**

There are no communications implications arising directly out of this report.

#### **5. CONTACT OFFICERS AND BACKGROUND DOCUMENTS**

Councillors with any questions arising out of this report should contact the following officer prior to the meeting:

Gavin Edwards, Performance and Improvement Specialist  
Tel: 01303 853436 email: [gavin.edwards@folkestone-hythe.gov.uk](mailto:gavin.edwards@folkestone-hythe.gov.uk)

Lee Walker, Capital and Treasury Senior Specialist  
Tel: 01303 853593. e-mail: [lee.walker@folkestone-hythe.gov.uk](mailto:lee.walker@folkestone-hythe.gov.uk)

The following background documents have been relied upon in the preparation of this report:  
None

Appendices:  
Appendix 1 – Financial Update for 2020/21



## Appendix – Financial Update for 2020/21

### Oportunitas Board Meeting 23 February 2021

### Oportunitas Limited – Financial Update for 2020/21

Prepared by Lee Walker

#### 1. Introduction

- 1.1 This paper provides an update to the Board of the company's financial position for the current financial year. It covers the latest trading position to 31 January 2021 reported through the profit and loss account, provides an updated projection of the outturn for the profit and loss account compared to the original forecast for 2020/21 and summarises the capital expenditure incurred to date.

#### 2. Profit and Loss Account 2020/21

- 2.1 The table below summarises the latest trading position for the company to 31 January 2021 and provides the latest projected outturn for the financial year ending 31 March 2021 compared to the original forecast for the year:

<b>Profit and Loss Account</b>	Actual to 31 January 2021	Original Forecast 2020/21	Latest Projection 2020/21	Variance Projection to Original Forecast
	£	£	£	£
<b>Housing Rental</b>				
Rental Income	212,059	269,516	256,500	(13,016)
Rental Expenses	(50,102)	(91,235)	(83,252)	7,983
Net	161,957	178,281	173,248	(5,033)
<b>Grounds Maintenance</b>				
Income	7,462	15,300	10,000	(5,300)
Expenses	(5,971)	(12,240)	(8,000)	4,240
Net	1,491	3,060	2,000	(1,060)
<b>Overheads</b>				
Directors Remuneration	(8,059)	(11,361)	(9,693)	1,668
FHDC Officer Support	(19,380)	(23,256)	(23,256)	0
Operating Expenses	(3,767)	(47,534)	(43,034)	4,500
Total Overheads	(31,206)	(82,151)	(75,983)	6,168
<b>Loan Interest</b>	(175,002)	(208,535)	(208,535)	0
<b>P &amp; L Operating Surplus / (Deficit) for period</b>	(42,760)	(109,345)	(109,270)	75

## Appendix – Financial Update for 2020/21

### 2.2 Trading Position to 31 January 2021

2.2.1 The company has generated a net income of £163k from its trading activities for the period to 31 January 2021, mainly from its housing rentals. However, after allowing for the interest on its loan with the Council and its operating overheads, the company has made an operating loss of almost £43k for the period. This is in line with expectations.

2.2.2 There are costs, particularly for overheads, that are due to be incurred or accrued by the end of the financial year that do not feature in the actual position to 31 January 2021, such as the loan arrangement fee for the new loan facility, property valuation fees and the Audit fee.

### 2.3 Projected Outturn to 31 March 2021

2.3.1 The latest projected outturn for the financial year to 31 March 2021 shows a trading loss of almost £109k and is in line with the original forecast. This latest projected outturn is also consistent with the position reported to the Board at its last meeting on 16 November 2020.

2.3.2 Although the projected net trading loss for the year is unchanged from the original forecast, there are variances within the different categories of the profit and loss account and these are summarised in the table below:

<b>Variances – Projected Outturn to Original Forecast</b>		<b>£'000</b>
i)	<b>Housing Rental Income</b> – reduction from higher than anticipated void periods mainly due to two units being unable to let for lengthy following serious water damage due to accidental leaks	(13)
ii)	<b>Housing Rental Expenses</b> – increase in provision for bad debts due to a rise in rental arrears over the year	(5)
iii)	<b>Housing Rental Expenses</b> – reduction in the cost of managing and maintaining the property stock. The majority of repairs and maintenance to the stock are currently undertaken on a responsive basis and arranged by the two managing agents.	13
iv)	<b>Grounds Maintenance Work</b> – only a limited amount of work has been undertaken in the period due to Covid-19 restrictions. This has made little difference to the net income position to the company	(1)
v)	<b>Overheads</b> – mainly due to a saving on interest for the short-term working capital facility with the Council which has not been utilised.	6
<b>Total reduction in deficit compared to forecast</b>		-

2.3.3 The company is due to make its half-yearly scheduled repayment of loan interest (£105k) and principal (£14k) to the Council on 31 March 2021.

## Appendix – Financial Update for 2020/21

- 2.3.4 The company's property portfolio is required to be revalued as at 31 March 2021. Any (unrealised) valuation gain or loss to the property portfolio will need to be reflected in the profit and loss account when the company's Statement of Accounts are prepared for the year ending 31 March 2021.

### 3 Capital Expenditure – Royal Victoria Hospital (RVH) Development

- 3.1 The table summarises the latest position for capital expenditure incurred on the RVH development.

Date	Description	Amount £
17/02/2020	Deposit – Phases A & B	1,275,000
11/06/2020	Phase A – stage payment no. 1	110,250
07/08/2020	Phase A – stage payment no. 2	220,500
29/09/2020	Phase A – stage payment no. 3	208,250
25/11/2020	Phase A – stage payment no. 4	266,400
22/01/2021	Phase A – stage payment no. 5	249,000
	Total Paid	<b>2,329,400</b>

- 3.2 The funding of the capital expenditure incurred has been met from the proceeds of the Council's new equity investment in the company.
- 3.3 The Board are reminded the current equity agreement with the Council provides for the equity of £4.43m to be drawn down in four tranches. The first two tranches totalling £2.35m have already be drawn down from the Council. The third tranche for £1.04m will need to be drawn down ahead of the next stage payment being made for the RVH development.

### 4 Recommendations

- 4.1 The Board note the latest financial position for 2020/21 outlined in this paper.

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This Report will be made  
public on 9 March 2021

Report Number **C/21/78**

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**To:** Cabinet  
**Date:** 17 March 2021  
**Status:** Non-Key Decision  
**Head of Service:** Charlotte Spendley, Director of Corporate Services  
**Cabinet Members:** Councillor David Monk, Leader of the Council and  
Councillor David Godfrey, Housing, Transport and  
Special Projects

**SUBJECT:** HRA Budget Monitoring Quarter 4

**SUMMARY:** This monitoring report provides a projection of the end of year financial position for the Housing Revenue Account (HRA) revenue expenditure and HRA capital programme based on net expenditure to 31 January 2021.

**REASONS FOR RECOMMENDATIONS:**

Cabinet is asked to agree the recommendations set out below because Cabinet needs to be kept informed of the Housing Revenue Account position and take appropriate action to deal with any variance from the approved budget and be informed of the final 2020/21 position.

**RECOMMENDATIONS:**

1. To receive and note Report C/21/78.

## 1. INTRODUCTION

- 1.1 This report informs Cabinet of the likely projected outturn on HRA revenue and capital expenditure for 2020/21
- 1.2 The projections are based on actual expenditure and income to 31 January 2021. Some caution therefore needs to be exercised when interpreting the results, however, a thorough budget monitoring exercise has been carried out.

## 2. HOUSING REVENUE ACCOUNT REVENUE 2020/21 (see Appendix 1)

- 2.1 The table below provides a summary of the projected outturn compared to the latest budget for 2020/21.

	Latest Budget £'000	Projection £'000	Variance £'000
Income	(16,358)	(15,919)	439
Expenditure	11,395	12,028	633
HRA Share of Corporate Costs	175	175	0
<b>Net Cost of HRA Services</b>	<b>(4,788)</b>	<b>(3,716)</b>	<b>1,072</b>
Interest Payable/Receivable etc	1,472	1,509	37
<b>HRA Surplus/Deficit</b>	<b>(3,316)</b>	<b>(2,207)</b>	<b>1,109</b>
Revenue Contribution to Capital	6,805	3,199	(3,606)
<b>Decrease/(Increase) to HRA Reserve</b>	<b>3,489</b>	<b>992</b>	<b>(2,497)</b>

- 2.2 The table shows that overall at quarter 4 there is a projected decrease in net expenditure of £2.5m on the HRA.

The main reasons for this are as follows:-

	£'000
Decrease in revenue contribution to capital (see 2.3 below)	(3,606)
Decrease in rental income (see 2.4 below)	439
Increase in special management (see 2.5 below)	259
Anticipated costs of new housing structure (see 2.6 below)	291
Other variances	120
<b>Total net projected Housing Revenue Account decrease</b>	<b><u>(2,497)</u></b>

- 2.3 The decrease in revenue contribution to capital mainly relates to re-profiling of the new build and acquisition programme with anticipated schemes being delayed to 2021/22 as well as an increased use of the Major Repairs Reserve relieving pressure on the HRA reserve.
- 2.4 The decrease in rental income largely relates to a projected 2.5% reduction in income due to Covid-19. This is based on a review of latest data and assumptions and is indicative only as the actual impact is still unknown at this stage due to uncertainties around how the second lockdown and introduction of the tiered restriction system will affect rent recovery. Data will continue to be monitored closely and the projection updated as more

information becomes available. There is also currently a high level of void garages which is resulting in reduced income.

- 2.5 The increase in special management largely relates to enhanced cleaning required at the sheltered accommodation due to Covid-19, and increased utility costs.
- 2.6 The new housing management service commenced on 1<sup>st</sup> October and the staffing structure is now in place. The latest estimate of additional costs for the new structure in 2020/21 is £291k.
- 2.7 Overall, the HRA reserve at 31 March 2021 is expected to be £11.5m compared with £9.0m in the latest budget.

### 3. HOUSING REVENUE ACCOUNT CAPITAL 2020/21 (see Appendix 2)

- 3.1 The latest budget for the HRA capital programme in 2020/21 is £13.8m and the projected outturn for the year is £8.3m, an underspend of £5.4m.
- 3.2 The reasons for the decrease in expenditure are as follows:-

	<b>£'000</b>
Enhanced Capital Programme (see 3.3 below)	(3,500)
New Builds/Acquisitions (see 3.4 below)	(2,179)
Kitchen Replacements (see 3.5 below)	(310)
Heating Improvements (see 3.5 below)	(230)
Disabled Adaptations (see 3.5 below)	(162)
Fire Protection Works (see 3.6 below)	543
Re-roofing (see 3.6 below)	349
EKH Single System (see 3.7 below)	130
Other minor variances	(61)
<b>Total decrease against Original Budget</b>	<b><u>(5,420)</u></b>

- 3.3 The decrease in the enhanced capital programme expenditure relates to the programme being delayed in 2020/21, therefore, it is due to commence in 2021/22 following the results of stock condition surveys to be carried out in the coming months.
- 3.4 The decrease in new build/acquisition expenditure relates to the re-profiling of the High View scheme which has not progressed as quickly as anticipated and is now expected to commence in 2021/22.

It is positive to note that ten acquisitions have been made so far in 2020/21 with the potential for a further ten properties to be purchased before the end of the year adding to the council's stock.

The Council will also be pursuing two further new build acquisition opportunities, which combined will deliver 14 units for affordable rent and 2 units for shared ownership purchase. The sites are at Radnor Park Road, Folkestone (14 units for rent) and Mill Farm, Hawkinge (2 units for shared ownership purchase). The opportunities have been fully tested against the

requirements of the Housing Revenue Account Business Plan. The Mill Farm units will complete in early 2021, with the Radnor Park Road units completing in the second half of 2022.

- 3.5 Due to Covid-19 and lockdown restrictions these areas of the Capital programme have seen a reduction in works completed as access to properties and social distancing are enforced. Scaled down services had resumed in some areas following the easing of lockdown measures, some of which have now ceased again during the third lockdown period. Works are not anticipated to return to planned levels and so underspends are anticipated.
- 3.6 Fire protection works in communal and external areas and re-roofing works have continued during Covid-19 lockdown and additional works have been identified which can be completed during 2020/21 and will require further budget.
- 3.7 The indicative one-off capital cost of transitioning the EKH Single System to FHDC as part of bringing the housing service back in-house is £130k.
- 3.8 The following table compares the resources required to finance the projected outturn for the HRA capital programme in 2020/21. The variation shown below corresponds to the figure in section 3.1, above.

<b>2020/21 HRA</b>	<b>1-4-1 Capital Receipts</b>	<b>Revenue Contribution</b>	<b>Major Repairs Reserve</b>	<b>Total</b>
	£'000	£'000	£'000	£'000
Projected Outturn	1,301	3,199	3,835	8,335
Approved	1,425	6,805	5,525	13,755
Variation	(124)	(3,606)	(1,690)	(5,420)

#### **4. CONCLUSION**

- 4.1 The HRA revenue outturn projection for 2020/21 forecasts £2.5m lower expenditure than the latest approved budget.
- 4.2 The HRA capital outturn projection for 2020/21 forecasts £5.4m lower expenditure than the latest approved budget.
- 4.3 The projected outturn for both the HRA revenue expenditure and capital programme for 2020/21 reflects the position based on actual expenditure and forecasts at 31 January 2021.

#### **5. RISK MANAGEMENT ISSUES**

- 5.1 A summary of the perceived risks follows:



Perceived risk	Seriousness	Likelihood	Preventative action
The latest projection of the outturn could be materially different to the actual year end position.	Medium	Medium	Areas at greater risk of variances are being closely monitored and an update will be made to Cabinet if appropriate when this report is considered to allow action to be taken.
Capital receipts (including right to buy sales) not materialising	Medium	Low	The capital programme uses realised capital receipts only.
Insufficient capacity to manage delayed expenditure along with new year programme	Medium	Medium	The 2020/21 to 2021/22 capital programme will need to continue to be reviewed to take account of the capacity to manage the programme. 2020/21 planned expenditure will need to be reviewed to determine whether any expenditure will fall into 2021/22 and beyond.

## **6. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS**

### **6.1 Legal Specialist's Comments (NE)**

There are no legal implications arising from this report.

### **6.2 Finance Specialist's Comments (LW)**

This report has been prepared by Financial Services. There are therefore no further comments to add.

### **6.3 Diversities and Equalities Implications (DA)**

The report does not cover a new service/policy or a revision of an existing service or policy therefore does not require an EIA.

## **7. CONTACT OFFICERS AND BACKGROUND DOCUMENTS**

Councillors with any questions arising out of this report should contact the following officer prior to the meeting

*Cheryl Ireland, Chief Financial Services Officer*

*Tel: 01303 853213 Email: [cheryl.ireland@folkestone-hythe.gov.uk](mailto:cheryl.ireland@folkestone-hythe.gov.uk)*

The following background documents have been relied upon in the preparation of this report:

Budget projection working papers

**Appendices:**

[Appendix 1](#) Housing Revenue Account revenue budget monitoring report at 31 January 2021

[Appendix 2](#) Housing Revenue Account capital budget monitoring report at 31 January 2021

HOUSING PORTFOLIO	LATEST APPROVED BUDGET £000	PROJECTED OUTTURN £000	VARIANCE £000	REASON
<b>INCOME</b>				
Dwelling rents	14,954	14,591	363	Estimated impact on rental income due to Covid-19 (2.5% loss)
Non-dwelling rents	342	303	39	Due to a high level of void garages
Charges for services and facilities	1,010	973	37	Estimated impact on income due to Covid-19
Contributions from general fund	52	52	0	
<b>Total Income</b>	16,358	15,919	439	
<b>EXPENDITURE</b>				
Repairs and maintenance	3,787	3,847	60	Net increase in expenditure resulting from variances within planned mainetance and reponisve repairs.
Supervision and management	4,872	5,395	523	Estimated additional part year costs of new housing structure and increased cleaning costs and other utilities
Rents, rates and taxes	22	22	0	
Depreciation charges of fixed assets	2,565	2,565	0	
Debt management expenses	0	0	0	
Bad debts provision	150	200	50	Increase based on estimated impact of Covid-19 on arrears
<b>Total Expenditure</b>	11,395	12,028	633	
<b>Net</b>	<b>(4,963)</b>	<b>(3,891)</b>	<b>1,072</b>	
HRA Share of Corporate and Democratic Costs	175	175	0	
<b>Net Cost of HRA Services</b>	<b>(4,788)</b>	<b>(3,716)</b>	<b>1,072</b>	
Interest payable	1,547	1,547	0	
Interest and investment income	(75)	(38)	37	Fall in interest rates
Premiums and discounts	0	0	0	
<b>(SURPLUS)/DEFICIT</b>	<b>(3,316)</b>	<b>(2,207)</b>	<b>1,109</b>	
<b>MOVEMENTS IN HRA BALANCE FOR 2018/19</b>				
Repayment of debt	0	0	0	
Revenue contribution to capital	6,805	3,199	(3,606)	Increased use of major repairs reserve and underspend on capital programme
Surplus/deficit for the year	(3,316)	(2,207)	1,109	
<b>(Increase)/Decrease in Net Movement in HRA Balance</b>	<b>3,489</b>	<b>992</b>	<b>(2,497)</b>	
HRA Reserve balance brought forward	(12,482)	(12,482)	0	
HRA Reserve balance carried forward	<b>(8,993)</b>	<b>(11,490)</b>	<b>(2,497)</b>	

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PORTFOLIO AND SCHEMES	LATEST APPROVED BUDGET	PROJECTED OUTTURN	VARIANCE	COMMENTS
<b>HOUSING PORTFOLIO</b>	<b>£'000</b>	<b>£000</b>	<b>£000</b>	
<b>1. Planned Improvements</b>				
Windows & Doors	250	291	41	Since transition additional resource has been supplied by Wrekin Windows allowing extra works to be completed Both flat and pitched roofing programmes have progressed well having not been affected by Covid-19 but this programme is exposing a large amount of roofing works required
Re-roofing	350	699	349	
Replacement Double Glazing Units	0	0	0	
Heating Improvements	649	419	(230)	Access to property issues during lockdown has resulted in a reduction in works First quarter of the year was lost due to Covid-19 lockdown and remobilisation since Mears crews have returned from furlough has been slow. Further impacted by access restrictions during third lockdown. Surveys are also showing replacements are not required.
Kitchen Replacements	411	101	(310)	First quarter of the year lost due to Covid-19 lockdown and remobilisation since Mears crews have returned from furlough has been slow but works have recommenced on site where possible.
Bathroom Improvements	174	144	(30)	This is the most vulnerable group that were impacted by self-isolation and shielding restrictions so works were paused during lockdown and have recommenced where possible.
Voids Capital Works	300	300	0	
Disabled Adaptations	450	288	(162)	
Sheltered Scheme upgrades	80	66	(14)	Increased projection as works include carrying out CAT 1 & 2 whilst on site in addition to smoke/heat detectors
Rewiring	485	550	65	
Contract Specification	31	8	(23)	
Lift Replacement	60	30	(30)	Communal and external works have continued. Additional works relating to fire alarms to blocks £300k and fire risk assessment works £250k have been identified. Propose to utilise available budget from areas with an underspend.
Thermal Insulation	10	10	0	
Fire Protection Works	50	593	543	
Impairment of Assets	0	0	0	No spend anticipated against this budget during 20/21. Re-start of enhanced Capital programme to commence 21/22 following results of stock condition surveys.
Enhanced Capital Programme	3,500	0	(3,500)	
	6,799	3,499	(3,300)	
<b>2. Major Schemes</b>				
External Enveloping *	350	325	(25)	
Garages Improvements	30	1	(29)	
Treatment Works	10	10	0	
Broadmead Road	0	0	0	
	390	336	(54)	
<b>3. Environmental Improvements</b>				
Environmental Works	25	4	(22)	10 acquisitions have been made so far this year with another potential 10 to be purchased and work is planned to commence on Biggins Wood. Works on High View have not progressed as quickly as anticipated and are anticipated to be delayed until 2021/22 Anticipated costs of transitioning the EKH single system to FHDC
New Paths	15	15	0	
Play Areas	10	14	4	
	50	33	(17)	
<b>4. Other Schemes</b>				
New Builds/Acquisitions	6,515	4,337	(2,179)	
EKH Single System	0	130	130	
Cash Incentive Scheme	0	0	0	
	6,515	4,467	(2,049)	
<b>TOTAL</b>	<b>13,755</b>	<b>8,335</b>	<b>(5,420)</b>	
<b>FUNDING</b>				
Major Repairs Reserve	5,525	3,835	(1,690)	
Revenue Contribution	6,805	3,199	(3,606)	
Section 106	-	-	0	
1-4-1 Capital Receipts	1,425	1,301	(124)	
<b>TOTAL FUNDING</b>	<b>13,755</b>	<b>8,335</b>	<b>(5,420)</b>	

\* This includes all items of the property structure that is external, such as roof, chimneys, gutters, fascias, eaves and repointing.

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This Report will be made public on 9 March 2021

Report Number **C/20/80**

**To:** Cabinet  
**Date:** 17 March 2021  
**Status:** Non-Key Decision  
**Head of Service:** Charlotte Spendley – Director of Corporate Services  
**Cabinet Member:** Councillor David Monk, Leader and Portfolio Holder for Finance

**SUBJECT:** GENERAL FUND CAPITAL PROGRAMME BUDGET MONITORING 2020/21

**SUMMARY:** This monitoring report provides the latest projection of the current financial position for the General Fund capital programme in 2020/21, based on expenditure to 31 January 2021, and identifies variances compared to the latest approved budget.

**REASONS FOR RECOMMENDATIONS:**

Cabinet is asked to agree the recommendations set out below because it needs to be kept informed of the General Fund capital programme position and take appropriate action to deal with any variance from the approved budget.

**RECOMMENDATIONS:**

1. To receive and note report C/20/80.

## 1. INTRODUCTION AND BACKGROUND

- 1.1 As part of the Council's normal budget monitoring process this report updates Cabinet on the current position for the General Fund capital programme in 2020/21, based on expenditure to 31 January 2021, compared to the latest approved budget. Specifically, this report;-
- i) identifies variances on planned capital expenditure for 2020/21 and explanations of these differences, and
  - ii) considers the impact any changes to the overall capital programme will have on the financing resources required to fund it.
- 1.2 Cabinet is reminded that Full Council approves a rolling five year General Fund Medium Term Capital Programme (MTCP) annually as part of the overall budget process. This monitoring report considers the latest projected expenditure for 2020/21 against the profiled budget for the year.
- 1.3 Full Council approved the latest budget for the MTCP to 31 March 2026 on 24 February 2021 (Report A/20/06 refers). This included the latest approved profiled budget of almost £20.9m for the current financial year.

## 2. CAPITAL PROGRAMME 2020/21 – PROJECTED OUTTURN

- 2.1 The latest projection for the total cost and funding of the General Fund capital programme for 2020/21 is £19,125,000 a reduction of £1,747,900 compared to the latest budget of £20,872,900. Full details are shown in Appendix 1 to this report and the following table summarises the position across the Service Units and also outlines the impact on the capital resources required to fund the programme:

<b>General Fund Capital Programme Q4 2020/21</b>	<b>Latest Budget 2020/21</b>	<b>Projection 2020/21</b>	<b>Variance Budget to Projection</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Service Units</b>			
Operations	1,781	1,220	(561)
Corporate Services	2,106	2,186	80
Housing	1,010	884	(126)
Transformation & Transition	2,599	2,064	(535)
Economic Development	0	132	132
Place	13,377	12,639	(738)
<b>Total Capital Expenditure</b>	<b>20,873</b>	<b>19,125</b>	<b>(1,748)</b>
<b>Capital Funding</b>			
Capital Grants	(1,753)	(1,894)	(141)
External Contributions	(196)	(607)	(411)
Capital Receipts	(2,010)	(1,341)	669
Revenue	(4,226)	(3,453)	773
Borrowing	(12,688)	(11,830)	858
<b>Total Funding</b>	<b>(20,873)</b>	<b>(19,125)</b>	<b>1,748</b>



2.2 The following table summarises the main reasons for the net reduction in the projected outturn compared to the latest budget:

<b>Variances – 2020/21 Latest Budget to Q4</b>			
<b>1</b>	<b>Reprofiling between 2020/21 and 2021/22</b>	<b>£'000</b>	<b>£'000</b>
i)	General Fund Property - Health and Safety Enhancements	(13)	
ii)	Public Toilets Enhancement Programme	7	
iii)	Ship Street Site Folkestone	(441)	
iv)	On Street Parking Pay & Display Machines	5	
v)	Electric Vehicles Charging Points	(40)	
vi)	Oportunitas Phase 2	80	
vii)	Land at Otterpool Lane	(275)	
viii)	Mountfield Business Hub	(335)	
ix)	Waste Contract - Acquisitions of Vehicles and Equipment	(481)	
x)	Temporary Accommodation	(200)	
			<b>(1,693)</b>
<b>2</b>	<b>Reclassification between capital and revenue</b>		
i)	Community Led Local Development ERDF Capital Projects (externally funded)	132	
			<b>132</b>
<b>3</b>	<b>Overspends</b>		
i)	Lifeline Capitalisation	10	
ii)	Otterpool Park Delivery Costs	18	
iii)	Disabled Facilities Grants (externally funded)	100	
iv)	Other small overspends	2	
			<b>130</b>
<b>4</b>	<b>Savings</b>		
i)	Beach Management 2020-2021 (externally funded)	(91)	
ii)	Transformation Project costs	(200)	
iii)	Empty Home Initiatives	(26)	
			<b>(317)</b>
	<b>Total change in overall capital programme for 2020/21</b>		<b>(1,748)</b>

2.3 As the analysis in the table above shows, the main reason for the projected variance is the reprofiling of expenditure from 2020/21 to 2021/22. Some capital schemes are more difficult to project accurately in terms of the timing of expenditure and, in some cases, the final cost. This is particularly the case with some of the property related initiatives where external factors such as negotiations over price, conveyancing and planning can have an

impact on the timing and final cost of a scheme. The Council remains on track to deliver the schemes within its overall approved Medium Term Capital Programme.

### 3. IMPACT OF PROGRAMME CAPITAL FUNDING RESOURCES

- 3.1 As summarised in section 2 of this report, the Council's projected capital expenditure for 2020/21 requires a significant level of borrowing to support it. The capital financing costs from the borrowing have been included in the Council's future budget projections. The capital schemes in 2020/21 planned to be supported by borrowing are:

	£'000
i) Otterpool Park schemes	6,745
ii) Waste Contract Vehicles	2,931
iii) Oportunitas Phase 2 funding	2,080
iv) Temporary Accommodation	200
v) Greatstone Holiday Lets	15
vi) Lower Sandgate Road Beach Huts	540
<b>Total</b>	<b>12,511</b>

- 3.2 The projected use of revenue resources to fund capital expenditure of £3.453m in the current financial year, summarised in section 2 of the report, is reflected in the latest General Fund monitoring report for 2020/21, due to be considered by Cabinet as part of this agenda.
- 3.3 The latest position regarding the council's available capital receipts to fund capital expenditure is shown in the following table:

<b>Capital Receipts Position Statement</b>	<b>£'000</b>
Total receipts in hand at 31 January 2021	(10,689)
Less:	
Committed towards General Fund capital expenditure	3,747
Committed towards HRA capital expenditure	5,781
Ring-fenced for specific purposes	78
Contingency for urgent or unforeseen capital expenditure	500
<b>Balance available to support new GF capital expenditure</b>	<b>(583)</b>

### 4. CONCLUSIONS

- 4.1 The projected outturn shown for the General Fund capital programme for 2020/21 reflects the position based on actual expenditure and forecasts at 31 January 2021.
- 4.2 The Council remains on track to deliver the schemes within its approved Medium Term Capital Programme.

### 5 RISK MANAGEMENT ISSUES

- 5.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
Capital resources not available to meet the cost of the new projects.	High	Low	Capital receipts required have already been realised for the majority of the programme. Schemes subject to future capital resources will only commence once these are realised. Schemes supported by grant funding will only commence once fully approved and committed by the relevant body. Prudential borrowing is only used for capital schemes expected to generate a net revenue benefit and/or future capital receipts
Cost of new projects may exceed the estimate.	High	Medium	Capital monitoring procedures in place allowing prompt early action to be taken to manage the risk effectively.

## 6. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

### 6.1 Legal Officer's Comments (NM)

There are no legal implications arising directly out of this report.

### 6.2 Finance Officer's Comments (LW)

This report has been prepared by Financial Services. There are no further comments to add.

### 6.3 Diversities and Equalities Implications

The report does not cover a new service or policy or a revision of either and therefore does not require an Equality Impact Assessment.

#### **6.4 Communications (KA)**

There are no communications implications arising directly out of this report.

### **7. CONTACT OFFICERS AND BACKGROUND DOCUMENTS**

Councillors with any questions arising out of this report should contact the following officer prior to the meeting

Lee Walker, Capital and Treasury Senior Specialist

Tel: 01303 853593. e-mail: [lee.walker@folkestone-hythe.gov.uk](mailto:lee.walker@folkestone-hythe.gov.uk)

The following background documents have been relied upon in the preparation of this report:

None

Appendices:

Appendix 1 – General Fund Capital Programme 2020/21 Projected Outturn

APPENDIX 1 - GENERAL FUND CAPITAL PROGRAMME 2020/21					
by Head Of Service					
Item	Scheme	Latest Approved Budget	Latest Projection	Variance	Comments
		£000	£000	£000	
	<b>Andy Blaszkowicz - Director of Housing &amp; Operations</b>				
1	Vehicle Replacement Programme	66	66	0	Two vehicles have been purchased in 20/21 as part of the replacement programme.
2	Coast Protection, Coronation Parade Folkestone	20	20	0	Scheme all externally funded. Remaining planned works are now subject to review. The cliff stabilisation works are due to take place in 2021/22 and the major rock revetment work will not proceed.
3	Coastal Protection, Greatstone dune management & study	15	15	0	Annual scheme funded by the Environment Agency
4	Beach Management 2020-2021	420	329	(91)	Beach management includes additional work undertaken in the spring of 2020. Works planned for spring 2021 are now expected to take place in April. Scheme funded by the Environment Agency
5	General Fund Property - Health and Safety Enhancements	13	0	(13)	Balance reprofiled to 2021/22
6	Lifeline Capitalisation	50	60	10	Additional expenditure to meet demand for the service.
7	Royal Military Canal Enhancements	29	30	1	Annual programme of works on target for year
8	Coronation Parade Annual Monitoring	4	4	0	Annual scheme funded by the Environment Agency
9	Public Toilets Enhancement Programme	0	7	7	Preliminary costs only. To be met from main scheme budget profiled for 2021/22.
10	Biggins Wood Site Land Remediation Works	100	100	0	Majority of work profiled for 2021/22
11	Greatstone Holiday Lets	15	15	0	Preliminary costs only
12	Ship Street Site Folkestone	441	0	(441)	General Fund share of the acquisition, site planning and preparation costs now expected to be delayed until 2021/22.
13	Hawkinge Cemetery Expansion	28	29	1	Scheme completed 20/21.
14	Lower Sandgate Rd Beach Huts	540	540	0	Loan funding to the Folkestone Parks and Pleasure Grounds Charity to meet the cost of the scheme which has now been completed.
15	On Street Parking Pay & Display Machines	0	5	5	Expenditure being met from budget originally profiled for 2021/22.
16	Electric Vehicles Charging Points	40	0	(40)	Scheme to provide on-street charging points delayed until 2021/22.
<b>Total - Head of Housing &amp; Operations</b>		<b>1,781</b>	<b>1,220</b>	<b>(561)</b>	

Item Scheme		Latest Approved Budget	Latest Projection	Variance	Comments
		£000	£000	£000	
	<b><u>Charlotte Spendley - Director of Corporate Services</u></b>				
17	PC Replacement Programme	46	46	0	On target
18	Server Replacement Programme	60	60	0	On target
19	Oportunitas Phase 2 Funding	2,000	2,080	80	Expenditure partly reprofiled from 2021/22 to support Oportunitas' capital investment plans to acquire residential units at the former Royal Victoria Hospital site in Folkestone
	<b>Total - Head of Corporate Services</b>	<b>2,106</b>	<b>2,186</b>	<b>80</b>	
	<b><u>Katharine Harvey - Head of Economic Development</u></b>				
20	Community Led Local Development (CLLD) ERDF Capital Projects	0	132	132	Folkestone Community Works reclassified as capital expenditure and met from Government Grant.
	<b>Total - Head of Economic Development</b>	<b>0</b>	<b>132</b>	<b>132</b>	
	<b><u>Ewan Green - Director of Place</u></b>				
21	Waste Contract - Acquisitions of Vehicles and Equipment	2,931	2,450	(481)	Purchase of new waste lorries. Balance to be re-profiled.
22	Acquisition of former Debenhams Building	2,340	2,340	0	Building acquired in May 2020
23	Land at Otterpool Lane	3,700	3,425	(275)	Balance reprofiled to 2021/22
24	Otterpool Park LLP Funding	1,250	1,250	0	Initial funding of Otterpool Park LLP to support the delivery of the proposed development.
25	Otterpool Park Delivery Costs	12	30	18	Further consultancy advice to support the delivery process
26	Otterpool Park Masterplanning Costs	3,144	3,144	0	
	<b>Total - Director of Place</b>	<b>13,377</b>	<b>12,639</b>	<b>(738)</b>	
	<b><u>John Holman - Head of Housing</u></b>				
27	Temporary Accommodation	200	0	(200)	The acquisition of these units is now likely to complete in early 2021/22. The £200K should be carried forward to 2021/22 along with the other approximately £320K, in the original approved budget.
28	Disabled Facilities Grants	600	700	100	Activity has increased in the second half of the year and the cost of the scheme is entirely met from Government grant. There is currently no waiting list for applications.
29	Home Safe Loans	60	60	0	On target
30	Empty Home Initiatives	150	124	(26)	The number of Empty Homes projects progressing in the district has been significant lower in 2020/21, due to the pandemic. Activity levels are predicted to return to normal in 2021/22.
	<b>Total - Head of Housing</b>	<b>1,010</b>	<b>884</b>	<b>(126)</b>	
	<b><u>Tim Madden - Head of Transition &amp; Transformation</u></b>				
31	Princes Parade Leisure Centre	250	250	0	The projection is for consultancy support towards the delivery of the overall scheme for the site. The contractor has been appointed to deliver the scheme and costs for the first phase of works to undertake site remediation and infrastructure works are likely to be incurred from April 2021.
32	FHDC Transformation	1,000	800	(200)	A reduction in the projected staffing, consultancy and ICT costs for the Council's Transformation Project. Costs capitalised under the government's 'Flexible Use of Capital Receipts' statutory guidance
33	Mountfield, New Romney - Employment Land	614	614	0	Contractor appointed and works expected to commence in March 2021. Possibility that some of the projected cost may be reprofiled to April 2021

Item Scheme		Latest Approved Budget	Latest Projection	Variance	Comments
		£000	£000	£000	
34	Mountfield, New Romney - Business Hub	735	400	(335)	Joint venture with East Kent Special Development Company. Projected expenditure for 2020/21 to be met from Magnox funding. The Council's contribution to the scheme will now be utilised in 2021/22
	Total - Head of Transition & Transformation	2,599	2,064	(535)	
TOTAL GENERAL FUND MEDIUM TERM CAPITAL PROGRAMME		20,873	19,125	(1,748)	

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This Report will be made  
public on 9 March 2021

Report Number **C/20/86**

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<b>To:</b>	<b>Cabinet</b>
<b>Date:</b>	<b>17 March 2021</b>
<b>Status:</b>	<b>Non-Key Decision</b>
<b>Head of Service:</b>	<b>Charlotte Spendley – Director of Corporate Services</b>
<b>Cabinet Member:</b>	<b>Councillor David Monk - Cabinet Member for Finance</b>

**SUBJECT: GENERAL FUND REVENUE BUDGET MONITORING – 4<sup>TH</sup> QUARTER 2020/21**

**SUMMARY:** This monitoring report provides a projection of the end of year financial position of the General Fund revenue budget, based on expenditure to the 31 January 2021.

**REASONS FOR RECOMMENDATIONS:**

Cabinet is asked to agree the recommendations set out below because it needs to be informed of the council's General Fund revenue budget position and take appropriate action to deal with any variance from the approved budget.

**RECOMMENDATIONS:**

- 1. To receive and note Report C/20/86.**
- 2. To agree to utilise up to £300k to provide interim capacity for the delivery of Corporate Priorities, that meet the conditions outlined in paragraph 2.3, to be agreed by the Head of the Paid Service in consultation with the Leader of the Council.**

## **1. INTRODUCTION AND BACKGROUND**

- 1.1 This report updates Cabinet on the likely projected outturn on the General Fund revenue budget, based on data received as at 31 January 2021.
- 1.2 General Fund projections are made against the latest approved estimate and approved virements within year to 31 January 2021.

## **2. GENERAL FUND REVENUE 2020/21 - PROJECTED OUTTURN**

- 2.1 The Quarter 4 projected outturn for service areas shows a forecast of £18,417k against the latest approved budget of £21,118k resulting in a variance of £2,701k (projected underspend).
- 2.2 When taking into account other entries such as Earmarked Reserves, Other Service Grants and Business Rates Income, the total projected outturn is a projected underspend of £1,541k. However, when taking into account the carry forward of expenditure that will be used in 2021/22 this reduces the underspend to £1,292k.
- 2.3 The Council continues to have a very ambitious agenda. Resources are required to assist the delivery of the current and emerging priorities of the Council. Due to the ongoing strong financial performance of the Council it is proposed to utilise some of the projected underspend to support the delivery of the priorities of the Council focussed on recovery at this time. Recommendation 2 of this report therefore proposes that a sum of up to £300k be allocated for flexible capacity to deliver Corporate Priorities. In order to be met from the available resources the funds will be spent only on one off items that will not have any recurring financial impact. Additionally this allocation will be used in the pursuit of agreed corporate priorities. Priority will be given to spending that can be incurred during 2021/22, in line with the recently adopted Corporate Plan, the balance of the available £300k is proposed to be allocated to an Earmarked Reserve for use during 2021/22.

2.4 The following table summarises the latest projected outturn position across the Service Units:

<b>General Fund Net Cost of Services</b>	<b>Latest Approved Budget</b>	<b>Projected Outturn</b>	<b>Variance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Finance, Strategy & Corporate Services	6,725	4,265	-2,460
Human Resources	767	669	-98
Governance & Law	2,416	2,533	117
Leadership Support	960	1,000	40
Place	5,296	5,527	231
Economic Development	1,191	1,045	-146
Planning	509	18	-491
Operations	1,190	1,743	553
Strategic Development	1,143	832	-311
Housing	1,211	751	-460
Transition & Transformation	34	34	0
<b>Sub-Total – Heads of Services</b>	<b>21,442</b>	<b>18,417</b>	<b>-3,025</b>
Unallocated Net Employee Costs	-324	0	324
<b>Total – Heads of Service</b>	<b>21,118</b>	<b>18,417</b>	<b>-2,701</b>

2.5 The main variations are shown and explained in more detail below.

	<b>£'000</b>
<b>Finance, Strategy &amp; Corporate Services</b>	
Housing Benefit/Rent Rebates – increase in payments	341
Council Tax Collection – decrease in income	398
Covid-19 grants received	-2,799
Council Tax Benefits – Covid-19 grant received	-185
Council Tax Reduction Scheme – additional grant	-162
Revenues & Benefits – DWP grant	136
Corporate Priorities	91
CLT Contingency	-249
<b>Place</b>	
Hythe Swimming Pool – decrease in income	225
Local Land Charges – decrease in income	40
Recycling & Waste – additional income	-32
<b>Economic Development</b>	
Re-Opening of High Streets	92
High Street Innovation Fund	-155
<b>Planning</b>	
Development Control – additional income from Planning Performance Agreements	-130
Development Control – additional income	-130
Building Control – decrease in income	40

<b>Operations</b>	
On Street Parking – decrease in income	65
Off Street Parking – decrease in income	490
Commercial Properties – rent reduction	151
<b>Strategic Development</b>	
Otterpool Park	-137
<b>Housing</b>	
Homelessness – increase in Housing Benefit income	-125
Temporary Accommodation – reduction in costs	-80
Savings identified in 2020/21	-500
Other small variations	-86
<b>Total – Heads of Service</b>	<b>-2,701</b>

#### Finance, Strategy & Corporate Services

Housing Benefit/Rent Rebates – the projected net overspend on Housing Benefits mainly relates to the under recovery of overpayments on rent allowances and a projected increase in rent allowance payments which is partly off-set by a decrease in Rent Rebates payments.

Council Tax Collection – due to the Courts being closed this financial year there will be a reduction in the Council Tax collection income relating to court costs.

Covid-19 grant – due to the Covid-19 pandemic the Council has received emergency funding grants and covers a wide variety of costs. These include the purchase of Personal Protective Equipment (PPE), the set-up of Community Hubs, any impact on homelessness, the loss of income from parking and Hythe Swimming Pool and to help re-open the High Streets safely. The grant aims to offset these cost pressures however, these will occur within various other service areas.

Council Tax Benefits – due to Covid-19 the Council has received a grant specifically for council tax hardship and is being used to give all Council Tax Reduction Scheme (CTRS) claimants an additional £150 discount. This grant is partially offsetting some of the loss of council tax income shown under 2.6 below against the Demand on the Collection Fund.

Council Tax Reduction Scheme – the increase in income relates to grants being received from Kent County Council (KCC) in respect of additional Support Grant and Empty Homes Incentive Fund.

Revenues & Benefits - the decrease in income relates to grants being received from Department for Work & Pensions (DWP) being lower than originally anticipated.

Corporate Priorities – As part of the 2019/20 Qtr 3 budget monitoring report that went to Cabinet in January 2020 it was agreed to utilise up to £400k of the projected underspend to provide capacity to deliver corporate priorities during 19/20 and 20/21. The funds will only be spent on one off items that will not have any recurring financial impact. Any of these funds yet to be deployed will be allocated to an Earmarked Reserve for use during 2020/21 and 2021/2022.

The initiatives and projects funded in 2020/21 are as follows:

	£'000
COVID-19 Community Hub response	100
Park enhancements (including additional bin capacity and H&S equipment improvements)	53
Additional CLLD capacity	12
Sandgate Rd Car Park – additional security measures	8
	173

Approximately £82k has already been spent within service areas and a further £91k is expected to be spent by the end of the 2020/21 financial year. Activities taking the balance have been agreed for 21/22.

CLT Contingency – although the amount held by CLT to support unanticipated in year growth pressures has been budgeted in 2020/21, it is likely the majority of the expenditure will occur in 2021/22. Therefore, a carry forward will be required into next financial year and will be part of the provisional outturn report going to Cabinet in June.

#### Place

Hythe Swimming Pool – the reduction in income relates to the closure of the pool due to Covid-19 which has been closed for the majority of the financial year.

Local Land Charges – there is a reduction in income received relating to official land charge fees which is partly off-set by a decrease in land registry fee expenditure paid to KCC.

Recycling & Waste – the increase in income relates to the continuing increase in the garden waste collection subscriptions in 2020/21.

#### Economic Development

Re-Opening of High Streets – due to Covid-19 the Council has received a grant specifically for the safe re-opening of the High Streets within the District after the initial lockdown period, and is shown above under Covid-19 grant. The expenditure relating to this is for new equipment, signage, printing and posters, etc.

High Street Innovation Fund – a budget of £3m was approved by Council in February 2019 with a view to be spent over the next few years. 2020/21 is the first year of this project and is expected to underspend and be re-profiled

into 2021/22. The expenditure is funded by earmarked reserves and shown in the table under 2.6 below.

#### Planning

Development Control – following the successful introduction of Planning Performance Agreements additional income is projected to be received in 2020/21.

Planning Application Fees – there is a projected over recovery of income based on previous years outturn and current trends in this financial year.

Building Control – there is projected to be a decrease in income within 2020/21 for building regulation fees.

#### Operations

Car Parking - income projections for both on-street and off-street parking are projected to decrease significantly in 2020/21.

Due to the Covid-19 pandemic this has had a significant impact on the collection of parking charges and has been monitored closely throughout the financial year.

Commercial Properties – there is projected to be a loss of rental income throughout the financial year due to Covid-19.

#### Strategic Development

Otterpool Park - The masterplanning costs are now classified as capital expenditure and feature in the General Fund Capital programme.

The total cost in 2020/21 for both the Developer and Local Planning Authority is projected to be £669k which will be met from the Otterpool Reserve.

#### Housing

Homelessness – there is an increase in income relating to an increase in Housing Benefit payments and repayments of rents and charges due to an increase in B&B cases during 2020/21.

Savings identified in 2020/21 – Cabinet approved an Update to General Fund Budget 2020/21 report in November which looked to address the projected overspend and the year-end deficit. It proposed to rebalance the 2020/21 budget through reductions in service budgets where the impact could be carefully managed and has a minimal impact on residents.

#### Transition & Transformation

Transformation Project - The transformation project was profiled over 2 years with 2019/20 being year 2, however, a longer tale of spend has been re-profiled into 2020/21.

Within the quarter 2 budget monitoring report the costs of the Transformation programme were shown within Revenue and funded by Capital however, a temporary statutory provision allows local authorities incurring revenue expenditure for staff transformation programmes and other similar initiatives

generating ongoing savings to be met from capital receipts received from the disposal of surplus assets. These costs are required to be classified as capital expenditure for accounting purposes. The Council expects to incur about £800k in costs for its Transformation programme in the current financial year to be met from qualifying capital receipts and this is now incorporated into the quarter 4 General Fund capital programme report also on this agenda.

2.6 Further variances below the Heads of Service total are shown below.

Interest Payable & Similar Charges

The projected overspend of £112k relates to an increase in the contribution of bad debt provision. This is consistent with the 2019/20 outturn position and allows for a slight increased impact in this financial year.

Interest and Investment Income

An increase of £61k investment interest is projected to be received mainly due to an improvement in returns from the Council's investments in externally managed pooled funds.

Other Non-Service related Government Grants

There is projected to be additional grant received of (£5,629k) which reflects net changes to Section 31 (s31) grant received from Ministry of Housing, Communities & Local Government (MHCLG) in relation to the expanded retail discount in response to Covid-19 which is to be fully funded by s31 grant. This increase in grant income off-sets the reduction in Business Rates income.

Capital Financed from Revenue

In line with the latest projected outturn position on the General Fund Capital Budget Monitoring report, the projected revenue funding of capital expenditure for 2020/21 is now £3,453k, an increase of £1,774k compared to the budget.

The main reasons for this increase is the approved additional funding of £2,340k to meet the cost of purchasing the former Debenhams store and £1,104k towards capitalised Otterpool Park masterplanning costs, partly offset by the reprofiling of £1,000k towards the redevelopment of land at Biggins Wood and £733k for the Mountfield Business Hub scheme, both of which have been delayed until 2021/22.

Movement in Earmarked Reserves

The projected movement on Earmarked Reserves of (£1,292k) is largely due to the release of (£2,470k) for the purchase of the former Debenhams store and (£835k) for the reprofiled expenditure for Otterpool Park, mainly off-set by £1,000k for the reprofiling of Biggins Wood and £733k for the reprofiling of Mountfield Business Hub with other net movements of £280k.

Reserve	Balance at 1/4/2020 £'000	Latest Budget £'000	Projection £'000	Change £'000	Balance at 31/3/2021 £'000
<b>Earmarked</b>					
Business Rates	5,699	-4,426	-3,565	861	2,134
Leisure Reserve	497	-100	50	150	547
Carry Forwards	681	-317	-317	0	364
VET Reserve	257	-50	26	76	283
Invest to Save	366	-366	-366	0	0
Maintenance of Graves	12	0	0	0	12
New Homes Bonus (NHB)	2,360	-18	-18	0	2,342
Corporate Initiatives	998	-218	-525	-307	473
IFRS Reserve	30	-23	-23	0	7
Otterpool Park Garden Town	1,570	-735	-1,570	-835	0
Economic Development	4,384	-2,239	-2,974	-735	1,410
Community Led Housing	418	-52	-52	0	366
Lydd Airport	9	0	0	0	9
Homelessness Prevention	401	0	137	137	538
High Street Regeneration	3,000	-468	-1,053	-585	1,947
Climate Change	0	5,000	4,947	-53	4,947
<b>Total Earmarked Reserves</b>	<b>20,682</b>	<b>-4,012</b>	<b>-5,303</b>	<b>-1,291</b>	<b>15,379</b>

#### Business Rates Income

Business Rates income has decreased by £5,877k compared to budget. This relates to a reduction in business rates income due to the additional reliefs awarded as part of the expanded retail discount announced by the Government in response to Covid-19 which is compensated by the increase in s31 grant and an increase in the provision for bad debts based on the estimated impact on the collection rate during the year.

#### Demand on the Collection Fund

The reduction in Council Tax income of £379k relates to additional reliefs awarded as a result of Covid-19 and the estimated impact on the collection rate during the year.

- 2.7 With the above variances added to the service areas favourable variance of £2,701k, the overall position for the general fund shows a projected underspend of £1,541k, however when taking into account the carry forward of expenditure that will be used in 2021/22 this reduces the underspend to £1,292k.

### **3. CONCLUSIONS**

- 3.1 The projected outturn shown for the General Fund revenue account for 2020/21 reflects the position based on actual expenditure and forecasts at 31 January 2021. The provisional outturn will be reviewed and reported to Cabinet in June 2021.



#### 4. RISK MANAGEMENT ISSUES

4.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
MTFS becomes out of date	High	Low	The MTFS is reviewed annually through the budget process
Assumptions may be inaccurate	High	Medium	Budget monitoring is undertaken regularly and financial developments nationally are tracked. Assumptions are regularly reviewed

#### 5. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

5.1 **Legal Officer's Comments** (NM)

There are no legal implications arising directly out of this report.

5.2 **Finance Officer's Comments** (LH)

This report has been prepared by Financial Services. There are therefore no further comments to add.

5.3 **Diversities and Equalities Implications**

The report does not cover a new service/policy or a revision of an existing service/policy and therefore does not require an Equity Impact Assessment.

#### 6. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councilors with any questions arising out of this report should contact the following officer prior to the meeting

*Leigh Hall, Case Management Lead (Corporate Services)*

*Telephone: 01303 853231 Email: [leigh.hall@folkestone-hythe.gov.uk](mailto:leigh.hall@folkestone-hythe.gov.uk)*

The following background documents have been relied upon in the preparation of this report:

Budget projection working papers.

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