Agenda

Meeting: **Cabinet**
Date: **23 June 2021**
Time: **5.00 pm**
Place: **Council Chamber - Civic Centre Folkestone**

To: **All members of the Cabinet**

All Councillors for information

The cabinet will consider the matters listed below on the date and at the time and place shown above.

Due to current social distancing guidelines, only 6 seats are available for members of the public at meetings in the Council Chamber. These seats will be reserved for those speaking or participating at the meeting, and the remaining available seats will be given on a first come, first served basis.

Members of the public are encouraged to view the meeting online if they are not to address the meeting. Meetings will be streamed live to the internet, and can be viewed at: https://folkestone-hythe.public-i.tv/core/portal/home.

Further information on attending council meetings can be found at Advice for public attendance

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.

Queries about the agenda? Need a different format?

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Email: committee@folkestone-hythe.gov.uk or download from our website
www.folkestone-hythe.gov.uk

Date of Publication: Tuesday, 15 June 2021

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

To consider and approve, as a correct record, the minutes of the meeting held on 26 May 2021.

4. **Oportunitas Progress report 2021 (up to 31 March 2021) (Pages 13 - 30)**

This report provides an update from the Board of Oportunitas Ltd ("the company") on its provisional financial outturn and activities undertaken for the financial year ending 31 March 2021 and is in-line with the requirement contained in the Shareholder's Agreement between the company and the Council. The chairman of Oportunitas will be available at the meeting to present the report and address any questions.

5. **Annual performance report (Pages 31 - 72)**

This report sets out how the Council has delivered for local people in the district in 2020-21 in response to the previous Corporate Plan (2017-20) vision of *investing for the next generation ~ delivering more of what matters.*

6. **General Fund Capital Programme Outturn 2020/21 (Pages 73 - 88)**

This report summarises the 2020/21 final outturn position (subject to audit) for the General Fund capital programme compared to the latest approved budget. The report also summarises the outturn position for the approved prudential indicators for capital expenditure in 2020/21.

7. **HRA Revenue & Capital 2020/21 Provisional Outturn (Pages 89 - 100)**

This report summarises the 2020/21 provisional outturn position (subject to audit) for the HRA revenue expenditure and HRA capital programme compared to both the latest approved budget and quarter 4 projections.

8. **General Fund Revenue 2020/21 Provisional Outturn (Pages 101 - 112)**

This report summarises the 2020/21 final outturn position (subject to audit) for the General Fund revenue expenditure compared to both the latest approved budget and quarter 4 projections.

9. **Customer Access Point (CAP) (Pages 113 - 122)**

The paper considers the establishing of a Customer Access Point initially within the Civic Offices and subsequently within Folca in Folkestone town centre. It considers the nature of the service provision and also updates members as to progress of discussions with the Department of Works and Pensions (DWP).

10. **Romney Marsh Coastal Destination including Beach Chalet Project (Pages 123 - 138)**

The Marsh coastal areas are much loved throughout the summer season and welcome large numbers of tourists as well as providing recreational space to local residents. Like all areas of Folkestone & Hythe's District, numbers have increased year on year and increasingly during the Pandemic. Managing these numbers, whilst actively promoting and supporting the areas moving forward is important.

It details the request for an additional £518,000 in capital funding to deliver the proposed project consisting of beach huts, toilet facilities including a changing places toilet, a concession/café, car parking facilities and public realm improvements that will link with New Romney Town Councils "The Green" area to create a true visitor destination. The project also delivers a surplus revenue to the council from year one and continuing throughout the 25 year lifetime of the scheme.

11. **Otterpool Park Garden Town - Planning Application Handling (Pages 139 - 150)**

This report sets out for approval, proposed updates to the administrative arrangements for the handling of the planning application for Otterpool Park Garden Town following a recent court case and makes a recommendation for future handling arrangements.

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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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Folkestone & Hythe District Council

Minutes

Cabinet

Held at:	Council Chamber - Civic Centre Folkestone
Date	Wednesday, 26 May 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:	Andy Blaszkowicz (Director of Housing and Operations), Alastair Clifford (Operations Lead Specialist), Ewan Green (Director of Place), Jonathan Hicks (Performance Specialist (Business Insight Manager)), John Holman (Assistant Director of Housing), Amandeep Khroud (Assistant Director), Susan Priest (Chief Executive), Charlotte Spendley (Director of Corporate Services) and Jemma West (Committee Service Specialist)
Others Present:	Councillor McConville.

NOTE: All decisions (except for the decision at Minute No 7, which is exempt under paragraph 7 (call in and urgency) of part 7 (Overview and Scrutiny Rules and Procedures) of the constitution) are subject to call-in arrangements. The deadline for call-in is 7 June 2021 at 5pm. Decisions not called in may be implemented on 8 June 2021.

1. **Declarations of Interest**

There were no declarations of interest at the meeting.

2. **Minutes**

The minutes of the meeting held on 14 April 2021 were submitted, approved and signed by the Chairman.

3. **Corporate Complaints Policy**

The report outlined proposed changes to the Customer Feedback & Complaints Policy; primarily detailing suggested amendments to the investigation process in

relation to Stage 2 complaints. These changes were proposed in order to ensure greater resource efficiency is built into in the complaints process, thereby improving customer service, whilst ensuring that investigations are consistently dealt with in a most robust and transparent way.

The report proposed the inclusion of minor additions to the content of the policy, including the appropriate references to complaints regarding the housing service and the early resolution process, which are not currently referenced in the policy.

Alongside this, the report also proposed, in line with Ombudsman best practice, the adoption of a Corporate Reasonable Adjustment Policy and requests for some minor alterations to be made to the Persistent & Unreasonable Complainants Policy. The report also outlined an annual audit process which will be put in place to monitor the quality and effectiveness of the proposed new policy.

Proposed by Councillor Field,
Seconded by Councillor Peall; and

RESOLVED:

1. That the report C/21/02 be received and noted.

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

2. That the following policies be approved:
- Customer Feedback & Complaints Policy

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

- Persistent & Unreasonable Complainants Policy

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

- Reasonable Adjustment Policy

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

3. That delegated authority be given to the Director of Place, in consultation with the Cabinet Member for Digital Transformation, to approve minor amendments to the above policies in the future, and to bring substantive changes back to Cabinet for approval as necessary.

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

REASONS FOR DECISION:
Cabinet was asked to consider and approve the proposed amendments which will lead to the changes in the Corporate Complaints Policy being implemented.

4. **Housing Compliance policies**

The report sought approval for six policies in relation to Housing Landlord Health and Safety Compliance, updated to reflect Folkestone and Hythe District Council's operational structures.

A Cabinet Member requested that that the compliance audit report be brought before Cabinet along with the next quarterly performance report.

Proposed by Councillor Godfrey,
Seconded by Councillor Peall; and

RESOLVED:

1. **That report C/21/03 be received and noted.**
2. **That the Housing Compliance policies be approved in relation to: Asbestos; Electrical Safety; Fire Safety; Gas and heating Safety; Lift Safety; Water Safety (see Appendices 1 to 6 of the report).**
3. **That delegated authority be given 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 Compliance policies in the future.**

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

REASONS FOR DECISION:
As the Housing Service has returned to the Council, it is of vital importance that these policies reflect the operational structure of the new service and that responsibilities for ensuring compliance are clearly identified within each policy.

5. **Progress report for the installation of new public conveniences and kiosk at the Lower Leas Coastal Park**

The report set out the proposal for the agreed capital funding for a new kiosk and toilet block to be provided at the Lower Leas Coastal Park.

A Member requested an additional recommendation be considered relating to the installation of solar PV on the new toilet block.

Proposed by Councillor Collier,
Seconded by Councillor Wimble; and

RESOLVED:

1. **That report C/21/05 be received and noted.**
2. **That the proposed project plan for delivery of new public conveniences and kiosk be agreed.**
3. **To explore the potential of alternative energy sources for the toilet block.**

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

REASONS FOR DECISION:

Cabinet was asked to agree the proposal and project plan in order to deliver new enhanced facilities for the park to cater for high demand.

6. **Progress report for the refurbishment of public conveniences**

The report provided an update on the proposed Capital Programme project for the refurbishment of Public Conveniences across Folkestone and Hythe. The Engineering and Buildings team have undertaken condition surveys for all toilet blocks and identified areas of improvement for each. Four priority PC's have been identified for refurbishment, Pleydell Gardens Folkestone, Somerset Road Cheriton, Dymchurch High Street and Station Road Lyminge.

An addendum to the report, setting out several amendments, had been circulated to Members prior to the meeting.

Proposed by Councillor Collier,
Seconded by Councillor Wimble; and

RESOLVED:
1. **That report C/21/04 be received and noted.**
2. **That the agreed programme of works be noted.**

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

REASONS FOR DECISION:
Cabinet were asked to note the survey work completed across the toilet block assets and the programme of work that has been designed for improvements to the identified blocks in 21/22.

7. **Urgent Decision: Connect 38 - Addition of CAT A works to General Fund Capital Programme**

In May 2019, Folkestone and Hythe District Council purchased the investment property known as Connect 38 in Ashford, Kent. At that time, the first floor and part of the second floor were vacant and required finishing to a Category A (CatA) specification before leasing out. Unfortunately this space remained vacant as a result of low interest in office space through the Covid pandemic.

Recently however there has been a resurgence of interest in office space and the council has agreed draft heads of terms with a potential new tenant who requires occupation by 30 July 2021. Therefore the CatA works to the second floor need to be undertaken immediately to enable this deadline to be met. Urgent approval is now required to modify the Council's capital programme to allow the CatA works to be undertaken in order to let the vacant space.

Proposed by Councillor Collier,
Seconded by Councillor Monk; and

RESOLVED:
1. **That report C/21/07 be received and noted.**

2. **That £400,000 be added to the General Fund capital programme to allow the necessary Cat A works to the Connect 38 building to be met from monies received under the legal agreement for the original property acquisition (held in the Capital Grants and Contributions Unapplied Reserve).**
3. **That this matter will be reported to Full Council at the next available opportunity.**

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

Please note, the decision noted above is exempt from call-in under paragraph 7 (call in and urgency) of part 7 (Overview and Scrutiny Rules and Procedures) of the constitution.

REASONS FOR DECISION:

1. There is currently no budget approved in the Council's General Fund capital programme for the CatA works. However, the £400,000 monies identified for the original works is held in an earmarked reserve and available to spend for this purpose.
2. This is an urgent requirement to secure a deal to lease part of the vacant space at Connect 38 by 30 July 2021. Cabinet is requested to approve the budget for the CatA works to be added to the General Fund capital programme.

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Report Number **C/21/12**

To: **Cabinet**
Date: **23 June 2021**
Status: **Non-Key Decision**
Director: **Andy Blaszkowicz, Corporate Director – Housing & Operations**
Cabinet Member: **Councillor David Monk, Leader of the Council**
Oportunitas Chairman: **Councillor Patricia Rolfe**

SUBJECT: OPORTUNITAS PROGRESS REPORT 2020/21 (UP TO 31 MARCH 2021)

SUMMARY: This report provides an update from the Board of Oportunitas Ltd ("the company") on its provisional financial outturn and activities undertaken for the financial year ending 31 March 2021 and is in-line with the requirement contained in the Shareholder's Agreement between the company and the Council. The chairman of Oportunitas will be available at the meeting to present the report and address any questions.

REASON FOR RECOMMENDATIONS:

Cabinet is asked to agree the recommendations set out below because:-

a. Oportunitas Ltd ("the company") is required to provide regular updates to Cabinet as set out in the Shareholder's Agreement between the company and the Council.

RECOMMENDATIONS:

1. **To receive and note report C/21/12.**
2. **To note the provisional financial outturn for Oportunitas Ltd for the period from 1 April 2020 to 31 March 2021.**
3. **To note and approve the disposal of land adjacent to 84 Leyburne Road, Dover and provide delegated authority to the Director of Housing & Operations to proceed with the sale achieving best value for the company.**
4. **To approve the waiving of clause 3.3 defined in the fixed charge (set out in section 4.8 of this report) on proceeds raised from a potential sale of land adjacent to 84 Leyburne Road, Dover and authorise the company to retain it for future investment purposes.**

1. BACKGROUND

1.1 The report sets out the company's provisional financial outturn position for the year ending 31 March 2021 and also sets out the progress made over this period regarding its property portfolio and trading activity.

1.2 The report is a requirement of the Shareholder's Agreement between the company and the Council.

2 INVESTMENT PROPERTY PORTFOLIO UPDATE

2.1 The company's current property portfolio consists of 38 residential units and 1 commercial unit and there have been no changes to this during the past year. The existing property portfolio is summarised in the table below:

Address	**Units**	**Type**
Walter Tull Way, Folkestone	5	2 x 1 bed units 2 x 2 bed units 1 x 3 bed unit
2 Grove Terrace, Dover Road, Folkestone	1	1 x 4 bed unit
15 Grace Hill, Folkestone	5	5 x 1 bed units
15 Grace Hill, Folkestone	1	1 x commercial unit
82 - 84 Leyburne Road, Dover	8	8 x 2 bed units
19 Castle Hill Avenue, Folkestone	10	9 x 1 bed units 1 x 2 bed unit
84 Sidney Street, Folkestone	4	3 x 1 bed units 1 x 2 bed unit
1 Claremont Road, Folkestone	5	5 x 1 bed units
Total	**39**	

2.2 The property portfolio has been revalued as at 31 March 2021 resulting in a rise from £4.85m to almost £5.2m, an increase of £0.34m or 7% over the year. This now includes a separate valuation of £56k for a parcel of land at 84 Leyburne Road, Dover that has the potential to be marketed as a separate building plot. Excluding the separate parcel of land at 84 Leyburne Road, the existing property portfolio has seen its value increase by £0.287m or 5.9% over the year. A schedule of the latest valuations for the company's property portfolio is shown in appendix 1 to this report

2.3 All properties are currently tenanted with the exception of three units that will be undergoing repairs at Claremont Road and Castle Hill Avenue in Folkestone and Leyburne Road in Dover. Where vacancies have occurred the company's agents have worked hard to minimise void periods. The company uses Smith Woolley as its main managing agent for the property portfolio. However, two properties at Walter Tull Way remain being managed by Reeds Rains as it would not be advantageous to Oportunitas to alter this agreement at this time. Management of all the assets within the company will, however, be kept under regular review.

2.4 In the aftermath of compliance issues identified at East Kent Housing for the Council's housing stock, the company introduced a property safety register to document key areas of safety compliance across its property portfolio

including, but not limited to, gas, fire, electrical and legionella. The register is continually reviewed with both managing agents and then shared with members of the board on a monthly basis. The March 2021 position of the register in identifies no compliance issues within the portfolio.

2.5 **Rental Arrears**

2.5.1 Tenants rent arrears has increased slightly over the past year from £19.5k to almost £21k at 31 March 2021. A further £10k bad debts provision has been made in the accounts to cover the rent arrears meaning almost £19k remains set-a-side for this at 31 March 2021.

2.5.2 Over the past year the company has reviewed and tightened its procedures with its managing agents for dealing with arrears and also adopted a new Debt Management Policy to clarify these arrangements.

2.5.3 However, temporary legislative changes introduced by the Government under the Coronavirus Act 2020 to protect tenants over the period of the pandemic, coupled with the closure or restricted access to the Courts over the past year, has restricted the ability of the company to formalise action against tenants with significant arrears.

2.5.4. The company has the ability to decide on case by case basis, the appropriate course of action to take in recovering any arrears through either an established repayment plan or Section 8/Section 21 notices.

2.5.5 The difference between Section 8 and Section 21 are as follows:

- **Section 8 ('Notice to Quit'):** Also known as a "section 8 possession notice" is used to terminate an Assured Shorthold Tenancy Agreement (AST), and can be used at any time during a tenancy. Rent arrears are the most common cause of a section 8 notice.

- **Section 21 ('Notice of Possession'):** This notice is served to end a tenancy agreement, and requires no other reason for serving the notice other than they want the tenant to vacate.

2.5.6 At 31 March 2021 there are six cases where tenants have rent arrears of more than one month, including one former tenant. The managing agent is in regular contact with the existing tenants regarding their arrears and they are currently paying at least their basic monthly rent with some making additional payments towards their arrears. The position is being closely monitored and action may be taken by the company, using the Council's Legal Services team in conjunction with the managing agents, to commence possession proceedings against individual tenants in arrears.

2.6 Royal Victoria Hospital Development

2.6.1 Works on Phase A of the Royal Victoria Hospital Development that will bring forward a total of 18 units has continued to progress throughout the year against the backdrop of the coronavirus restrictions. The site has been subjected to quarterly inspections from an appropriately qualified member of the Council's estates team to document the project's development

progress to provide technical assurance and to ensure the company is satisfied with the works before contractual tranche payments are released against an agreed schedule. Progress updates and photos from site inspections have also been presented to board members on a quarterly basis, who have concluded that significant progress has been made on the project during the year.

2.6.2 The last inspection of Phase A carried out within 2020-21 financial year was conducted in March 2021 and highlights the following progress:

- External masonry superstructure alterations and roofing now 95% completed
- Installation of Windows and external doors now 90% completed
- Plastering now 100% completed on first and second floors and in progress within the basement area.
- Heating systems, Kitchens, bathrooms, joinery, decorations 80% completed on second and first floors and in progress within the basement area.

2.6.3 Phase A of the RVH development is still on course to complete in the late summer 2021 as set out in the business plan and a future site visit by the board is to be scheduled in the coming months as national coronavirus restrictions continue to ease. At the 31 March 2021 the company has paid just over £2.5m in deposits and staged payments to the contractor, RVH Folkestone Limited, towards Phases A and B of the development.

2.6.4 Work has commenced to develop a marketing strategy for the letting of the 18 Phase A units with the aspiration of having tenants in place as soon as the property is handed over to the company.

3. PROVISIONAL FINANCIAL OUTTURN FOR 2020/21

3.1 The company's provisional financial outturn for the year ending 31 March 2021, including a commentary on the accounts, was reported to the Board on 24 May 2021 and is shown in appendix 2 to this report. The accounts are subject to an independent Audit which has yet to take place.

3.2 **Profit and Loss Account** – In summary the key points from the company's Profit and Loss Account are:

i) Profit before tax of £252k including the unrealised property valuation gain of £343k

ii) Excluding valuation gain, an operating loss of £91k has been made and is broadly in line with expectations

iii) Majority of turnover is from residential property lettings

iv) Grounds maintenance income is now limited to a small amount of activity mainly for tree works

v) Return from the new investment in the RVH scheme required to make the company financially sustainable over the medium term

3.3 **Balance Sheet** – The key points from the company's Balance Sheet are:

i) A further £1.227m has been paid towards the RVH scheme in 2020/21 making a total of £2.502m

ii) The Council's equity investment in Oportunitas to support the RVH acquisition has increased from £1.79m to £3.87m

3.4 **Shareholder Benefit** – The gross shareholder benefit to the Council from its interest in the company during 2020/21 amounted to £287k. However, the equity investment of £3.87m has been met from prudential borrowing and this has incurred a capital financing cost estimated to be £57k reducing the net shareholder benefit to the Council to £230k.

4. 84 Leyburne Road – Disposal of Land

4.1 The company purchased 82-84 Leyburne Road, Dover in December 2016 for £810k. The properties are two Victorian terrace houses comprised of 8 x 2 bedroom units and detached garage unit that is currently rented for £60pcm.

4.2 The company secured planning permission in 2019 from Dover District Council to redevelop the land of the existing garage unit at 84 Leyburne Road, Dover into a two-storey, two bedroom, single dwelling (DDC Planning ref: 19/0019). The project to redevelop this land was decided not be pursued by company following a review of its strategic direction in the summer of 2019 that concluded the company's focus should be on projects that would generate higher commercial rates of return for the shareholder, notably the Royal Victoria Hospital scheme.

4.3 In early 2021, the company was approached by an external party who has expressed an interest in purchasing the land with the intention to develop it in the same manner the company originally secured planning permission for back in 2019, albeit with their own design improvements. The land has been subject to formal valuation undertaken by Sibley Parres that confirms the plot size to be 158.78 sqm (1,698 sq ft) and concludes its market value to be £56k.

4.4 The valuation report sets the context of the land as an urban site situated within a street comprised of blocks of flats and terraced housing. On its east side its immediately adjacent to 82 and 84 Leyburne Road and on the west side adjoins a site which has planning consent for 3 bedroom detached house which is adjacent to 86 Leyburne Road which has recently been converted from a single dwelling into a pair of four bedroomed semi-detached houses. This site is located half a mile north of Dover Town Centre as well as a mile from both Eastern and Western docks.

4.5 In the context of the local residential property market, the valuation report highlights there has been a shortage and good demand for small building plots such as this and in terms of local prices, the average price of semi-

detached and detached houses within the Dover District has risen by 10% according to UK House Price Index between the period January 2020 – February 2021. Prices have increased as a result pent up demand caused by the first coronavirus lockdown and the extension of the government freeze on stamp duty on properties sold up to the value £500,000 that has been extended 30th June 2021.

4.6 The sale of this land is not included within the scope of the company's current business plan covering the 2020-22 period, therefore this report seeks cabinet approval as per recommendation three to approve the disposal of land adjacent to 84 Leyburne Road, Dover with delegated authority being provided to the Director of Housing & Operations to proceed with the sale to achieve best value for the company.

4.7 Further work is to be undertaken on determining rights that will need to be reserved by company within the potential transfer and this will be worked up into a Land Registry compliant plan that will ensure essential access is maintained to 84 Leyburne Road in case of emergency or any future maintenance works associated with this property.

4.8 In relation to any proceeds arising from sale of this land, there is a fixed charge over 82-84 Leyburne Road established between the company and the council that governs this and proceeds arising from sale under the fixed charge would appear to belong to the Council as lender by virtue of clause 3.3:

> *The Borrower agrees that the security granted by it in this Fixed Charge shall be a continuing security in favour of the Lender extending to all beneficial interests of the Borrower in the assets hereby charged and to any proceeds of sale or other realisation thereof or of any part thereof.*

4.9 In light of the fixed charge stating that the proceeds of sale should be returned to the Council, Cabinet is asked as per recommendation four of this report to consider the waiving of clause 3.3 defined within the fixed charge on proceeds raised from a potential sale of this land and authorise the company to retain it for a future investment purposes.

5. Website Update

5.1 The current Oportunitas website was established back in 2014 with very minimal content that currently features: a brief statement about the Company's objective, names of Company board members and its supporting officers as well as a contact form to submit enquiries to the company.

5.2 A new website design has been worked up throughout the year in order to improve the overall presence of the company and information about its trading activities and partners. The board has been kept up to date on the development of the new website through quarterly board meetings and have provided feedback on changes they would like to see integrated into the design.

5.3 The latest version of the website design was presented to the meeting of the board on 24th May 2021, where it was concluded that the launch of a new website should be delayed until later in the summer to allow for further work to be developed around a wider marketing strategy and supporting materials for Phase A of the Royal Victoria Hospital development that can be integrated into the company's new website design to promote and signpost any perspective interest to Smith Woolley as the marketing agent.

6. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

6.1 **Legal (NM)** – The power for councils to trade their services for cost recovery only has been in force for many years. The power for councils to establish companies to trade for profit is set out in the Localism Act 2011. The company model provides a mechanism for local councils to operate more commercially and generate profit.

Officers have taken specialist legal advice from Bevan Brittan and will continue to work with these external legal advisers as and when the need arises.

6.2 **Finance (LW) –** This report has been prepared in conjunction with Financial Services and there are no further comments to add.

6.3 **Diversities and Equalities (GE) –** There are no diversity or equalities implications arising from this report.

6.4 **Communications (KA)** - There are no communications implications arising from this report.

7. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

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

Lee Walker, Capital & Treasury Senior Specialist
Telephone: 01303 853593
Email: lee.walker@folkestone-hythe.gov.uk

Gavin Edwards, Performance & Improvement Specialist
Telephone: 01303 853536
Email: gavin.edwards@folkestone-hythe.gov.uk

Appendices

Appendix 1: Oportunitas Property Portfolio Valuation Schedule 31 March 2021

Appendix 2: Oportunitas Limited Financial Outturn 2020/21 (subject to audit)

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Appendix 1

Oportunitas Limited Property Schedule - Revaluation as at 31 March 2021

ITEM NUMBER	ASSET REFERENCE	PROPERTY ADDRESS	DESCRIPTION	PREVIOUS VALUATION 31/03/2020	VALUATION AT 31/03/2021	Increase %
1	AR0001	Flat 1, 2 Walter Tull Way, Folkestone	1 bed flat	£151,000	£159,500	5.629%
2	AR0002	Flat 2, 2 Walter Tull Way, Folkestone	1 bed flat	£144,500	£152,500	5.536%
3	AR0003	4 Walter Tull Way, Folkestone	2 bed house	£216,500	£236,500	9.238%
4	AR0004	6 Watler Tull Way, Folkestone	2 bed house	£216,500	£236,500	9.238%
5	AR0005	16 Walter Tull Way, Folkestone	3 bed house	£236,700	£258,500	9.210%
6	AR0006	2 Grove Terrace, Folkestone	4 bed house	£202,000	£220,000	8.911%
7	AR0007a	Flat 1, 15 Grace Hill, Folkestone	1 bed flat	£102,700	£108,500	5.648%
8	AR0007b	Flat 2, 15 Grace Hill, Folkestone	1 bed flat	£102,700	£104,500	1.753%
9	AR0007c	Flat 3, 15 Grace Hill, Folkestone	1 bed flat	£99,100	£104,500	5.449%
10	AR0007d	Flat 4, 15 Grace Hill, Folkestone	1 bed flat	£93,500	£98,750	5.615%
11	AR0007e	Flat 5, 15 Grace Hill, Folkestone	1 bed flat	£93,500	£98,750	5.615%
12	AR0007f	Commercial Unit, 15 Grace Hill	Office space	£81,000	£81,000	0.000%
13	AR0008a	Flat 1, 82 Leyburne Road, Dover	2 bed flat	£103,250	£108,000	4.600%
14	AR0008b	Flat 2, 82 Leyburne Road, Dover	2 bed flat	£120,000	£125,750	4.792%
15	AR0008c	Flat 3, 82 Leyburne Road, Dover	2 bed flat	£120,000	£125,750	4.792%
16	AR0008d	Flat 4, 82 Leyburne Road, Dover	2 bed flat	£114,500	£120,000	4.803%
17	AR0009a	Flat 1, 84 Leyburne Road, Dover	2 bed flat	£103,250	£108,000	4.600%
18	AR0009b	Flat 2, 84 Leyburne Road, Dover	2 bed flat	£120,000	£125,750	4.792%
19	AR0009c	Flat 3 84 Leyburne Road, Dover	2 bed flat	£120,000	£125,750	4.792%
20	AR0009d	Flat 4, 84 Leyburne Road, Dover	2 bed flat	£114,500	£120,000	4.803%
21	AR0009e	Building Plot 84 Leyburne Road, Dover	Land	£0	£56,000	n/a
22	AR0010a	Flat 1, 19 Castle Hill Avenue, Folkestone	1 bed flat	£133,500	£141,000	5.618%
23	AR0010b	Flat 2, 19 Castle Hill Avenue, Folkestone	1 bed flat	£143,750	£152,000	5.739%
24	AR0010c	Flat 3, 19 Castle Hill Avenue, Folkestone	2 bed flat	£176,000	£186,000	5.682%
25	AR0010d	Flat 4, 19 Castle Hill Avenue, Folkestone	1 bed flat	£138,500	£146,000	5.415%
26	AR0010e	Flat 5, 19 Castle Hill Avenue, Folkestone	1 bed flat	£133,500	£141,000	5.618%
27	AR0010f	Flat 6, 19 Castle Hill Avenue, Folkestone	1 bed flat	£133,500	£141,000	5.618%
28	AR0010g	Flat 7, 19 Castle Hill Avenue, Folkestone	1 bed flat	£122,750	£129,500	5.499%
29	AR0010h	Flat 8, 19 Castle Hill Avenue, Folkestone	1 bed flat	£122,750	£129,500	5.499%
30	AR0010i	Flat 9, 19 Castle Hill Avenue, Folkestone	1 bed flat	£117,250	£124,000	5.757%
31	AR0010j	Flat 10, 19 Castle Hill Avenue, Folkestone	1 bed flat	£117,250	£124,000	5.757%
32	AR0011a	Flat 1, 84 Sidney Street, Folkestone	2 bed flat	£115,000	£121,500	5.652%
33	AR0011b	Flat 2, 84 Sidney Street, Folkestone	1 bed flat	£97,500	£103,000	5.641%
34	AR0011c	Flat 3, 84 Sidney Street, Folkestone	1 bed flat	£97,500	£103,000	5.641%
35	AR0011d	Flat 4, 84 Sidney Street, Folkestone	1 bed flat	£85,250	£90,000	5.572%
36	AR0012a	Flat 1, 1 Claremont Road, Folkestone	1 bed flat	£87,250	£92,250	5.731%
37	AR0012b	Flat 2, 1 Claremont Road, Folkestone	1 bed flat	£97,500	£103,000	5.641%
38	AR0012c	Flat 3, 1 Claremont Road, Folkestone	1 bed flat	£97,500	£103,000	5.641%
39	AR0012d	Flat 4, 1 Claremont Road, Folkestone	1 bed flat	£80,100	£84,500	5.493%
40	AR0012e	Flat 1a, 1 Claremont Road, Folkestone (formerly Flat 5)	1 bed flat	£101,000	£106,750	5.693%
				£4,852,550	£5,195,500	7.067%
					£342,950	

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Appendix 2

Oportunitas Board Meeting 24 May 2021

Oportunitas Limited Financial Outturn for 2020/21 (Subject to Audit)

Prepared by Lee Walker

1. Introduction

1.1 This paper provides a summary of the provisional financial outturn position for the company for the year ending 31 March 2021. The Profit and Loss Account and the Balance Sheet are subject to an independent Audit.

1.2 The Board will be separately asked to consider and approve the audited accounts for the year ending 31 March 2021 later this year.

2. Profit and Loss Account 2020/21

2.1 The Profit and Loss Account for the year ending 31 March 2021 is shown in appendix 1 to this paper. This includes a variance analysis comparing the outturn to the original forecast for the year and comparative information for the previous financial year.

2.2 The company has made a profit before taxation of £252k including an unrealised valuation gain of £343k on its property portfolio.

2.3 Excluding the valuation gain, the company has made an operating loss of £91k for the financial year. The loss is about £18k lower than originally forecast with the main reason being a deferral of 50% of a loan arrangement fee (£12.5k) until 2021/22 when the first utilisation of the new loan is expected.

2.4 The majority of the company's turnover of £269k has been from its residential property lettings activity (£254k). The rental income is £15k lower than originally forecast and is mainly due to a higher level of void periods than originally anticipated. However, this has been offset by a similar reduction in the costs of operating the housing stock.

2.5 A £10k bad debt provision has been made for rental income arrears and is in line with the forecast for the year. At 31 March 2021 the company is owed £21k in rent arrears of which £18k is for sums owing for more than one month.

2.6 The company's grounds maintenance activity has been in line with the forecast and is now focused on undertaking tree works rather than general gardening services. The company receives a net income of 20% over the cost of the work undertaken by the contractor, the Council's Grounds Maintenance team.

2.7 As the Board are aware, the company's trading activities currently do not generate a sufficient surplus to meet its full operating cost including the loan interest and overheads. This is being addressed with the additional investment of £6.9m being made by the Council to support the company's acquisition of 37 new residential units at the former Royal Victoria Hospital (RVH) site in Folkestone. Once fully operational the new units will allow the company to become financially sustainable over the medium term and continue to provide a return to the Council.

2.8 The deferred Corporation Tax is based on the unrealised profit from the property valuation gains and will only start to become payable when the company makes an operating profit or should any assets be sold.

3. Balance Sheet at 31 March 2021

3.1 The Balance Sheet for the year ending 31 March 2021 with comparative information for the previous financial year and supporting notes is shown in appendix 2 to this paper.

3.2 The key issues to highlight from the Balance Sheet are:

i) The company has made further payments in 2020/21 of £1.227m towards the acquisition of units for the RVH scheme meaning £2.502m has now been paid in advance for this.

ii) The Council's equity investment in the company has increased by £2.08m to £3.87m to support the acquisition of the RVH scheme.

iii) The bank balance has increased by £0.74m to £0.95m and is mainly due to the Council's equity investment being held towards future payments for the RVH scheme.

4. Shareholder Benefit

4.1 The gross shareholder benefit to the Council from Oportunitas for 2020/21, with comparative information for 2019/20, is shown in the table below:

	2019/20		**2020/21**
	Actual		**Actual**
	£		**£**
Interest received	-172,561		**-209,936**
Cost reimbursement			
Staff Cost	-24,000		**-27,907**
Members Allowances	-8,923		**-9,671**
Grounds Maintenance	-17,480		**-12,415**
Loan repayments	0		**-27,444**
Total Return	-222,964		**-287,373**

5. Recommendations

5.1 The Board note the provisional outturn financial position for the year ending 31 March 2021.

Appendix 1							
Oportunitas Limited Profit and Loss Account for Year Ending 31 March 2021							
Profit and Loss Account	*2019/20*		**2020/21**		**2020/21**		2020/21
	Outturn		**Forecast**		**Outturn**		Variance
	£		£		£		£
Housing Rental							
Rental Income	*258,701*		269,516		**254,221**		(15,295)
Rental Expenses	*(101,622)*		(91,235)		**(74,297)**		16,938
Net	*157,079*		178,281		**179,924**		1,643
Grounds Maintenance							
Income	*24,451*		15,300		**15,519**		219
Expenses	*(17,478)*		(12,240)		**(12,415)**		(175)
Net	*6,973*		3,060		**3,104**		44
Overheads							
Directors Remuneration	*(8,924)*		(11,361)		**(9,671)**		1,690
FHDC Officer Support	*(24,000)*		(23,256)		**(27,907)**		(4,651)
Operating Expenses	*(15,069)*		(47,534)		**(26,802)**		20,732
Total Overheads	*(47,993)*		(82,151)		**(64,380)**		17,771
Loan Interest	*(173,754)*		(208,535)		**(209,936)**		(1,401)
Loss on Operating Activities	*(57,695)*		(109,345)		**(91,288)**		18,057
Unrealised Property Valuation Gains	*209,993*		0		**342,950**		n/a
Profit before Tax	*152,298*		(109,345)		**251,662**		n/a
Deferred Tax on Profit	*(39,898)*		0		**(65,161)**		n/a
Profit after Tax	*112,400*		(109,345)		**186,502**		n/a

Appendix 2					
Oportunitas Ltd - Draft Balance Sheet at 31 March 2021					
		31/03/2021			31/03/2020
Fixed Assets	£	**£**		£	£
Investment Assets	5,195,500			4,852,550	
		5,195,500			**4,852,550**
Current Assets					
Debtors - RVH Payment in Advance	2,502,050			1,275,000	
Debtors - Other	17,033			21,415	
Bank Account	950,516			206,284	
	3,469,599			1,502,699	
Current Liabilities					
Creditors : Short Term	(29,255)			(24,431)	
VAT Liability	(1,235)			(428)	
Loans (principal due within 12 monhs)	(28,800)			(27,444)	
	(59,290)			(52,303)	
Current Assets less Current Liabilities:		**3,410,309**			**1,450,396**
Total Assets less Current Liabilities:		**8,605,809**			**6,302,946**
Long Term Liabilities					
Creditors : Long Term					
Loans	(4,252,506)			(4,281,306)	
Deferred Corporation Tax	(134,889)			(69,728)	
		(4,387,395)			**(4,351,034)**
Total Assets less Total Liabilities:		**4,218,414**			**1,951,912**
Capital & Reserves					
Share Capital		**1,995**			**955**
Share Premium		**3,866,756**			**1,787,796**
Profit & Loss Account		**349,663**			**163,161**
		4,218,414			**1,951,912**

Notes to the Balance Sheet

1. **Investment Assets**

The company own 12 properties providing 38 units of residential accommodation and one commercial unit for rent. There have been no additions, disposals or major enhancements to the portfolio over the past year. The change in value of the portfolio over the year is summarised below:

	£
Portfolio value at 31 March 2020	4,852,550
Valuation Gains 2020/21	342,950
Portfolio value at 31 March 2021	5,195,500

2. Debtors – RVH Payment in Advance

The company has entered into a contract with RVH Folkestone Limited to purchase 37 residential units in two phases at the site of the former Royal Victoria Hospital site in Folkestone. Ownership of the units will pass to the company on completion of each of the two phases.

	£
Payments in advance 31 March 2020	1,275,000
Payments made 2020/21	1,227,050
Payments in advance 31 March 2021	2,502,050

3. Debtors - Others

	31 March 2021	31 March 2020
	£	£
Rent Arrears	20,923	19,527
Less Bad Debt Provision	(18,880)	(10,000)
Net Rent Arrears	2,043	9,527
Prepayments	8,070	9,681
Trade Debtors	6,920	2,207
Total Debtors	**17,033**	**21,415**

4. Creditors (Short Term)

	31 March 2021	31 March 2020
	£	£
Trade Creditors	25,491	20,418
Receipts in Advance	1,889	2,138
Rent Deposit	1,875	1,875
Total Creditors	**29,555**	**24,431**

5. Loans

The Council has a loan agreement with the Company to support the acquisition of property (£4.309m) and provide a working capital facility (£0.3m) for short term cash flow requirements. The existing loan facility for property acquisitions was fully utilised during 2019/20 and became repayable during 2020/21 over a 45 year period. The movement in loans over the year is summarised below

	Housing Acquisition Loan	Working Capital Loan	Total Loans
	£'000	£'000	£'000
Balance 31 March 2020	(4,309)	-	(4,309)
Advances	-	-	-
Repayments	27	-	27
Balance 31 March 2021	**(4,282)**	**-**	**(4,282)**
Due less 12 months	29		
Due long term	4,253		
Total	4,282		

6. Share Capital and Share Premium

The Council has increased its investment in the Company during 2020/21 by £2.08m. This is part of an agreed investment package of £6.9m to support the Company's expansion to enable it to trade sustainable in the long term while providing a return to the Council as the sole shareholder.

7. Profit and Loss Account Reserve

The Profit and Loss Account Reserve is analysed in the table below

	Operating Loss	Deferred Tax Liability	Valuation Changes	Total
	£'000	£'000	£'000	£'000
Balance B/F	(317)	(69)	549	163
Movement 2020/21	(92)	(65)	343	186
Balance C/F	**(409)**	**(134)**	**892**	**349**

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This Report will be made public on 7 June 2021

Report Number **C/21/11**

To:	**Cabinet**
Date:	**23 June 2021**
Status:	**Non Key Decision**
Assistant Director:	**Charlotte Spendley – Director for Corporate Services**
Cabinet Member:	**Councillor David Monk – Leader of the Council**

SUBJECT: Annual Performance Report 2020-21

SUMMARY: This report sets out how the Council has delivered for local people in the district in 2020-21 in response to the previous Corporate Plan (2017-20) vision of *investing for the next generation ~ delivering more of what matters.*

REASONS FOR RECOMMENDATIONS:
The Annual Report highlights the activities and achievements of Folkestone & Hythe District Council in 2020-21 against priorities set out in the previous 2017-20 Corporate Plan.

RECOMMENDATIONS:
1. **To receive and note report C/21/11.**
2. **To approve the Annual Performance Report 2020-21.**

1. Introduction

1.1 The Council's Corporate Plan (2017-20) for the district, introduced six strategic objectives:

- More homes
- More jobs
- Health Matters
- Appearance Matters
- Achieving Stability
- Delivery Excellence

1.2 Underpinning each strategic objective was a set of priorities that explained how each objective would be achieved.

1.3 As Members will be aware, the Council adopted a new Corporate Plan 'Creating Tomorrow Together – 2021-30' in February 2021, at the end of the monitoring period covered by this report; this report will therefore be the last to monitor the strategic priorities of the previous 2017-20 Corporate Plan.

2. Annual Report 2020-21

2.1 The Council has faced an unprecedented year as a result of the Coronavirus pandemic, but has continued to pursue an ambitious agenda in 2020-21 and the annual report set out in appendix 1 reflects the hard work and resilience of teams from across the organisation in contributing towards the priorities set out in the previous Corporate Plan.

2.2 Some of the highlights from the year include:

- Over 200 private sector homes being improved across the district as a result of interventions by our Private Sector Housing team.
- The successful reintegration of our Housing service from East Kent Housing in October 2020, with a dedicated team of staff that over the past six months has worked hard to put a series of improvements in place for the benefit of tenants.
- Securing a combined total for £5.5million to boost the Romney Marsh economy to deliver a new business centre at Mountfield Road, and supporting infrastructure over the next two-year period, helping to create 700 new jobs for the area.
- Adoption of a Carbon Action Plan to help the council in reducing its carbon emissions to net zero by 2030.
- Successfully renegotiation of the waste and street cleansing contract with Veolia that will introduce new green initiatives to help meet the commitments in the Carbon Action Plan.
- Awarding of a 'Certificate of Excellence' for the Council's swift establishment of District-wide Community Hubs in response to the Coronavirus Pandemic.
- Administering over £36 million in business grants to over 2,000 local businesses across the district since March 2020.

- Achieving 2 star accreditation from the 'Best Companies' survey that recognises the council as an '**outstanding'** organisation to work for.
- Successfully building on the previous recognition for customer service by being awarded a further three compliance plusses as part of the Customer Service Excellence accreditation.
- Adopting the Places and Policies Local Plan, in September 2020, to guide development on sites throughout the district, as well as holding virtual public hearings into the Core Strategy Review before two independent planning Inspectors.

2.3 These achievements have been achieved despite significant challenges: resources have had to be redeployed from planned work to the Coronavirus response, the Council's income has been affected as demand has risen, the Civic Centre has been closed, staff have had to adapt to home working and the capacity of our partners has been similarly affected.

2.4 Given this, it is inevitable that some areas of performance measured by KPIs has fallen short during the year due to the direct impact of the coronavirus pandemic on our operations and those of external delivery partners, most notably in bringing forward new affordable housing and employment schemes. Other reasons include, current legislation guiding both homelessness approaches and penalty charge recovery rates as well as temporary staff resourcing issues within some teams and seasonal factors affecting activities, including recycling collections.

2.5 Where performance has not been achieved, explanations have been sought from the relevant Service Managers and noted in Appendix 2.

3. KPIs in 2021/22

3.1 Following the adoption of the council's new corporate plan, further work has been undertaken with officers on developing a corporate action plan that will support the delivery of corporate priorities over the next three year period.

3.2 A draft of the action plan with supporting KPIs will be considered for comment by the Overview and Scrutiny Committee in the near future. Following scrutiny by the Committee it will then be taken to Cabinet for adoption.

4. Implications

4.1 Please give consideration to the following and provide information here (if relevant):

- **Legal (NE) -** There are no legal implications or risks arising directly out of this report. The Key Performance Indicators (as amended) must continue to take account of both existing and new statutory duties and responsibilities that are imposed on the Council by the Government. Failure to do so will put the Council at risk of legal challenge by affected residents and/or businesses. Whilst reporting on performance is not a statutory requirement, it is considered best practice to review the Council's progress against the Corporate Plan and Service Plans on a regular basis.

- **Finance (CS)** – There are no direct financial implications arising from this report. There is a presumption that targets will be delivered within existing resources of relevant departments and that officers will regularly review the level and prioritisation of resources required to achieve the targets agreed by Cabinet at the start of the year. Adverse performance for some indicators may have financial implications for the Council. In the event that targets cannot be achieved within the agreed envelope of resources officers are expected to raise the issue through the appropriate channels as the needs arise.

- **Human Resources (RB)** –There are no direct Human Resource implications emanating from this report. The council has a People Strategy in place to support the delivery of the corporate plan and achievement of associated KPIs.

- **Equalities (GE)** Equality Impact Assessments (EIAs) are carried out on any services, projects or other schemes that have the potential to impact on communities and / or staff on the grounds of particular protected characteristics or socio-economic disadvantage. Over the course of the year, performance against some indicators might potentially have equality and social inclusion implications, if performance is not at an acceptable level. These will be highlighted as necessary in the corporate performance reporting.

- **Communications (KA)** – The annual performance report should be widely communicated internally and externally.

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 & Improvement Specialist
Tel: 01303 85 3436
gavin.edwards@folkestone-hythe.gov.uk

Appendices
Appendix 1: Annual Performance Report 2020-21
Appendix 2: 2020-21 KPI Data

FOLKESTONE & HYTHE DISTRICT COUNCIL

A SNAPSHOT OF OUR YEAR: ANNUAL REPORT 2020-21

Folkestone & Hythe District Council

LEADER'S STATEMENT

Reflecting on the past year through this annual performance report I am so proud of the amazing amount of progress made in 2020/21 - despite the ever-present backdrop of coronavirus.

Our three community hubs are still going strong and have even achieved national recognition this year with a certification of excellence in the iESE Public Sector Transformation awards. This really is testament to the partnership working with local charities, the hard work of council staff and most importantly the fantastic passion and dedication exhibited by all those who have volunteered.

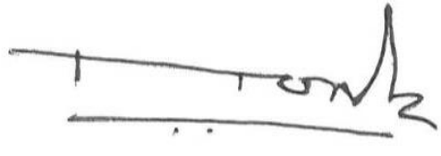
Picking out highlights from the year is always a difficult challenge. This year we've welcomed our housing service back in-house, won yet more green flag awards for our parks and started work on the Princes Parade development in Hythe that will bring forward state of the art leisure facilities for residents.

Like all authorities, the financial pressures of coronavirus have been hard to mitigate and that's why I am delighted that we once again have balanced our finances meaning that we can continue to deliver our vital frontline services.

It's particularly important for us to invest in the long-term future of the district and that's why I am delighted that we have worked to produce our new corporate plan **Creating Tomorrow Together**. Over nine years this long-term plan will focus our efforts across four service ambitions – positive community leadership, quality homes and infrastructure, a thriving environment and a vibrant economy. Seven guiding principles will guide our actions as we work towards these ambitions. You can find out more about Creating Tomorrow Together at folkestone-hythe.gov.uk/creatingtomorrowtogether

Finally in 2021 we have been proud to provide our Folca building to be used by the NHS as a large vaccination centre. I am – as I know that many of our staff also are – so proud to be part of the community fight against this pandemic.

2020/21 has been a year of many challenges but also one of hope and we look towards the future with optimism.



Cllr David Monk – Leader of the council

YOUR CABINET MEMBERS

Cllr Jenny Hollingsbee

Deputy Leader and Cabinet Member for Communities

Cllr Stuart Peall

Cabinet member for Enforcement, Regulatory Services, Waste & Building Control

Cllr David Godfrey

Cabinet Member for Housing, Transport & Special Projects

Cllr David Monk

Leader of the Council

Cllr Lesley Whybrow

Cabinet Member for the Environment

Cllr John Collier

Cabinet Member for Property Management & Grounds Maintenance

Cllr David Wimble

Cabinet Member for the District Economy

Cllr Tim Prater

Cabinet Member for Revenues, Benefits, Anti-Fraud and Corruption

Cllr Ray Field

Cabinet Member for Digital Transformation

YOUR DISTRICT – AN OVERVIEW

Our district is situated on Kent's south east coast and covers an area of 140 square miles. It is a place of variety and contrast with a landscape characterised by rolling chalk downland, wooded valleys, wild marshes, and a 26-mile coastline. The district has a population of approximately 113,000 of which 57.5% (32,800) of female residents and 59.1% (33,000) of males are of working age.

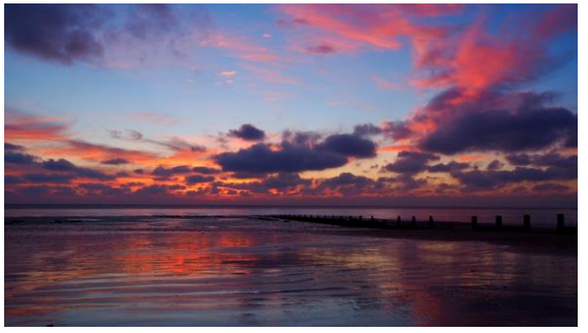
Our principal town, Folkestone, is home to just under half the district's population. It is also the area's commercial hub, particularly for creative and digital media - one of the UK's fastest-growing sectors. The Creative Quarter in Folkestone's Old Town is home to a thriving collection of artists' studios and creative businesses and offers artists, retailers and business people the chance to become part of this lively and ever-growing community.

As well as its strong creative focus, the district attracts a variety of innovative small and medium size businesses (SMEs) and is home to strong brand names including Saga, Eurotunnel, Holiday Extras, the Aspinall Foundation and Church & Dwight.

The historic town of Hythe is the district's second centre of population and one of two ancient Cinque Ports in the district. Its central feature is the Royal Military Canal, built for defence against invasion in the Napoleonic wars with France. To the west are the wide open spaces of Romney Marsh, home to New Romney, our second Cinque Port; Lydd, a member of the Confederation of Cinque Ports as a 'limb' of New Romney, and a number of smaller coastal communities. Contrasting with the wild expanse of marshes are the North Downs, a ridge of chalk hills that stretch from Dover to Farnham. The Downs are home to pretty villages, including Elham, Lyminge and Postling, hidden valleys and thriving vineyards.

Although the district is rural and coastal in character, it is very well connected. The M20 offers easy access to London and other major motorway networks, London is under an hour away via High Speed 1 (HS1) from Folkestone and we have unrivalled access to mainland Europe via the Channel Tunnel.

We think our district is a great place to live, work and visit. It's where the past has made its mark and where a bright new future is unfolding. As the local authority for the district, we have a key role to play in shaping that future.



YOUR COUNCIL – AN OVERVIEW

There is a three tier local Council system in Kent made up of the county council, 12 district and borough councils, parish and neighbourhood councils, alongside Medway Council operating as a unitary. There are 13 wards in the district currently represented by 30 elected councillors.

Folkestone & Hythe District Council is responsible for the delivery of many different public services. Some of our key priorities include planning for a successful local economy with a diverse range of employment opportunities, delivering excellent value and high performance in service delivery, and working together to support the life of our communities. Services provided include managing development through making decisions on planning applications, household waste collection and recycling, street cleaning, car parks and on-street parking, environmental health, housing and homelessness, managing local parks and open spaces and supporting local culture and leisure activities and facilities.

The Council has won a number of awards during 2020/21 including:

iESE Public Sector Transformation Awards

Awarded a ‘Certificate of Excellence’ for our swift set up of District Wide Community Hubs in response to the coronavirus pandemic.

Best Companies

Awarded a 2-star ‘Outstanding’ accreditation for employee engagement in Best Companies survey

Customer Service Excellence

Awarded a further 3 compliance plusses by independent assessment for commitment to customer service.

MORE HOMES

We said we would:

- Deliver homes that meet the needs of our changing population
- Accelerate the supply of housing
- Prevent homelessness through early intervention
- Create a new Garden Town at Otterpool Park
- Improve private sector housing conditions
- Bring empty homes back into use

MORE HOMES

- Over 200 private sector homes have been improved across the district as a result of interventions by our Private Sector Housing team. The team has also successfully prosecuted a local landlord during the year who has failed to properly maintain her properties in the district.
- Over 50 long-term empty homes have been returned to use in the district following intervention by the council.
- Our Housing Options team has worked with local partners to assist 35 people with a history of rough sleeping to access support and long-term accommodation.
- 17 homes previously sold under the Right to Buy scheme have been bought back by our Housing Strategy team so that they can be made available for rent by people on the housing waiting list. In addition, the team has also managed to complete the purchase of two further homes that will be made available for shared ownership purchase
- A new Homelessness Prevention Strategy (2020-25) has been developed and implemented by the Housing Strategy team that focuses on ending rough sleeping, providing early intervention, prevention and support as well as ensuring a good supply of affordable accommodation. The strategy aims to do this by adopting a ‘housing first approach’ by providing support for those who have been homeless with the aim of creating a stable home and enabling people to rebuild their lives as well as exploring the potential of forming a social enterprise scheme to providing training and employment opportunities. More broadly, the strategy outlines the council’s commitment to building 1,000 new homes for rent and shared ownership between 2025 and 2035.

MORE HOMES

- This year Cabinet took a further step towards delivering a new garden town by approving the operational structure and funding of the Otterpool Park Limited Liability Partnership (LLP). The LLP, which is fully owned by the Council will take the lead on driving forward proposals for Otterpool Park and be responsible for:
    - Leading and coordinating development activity
    - Leading and coordinating the delivery of infrastructure works
    - Becoming the applicant for the existing planning application and any future submissions
    - Facilitating partnerships, to bring forward housing and employment opportunities
    - Holding and managing residential, commercial, agricultural, and/or industrial land
    - Commissioning professional services
    - Managing new community infrastructure
- The Council successfully adopted the Places and Policies Local Plan in September 2020, following several years of preparation and consultation undertaken by the Planning Policy Team as well as an independent examination by a planning Inspector. The Local Plan allocates a number of sites throughout the district for housing, employment and other types of development. It also contains general policies, designed to protect the natural and historic environment, achieve the best design and more sustainable development.
- Despite the lockdown and restrictions on meetings, the Planning Policy team successfully conducted several weeks of virtual public hearing sessions for the examination of the **Core Strategy Review** between December 2020 and January 2021. Facilities were put in place so that members of the public and interest groups could contribute remotely and put their points on the proposals to two independent planning Inspectors.
- Planning permission was granted in November 2020 for the restoration of the Leas Pavilion, including external and internal alterations, to use it for ancillary residential and flexible community uses, with a nine storey apartment block above comprising 91 flats. The pavilion has deteriorated significantly over the years, resulting in the previous owner being served with an Urgent Works Notice. This permission secures a high quality development in a prominent position on The Leas, and the restoration of a much loved building in Folkestone.
- During the year, our Private Sector Housing team oversaw the adoption of a new Private Sector Housing Policy. The policy was developed following consultation with the public over an eight-week period and sets out how the council deals with hazards in the home and how it will approach landlords who fail to comply with the law. The policy is also designed to provide a detailed guide for landlords and tenants and brings together all of the legislation and guidance that has recently been brought into force. The main points of the policy include:
    - An explanation of the new civil penalty policy for non compliance (civil penalties can be used instead of prosecution).
    - Bringing together penalty frameworks for offences relating to electrical safety and smoke and carbon dioxide alarms into one document.
    - Details of the council's approach to dealing with landlords, whereby there is a staged approach to enforcement wherever possible and only using formal action as a last resort.

OUR HOUSING SERVICE – *'Where Tenants Are At The Heart Of Everything We Do'.*

We launched our new housing service on 1st October 2020. Our vision to create:

'A world class, digitally enabled service that is easy to do business with and where tenants are at the heart of everything we do'.

Since then our housing team have worked incredibly hard, against the backdrop of the coronavirus pandemic and all the challenges that has presented, to achieve so much together and build a service which we can all be proud of. Over the past six months the service has:

- Built stronger working relationships with colleagues and teams across the council, as well as with external partners such as the Community Navigator Service, the Peabody 'hoarding' service, and Rising Sun Domestic Abuse Service/MARAC.
- Improved how we listen to the tenant's voice by conducting a tenant and leaseholder satisfaction survey (STAR) within the first couple of months of the new service with results that have been published and feedback has informed an action plan.
- Developed tenant and leaseholder engagement activities – working with the Tenant and Leaseholder Board, TPAS (tenant engagement specialists), and consulted with tenants, to create a Tenant Engagement Strategy due for launch this Spring. The team is building relationships with the Tenant and Leaseholder Board and a cohort of tenants who want to be involved at different levels. The team has also set up a regular online coffee mornings for leaseholders and supported those Independent Living Forum members who are digitally able to resume their meetings.
- Introduced a variety of tenant communications, including the establishment of a bi-annual tenant newsletter, and harnessed bulk email and text messaging systems to keep tenants informed. A private Facebook group for tenants and leaseholders is under development.
- Enhanced our tenant service offering **–** by introducing a cleaning service to seven blocks following resident consultation. Published a tender for a review of the Independent Living service. Produced proposals for a new caretaking service, and a block and estate inspection regime.
- Improved anti-social behaviour reporting process **–** by addressing 12 serious and long-standing anti-social behaviour cases. A satisfaction survey for tenants to complete after an ASB case has been dealt with is being developed to continually improve the service.
- Agreed a Spring/Summer 2021 stock survey of all council-managed properties **–** This will help identify where any improvements are needed, including changes to help achieve the council's target to be carbon neutral by 2030.
- Achieved the highest rating for gas compliance that can be achieved - 'substantial' - following an East Kent Audit Partnership (EKAP) audit in December 2020"

MORE JOBS

We said we would:

- Support local employers to flourish
- Identify key sites for future employment opportunities
- Encourage appropriate development and promotion of commercial premises
- Support partners to deliver dynamic and diverse high streets
- Explore opportunities to support the nuclear industry
- Enable appropriate infrastructure to enhance connectivity

MORE JOBS

- The Economic Development team have risen to the challenge of administering the coronavirus Local Authority discretionary business grants on behalf of central government through the coronavirus pandemic. Some £1,285,000 of Discretionary Business Grant funding was distributed to 161 businesses over the summer 2020 and since the national lockdown of November 2020, Additional Restrictions Grants have been awarded to 304 businesses with 98% of the £3.9 million funding now allocated.
- In the summer of 2020, we were successfully awarded a combined total of £5.5 million to provide a boost to the Romney Marsh economy. Funding was secured from the East Kent Spatial Development Company and Magnox to deliver a new £2 million business centre on five hectares of council owned land at the Mountfield Road industrial estate in New Romney through a Joint Venture between EKSDC and the council. This will provide co-working space designed to attract new companies to the area. Construction of this Romney Marsh Business Hub is well underway and will be completed by the end of 2021. In addition to this, a further £3.5 million was awarded from the Government's 'Getting Building Fund' to support phase 2 of the development of the Mountfield Road industrial estate which will bring forward the remaining 5 acres of the council-owned land for employment purposes. This funding will deliver the necessary infrastructure to bring forward employment plots for new business which in turn will create 700 new jobs for the area. Work on phase 2 is due to be complete by March 2022.

MORE JOBS

- The Economic Development team have also been instrumental in securing funding from Magnox and Kent County Council (KCC) to jointly fund with the council a new 3 year coordinator's post to support the work of the Romney Marsh Partnership. While this is not a new role, the increased funding allows for the appointment of a more senior officer, who will develop new projects and secure external funding to help further diversify the Romney Marsh economy from its reliance on the nuclear sector and to take forward new economic growth opportunities
- During the year, the refurbishment of 19 Bouverie Place commenced as part of the regeneration of the High Street. The Folkestone Community Works programme managed by the ED team is enabling this long empty property to be brought into use. East Kent Spatial Development Company have used their grant to refurbish the disused four storey block into modern office space and meeting rooms that can flexibly cater for small and medium-sized businesses – as well as co-working and hot desking space for entrepreneurs and start-ups. Once fully occupied the building will support in the region of 24 enterprises employing potentially 60 people. The offices range from 20-43sqm and are being offered on a fully-serviced basis with easy-in, easy-out terms.

Folkestone Community Works – Supporting Local Business

The Little Greek Bus

The Little Greek Bus was dreamt up by Hannah O'Toole when well-known double-decker sister, The Big Greek Bus situated on the Folkestone Harbour Arm had to keep declining invites to cater for events and food festivals. Hannah contacted the Council for support, and combining her marketing and events industry experience in the process.

The venture got off the ground thanks to a £8,200 grant from Folkestone Community Works to acquire a suitable vehicle to house an operational kitchen. While 2020 has curtailed the prospect of The Little Greek Bus clocking up some serious miles, Hannah has been trialling the business at the Folkestone Harbour Screen and as a click-and-collect service.

Folkelore

A cocktail bar called Folkelore opened its doors in The Old High Street late 2020 thanks to the support of Folkestone Community Works. A grant of £3,650 match-funded by Mr Boyd has been used to purchase equipment including a coffee machine and bar stations.

Mr Boyd, who has been in the cocktail industry for the best part of two decades, is also hoping to be able to offer six-month apprenticeships to local young people in the future. The business has had to adapt during the coronavirus pandemic *by* launching a takeaway and delivery service until customers can be welcomed properly through the door.

When restrictions ease, the focus will be on creating a "welcoming hub" for people to chat with friends, grab a quick coffee or sit down and work on the laptop during the day. Meanwhile the evenings will orientate around hosting events such as open mic nights, community groups, and workshops.

APPEARANCE MATTERS

We said we would:

- Keep the district clean and tackle environmental issues
- Maintain and improve natural and historic assets
- Maintain a high quality environment through active enforcement
- Work with partners to boost the appearance of the district
- Prepare a new recycling, waste and street cleansing contract for the district
- Provide clean and well maintained public spaces
- Protect and manage the coastal sites in an environmentally sustainable way

APPEARANCE MATTERS

- The Royal Military Canal in Hythe and Folkestone's Lower Leas Coastal Park and Radnor Park all maintained by our excellent Grounds Maintenance team have successfully retained their internationally recognised Green Flag status this year. The award is given to green spaces which boast the highest possible environmental standards, are beautifully maintained and have excellent visitor facilities.
- The council has successfully renovated and replaced beach huts on the promenade below the Lower Leas Coast Park. 35 of the existing beach huts have been given a facelift, whilst 44 classed as in poor condition have now been removed and 80 new wooden chalets successfully installed. The Council partnered with Creative Folkestone that saw celebrated artist Rana Begum commission a striking design scheme for the new chalets using 118 different paint colours. The project was successfully overseen by the council's Engineering & Buildings team in preparation for the huts to become an exhibit as part of the Folkestone Triennial being hosted between July-November 2021.
- As part of the council's commitment to reducing its carbon emissions by 2030, the Climate and Ecological Emergency Working Group worked with experts to develop a 'Carbon Action Plan' that was unanimously adopted by Cabinet in February 2021. The plan focuses on six key areas - energy; behaviour change; transport; water; contracts and biodiversity/green space.

APPEARANCE MATTERS

- £25,000 has been invested in improving Radnor Park in Folkestone, Improvements include the installation of football goalposts, a marked-out 400m running track, two picnic tables by the boating pond, community notice boards and an extra bin. The paths in part of the park have also been resurfaced, while the council's grounds maintenance team have planted an extra 20 trees in Radnor Park as part of the authority's climate change commitments.
- In November 2020, the council successfully secured funding of £2million from the Environment Agency to ensure continuing beach management works between Hythe and Folkestone for the next five years. The funding will ensure the recycling and regrading of shingle beaches between Fisherman's Beach and Folkestone Harbour that will protect up to 3,000 homes along the 7km stretch of coastline from flooding.
- A new joint waste and street cleansing contract between Folkestone & Hythe and Dover was successfully negotiated and re-awarded to current operator Veolia following the conclusion of the tendering process. The new contract that commenced in January 2021 will introduce a number of new initiatives to help both district councils achieve their objectives of being carbon net zero by 2030, including a new green fleet of vehicles and electric sweepers, and redesigned collection routes to minimise travel times and the environmental impact of the service.
- The Area Officer team over the past year have a carried out over 6,000 SOD its (See it, Own It, Do it) interventions that have to ensure the district has remained a clean and attractive place for local residents and visitors. In addition, the team immediately provided support to the community hubs in response to first coronavirus lockdown by helping to organise and distribute food and medicine to the most vulnerable communities across the district.
- In the wake of community litter picking events being directly impacted by the pandemic, the Area Officers have overseen the distribution of over 100 sets of litter picking equipment to local volunteers to enable them to spend their exercise time helping to keep the district clean.
- The Environmental Protection Team have worked hard throughout the past year to maintain a visible presence around the District to keep the residents and staff protected from Coronavirus by ensuring that anyone breaching the rules was approached using the "4 Es" – Engage, Educate, Encourage to stop and Enforce". The team have helped:
  - Manage large numbers of visitors who came to enjoy the weather and the district's beaches.
  - Deal with incidents of illegal gatherings, notably on Greatstone beach by issuing Community Protection Warning Notices (CPWs) and working with the police to ensure the party was stopped.
  - Checking that local businesses across the district were coronavirus compliant and only open when allowed to do so
  - Visiting supermarkets across the district to help with coronavirus compliance of mask wearing.
  - Support the work of Community Hubs
- In addition to supporting coronavirus rules, Environmental Enforcement Officers have continued to undertake targeted patrols in hotspot areas and look at intelligence led information to tackle environmental offences that have taken place across the district and as result have issued a total of 344 fixed penalty notices for offences including, fly tipping, dropping litter/cigarette butts, letting dogs off leads in designated areas, dog fouling and smoking in unauthorised vehicles.

HEALTH MATTERS

We said we would:

- Promote healthy lifestyles within our communities
- Reduce the impact of anti-social behaviour
- Support the South Kent Coast Health & Wellbeing Board and Local Children's Partnership Group
- Ensure access to high quality open space
- Provide a new district leisure facility
- Ensure the best use of our community assets to support community and voluntary sector organisations
- Help reduce health inequalities through our services and partnership working

HEALTH MATTERS

- Following the swift establishment and funding of three community hubs across the district with local partners in response to the Coronavirus pandemic at the end of March 2020, the hub model has continued to provide a range of essential services needed to ensure the health and wellbeing of residents, particularly those most vulnerable. In July 2020, the council committed to an additional £35,000 of funding to support the hub model in 2020/21. Over the past year, the three hubs based at (a) Folkestone (3 Hills Sports Centre); (b) Hythe (Age UK); and in (c) Romney Marsh (Day Centre) with the support of over 600 volunteers have:
  - **Responded to over 65,000 calls from residents,**
  - **Undertaken over 25,000 GP welfare calls,**
  - **Delivered over 51,000 hot meals,**
  - **Delivered 6,300 prescription requests**
  - **Actioned over 9,200 shopping requests.**

The community hubs have developed a depth of community spirit and cohesion across the district during the past year as well as highlighted the strength of partnership and collaboration between the council and volunteer/charitable organisations to deliver for local communities. The collaborative effort of the hubs has been positively recognised as an initiative of national importance with the Council receiving an iESE certificate of excellence in March 2021.

- A total of seven closure orders were obtained by our Community Safety Unit on properties within the district that were deemed to be a nuisance to members of the public or had the potential for disorder.

HEALTH MATTERS

- The Council made available the Civic Centre to support the NHS rollout out of the coronavirus vaccination and has worked closely with the Kent Community Health NHS Foundation Trust to successfully establish the FOLCA building (Former Debenhams store) within Folkestone Town Centre as one of the first large-scale coronavirus vaccination centres in Kent that has ensured thousands of people per week are vaccinated.
- A new Play Area Strategy has been adopted during the year setting out how the district's play areas will be managed, maintained and enhanced over the next 10 years. As part of the strategy, investment will be prioritised in nine play areas which are nearest to the district's largest numbers of children and young people. In addition the Council will work in partnership with town and parish councils, community groups and housing trusts to establish a network of strategically important play areas ensuring that the majority of the district's residents live within a 15-minute walk of them.
- The Community Safety Partnership (CSP) was awarded over £31,000 of funding towards local projects and services to help tackle anti-social behaviour and crime and address issues such as Domestic Abuse and exploitation. A total of 13 projects were funded between April 2020 – March 2021 with the continuation of services including, the One Stop Shop, Aspire homelessness outreach and Urban Pastors. The CSP were also successful in obtaining further funding for Rapid Deployment CCTV, Knife Wands, Emergency Trauma Packs and Knife Bins which are to be installed in the district in May 2021 and will support with us to take forward more work within the district on violence reduction.
- A total of 154 individual ward grants totalling over £89,000 were awarded during the year to benefit local charities and community groups across the district including the Academy FM, East Cliff Community Organisation, Leas Lift, Hythe Environmental Group and Romney Marsh Day Centre.
- The Council agreed to fund a new scholarship that is open to prospective students from the Folkestone & Hythe district who have a confirmed place at Kent and Medway Medical School (KMMS). The scholarship will cover living costs of £5,000 per year for a student from the district for the full five years of the Bachelor of Surgery, Batchelor of Medicine course at KMMS. This will enable future residents to become doctors and so provide vital support to the health sector for years to come.
- The Council appointed BAM Construction to deliver a new leisure centre, promenade and infrastructure works to facilitate this, as well as new homes, at Princes Parade in Hythe. In March 2021, exploratory site investigations began to prepare the area for leisure facilities and accessible open spaces with construction due to begin in the first quarter of 2022.
- The Council has a statutory safeguarding duty to protect children, young people and vulnerable adults. During 2020/21 many vulnerable adults in particular were supported with problems such as suicidal thoughts, abuse and neglect impacting negatively on their mental and physical health and wellbeing. Our trained designated officers for safeguarding dealt with almost 60 cases with some requiring specialist social services or police intervention.
- During the winter of 2020, we received funding to help support vulnerable people to stay warm and fed during the cold periods and during the height of the coronavirus pandemic. A host of agencies including Food banks, Community Hubs and Early Help teams helped in distributing food, heaters, warm clothing and other help. This support has kept people safe and well through very difficult times for them. In total the scheme up to the end of March 2021 has supported: 1,314: Vulnerable families with children and 1,002: Vulnerable families without children.

ACHIEVING STABILITY

We said we would:

- Ensure strong financial discipline
- Explore alternative income streams including commercial opportunities
- Develop an investment strategy for the longer term benefit of the district
- Explore opportunities including working collaboratively to achieve efficiencies, reduce costs and improve resilience
- Optimise the financial benefit from major developments in the shorter and medium term
- Identify ‘Invest to Save’ opportunities

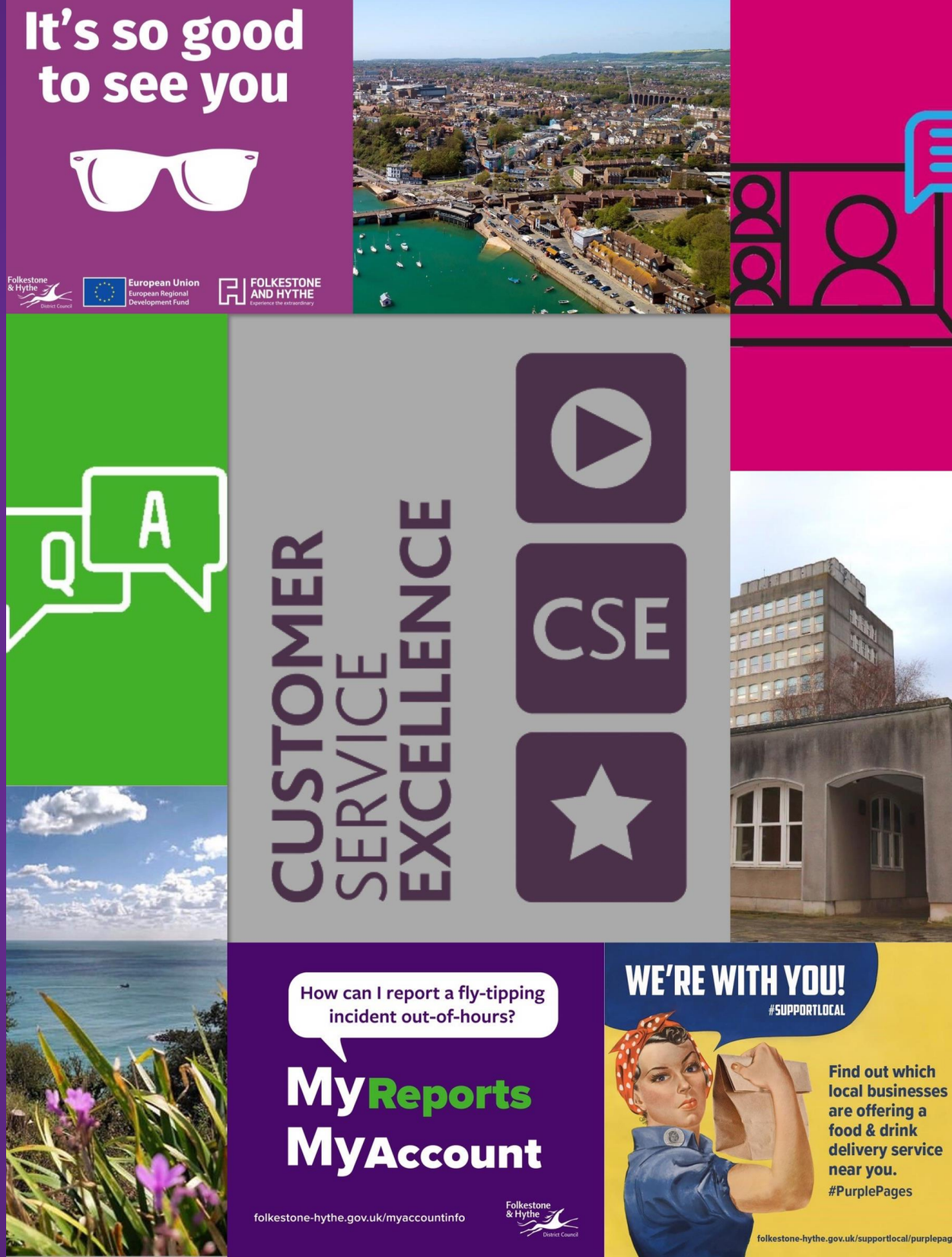
ACHIEVING STABILITY

- Over £36 million in business grants was administered to 2,171 local businesses across the district since March 2020 at speed which has no doubt helped some of them survive the pandemic.
- The council was the first local authority in Kent to successfully have its 2019/20 Statement of Accounts signed off by external audit after a difficult and extended audit period.
- Despite the financial challenges presented by the coronavirus Pandemic, the Council approved a balanced budget for the 2021/22 year whilst supporting the most vulnerable during the pandemic and protecting frontline services.
- Following the transition of the Housing Service back to the council from East Kent Housing in October 2020, the management of Housing Rents has been successfully integrated into the Corporate Debt team with minimal disruption to service and despite most recovery action being on hold due to the coronavirus pandemic, we have managed to reduce housing rent arrears by 25% that equates to approximately £100k since the service transition took place.
- The council's insurance contract was successfully retendered for the next 5 years achieving a saving on the existing premium of £350,000 thanks to effective risk management undertaken.
- Excellent treasury management for the council has been maintained throughout the year by our finance team resulting in an average return of around 2% interest this year when interest rates have been at an all time low, with the Bank of England base rate at just 0.1%.
- The council has worked closely with its corporate property tenants to encourage continued rent payments with few disruptions and limited arrears leading to maintenance of the Council's corporate property income. Furthermore the council has secured further income in excess of budget from miscellaneous transactions throughout the year.
- Over £121,000 has been generated by the Organisational Development team through apprenticeship and commercial work undertaken with neighbouring East Kent Authorities (Canterbury, Dover and Thanet)
- £250,000 of funding has been allocated, to undertake development and feasibility works for the proposed establishment of a new customer access point in Folkestone town centre and the relocation of the Civic Centre. The long-term proposal to move out of the Civic Centre is part of the council's drive to reduce its carbon footprint and has been accelerated by the successful way in which staff have delivered services whilst working from home during the coronavirus pandemic.

DELIVERING EXCELLENCE

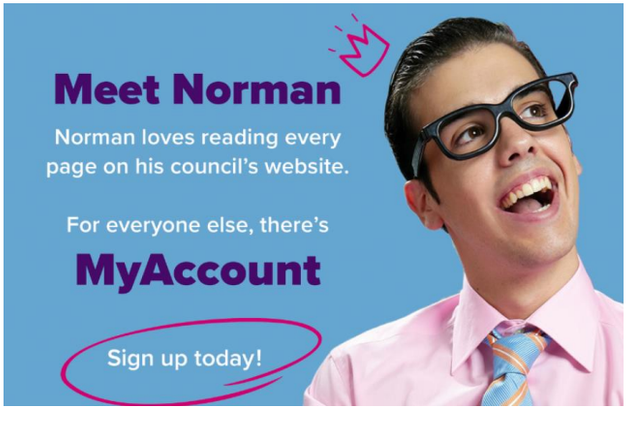
We said we would:

- Focus on the customer in delivering excellence
- Create a ‘digital by default’ approach to services
- Keep all councillors, staff and customers informed
- Retain and recruit staff to deliver new ways of working and the challenges ahead
- Motivate and enable staff to maintain and enhance performance
- Sustain and develop a flexible and responsive workforce
- Recognise and reward the value of staff



DELIVERING EXCELLENCE

- Following the completion of a virtual surveillance visit, the Council retained its Customer Service Accreditation with 12 compliance plusses and was awarded a further 3 for the following:
  - Work undertaken by the Welfare Team to make sure the Council fully understands the needs and expectations of all customers during the Covid crisis.
  - Adaptation of policies and procedures (and the development of new ones where needed) to make sure customer needs are properly identified and met where possible.
  - The efforts made to make sure that all customers know how to access services during lockdown and throughout the ongoing challenges of Covid
- In March 2021 we undertook the full Best Companies survey with 75% of staff taking part and have been formally accredited as a 2 star '**outstanding'** organisation to work for.
- The Council launched its 'My Account' service that lets users see council information relevant to them all in one place 24/7 including bin collections, benefits and council tax - as well as making payments and tracking the progress of reports made to officers. In space of seven months from its launch in August 2020, the service has been positively received with a total of 11,500 people having signed up.
- Our web chat service continues to be a popular service as ever with customers, achieving a fantastic 93.26% for customer satisfaction this year.



DELIVERING EXCELLENCE

- The 2020/21 results for the Council's gender pay gap shows the average gap between male and female employees has continued to fall. We achieved a mean average difference of 0.06%, which equates to a difference of just 1p an hour. Meanwhile the median calculations conclude that women earned, on average, nearly 9% more than men. The difference between the two sets of data is caused by the make-up of council staff, the fact it employs more women than men, and the distribution of males and females across the pay spectrum.
- In February 2020, the Revenues and Benefits team recruited a new dedicated training officer recognising the need to continually invest in officers' training and development not only within the Revenues and Benefits team but also across wider services including customer services, corporate debt and the new housing service. Training to become a Revenue and Benefits Officer takes 3-6 months minimum when in an office environment surrounded by colleagues who can support immediately. Two new officers with no prior experience joined the team in April 2020 at the beginning of the first lockdown and were successfully trained through a majority of virtual sessions hosted over Zoom and Skype as well as some social distanced sessions held within the Civic Centre in the summer once the lockdown restrictions eased. The two new members of the team are now integrated into the wider team following their initial training.
- In April 2020, the council established a new Welfare Team that been instrumental in awarding hardship payments for people struggling to pay their council tax. The team of four, in addition to helping people with their financial position, they have signposted customers to numerous external organisations so they can get help and support for their mental health, financial stability and general wellbeing. The team are now a firm fixture at the quarterly Volunteer Sector Group they have gone from strength to strength and been recognised out in the community for the work they are doing.
- The Committee Services team successfully established and undertook training with members on the Zoom meeting platform to ensure all committee meetings could resume virtually in the wake of the coronavirus pandemic and allow councillors to continue representing their electorate and make important decisions in public.
- As result of council meetings moving to virtual hosting due to Coronavirus restrictions a new Leader's Q&A session was introduced in June 2020. The initial meeting was broadcast live on the council's dedicated YouTube channel. Public meetings have continued to take place on a bi-monthly basis throughout the year enabling both the members of the public and councillors to quiz the Leader on matters that may be of concern within an open forum.
- The communications team have worked hard throughout the year to help residents and businesses by amplifying national safety messaging and promoting local support:
  - Work was undertaken to refresh safety signage throughout the district and a video was created with local businesses to encourage safe shopping; the video on re-opening high streets safely was promoted through both the council's corporate and Folkestone & Hythe place brand channels and received over 27,000 views.
  - In addition to amplifying regional and national mental health support through the Council's own media channels we also produced an article through the Folkestone & Hythe Place brand about tips for a healthy mind and body during lockdown and did an A-Z of the district on Instagram to highlight the great things that we have access to in the district.
  - Finally we also realised early on in lockdown that local residents were unsure which food businesses were open, so we set up Purple Pages. This is a free list on our website of local traders that were still doing takeaway or collection so residents can still support local businesses.
- Three members of our staff were recognised for their life-saving skills, having helped members of the public who got into difficulty swimming from beaches in Hythe and Folkestone by bringing them safely back to shore.
- The Council leased 120 beach huts in preparation for the summer, dealing with tenant enquiries and final completions on 23 leases, with over 50% of the leases having been completed so far and keys to the chalets released.

DELIVERING EXCELLENCE

- Over the past year, the OD team have been incredibly flexible in relation to the delivery of qualifications. In early 2020, the team moved to providing training online, shifting platforms of our established qualifications and receiving great feedback from participants. Indeed, the quality of our courses continues to improve despite them being remote: 100% of those completing F&HDC-led apprenticeships over the past year have gained distinctions.
- The Organisational Development Team has delivered a successful apprenticeship programme for FHDC staff and those of other local councils and businesses. The team specialises in delivering management qualifications as well as business administration and has been rated as 'Excellent' by our customers.
- Throughout the pandemic our Organisational Development Team (OD) have doubled efforts to keep staff engaged while working from home and also support them throughout the year by:
  - Carrying out multiple surveys and wellbeing calls
  - Training a pool of mental health first aiders
  - Promoting HR Drop-in sessions
  - Delivering personal resilience sessions
  - Working with the Corporate Leadership Team and managers on how we can manage well in a pandemic and support our staff.
  - Facilitating online social events
  - Sending regular (daily at first and now weekly) email updates to keep everyone informed of news and developments.
  - Celebrating the great work of teams and signposting staff to support and resources.
  - Facilitating bi-monthly online staff briefings and created regular video updates from all directors.
  - Starting a regular podcast recording informal chats with various members of staff to promote a sense of connection and community.

What people have said about the ILM Apprenticeship Programme:

- *"I would not have achieved this result without the support from you and the rest of the OD team throughout the ILM course though, particularly in the lead up to the final assessment, so thank you very much". -**Learner from Folkestone & Hythe District Council***
- *"I am thrilled to have had the opportunity to undertake the ILM qualification. The skills I developed have enabled me to become a better manager and to understand my team and how to motivate individuals. There is so much more I could say but the main thing is that this qualification has added value to my professional career and I am ready to take the next step up. The support received was second to none - if you have the opportunity to do this course, take it!' -* ***Learner, Canterbury City Council***
- *"I just wanted to share with you my good news and say thank you again for your excellent teaching. I applied for a senior job in Housing and I was successful….I learnt so much from the course and I was able to demonstrate that it my interview. The ILM course was fantastic and I really appreciate what you have done for me through your excellent teachings and guidance". -* ***Learner, Dover District Council***
- *"A's submission, like all your candidate's this year, their portfolios are of a high standard and contained quality information and evidence. Additionally, I want to reinforce what you and the rest of your colleagues in the learning and development team within Folkestone and Hythe District Council have done in supporting A in providing him with new knowledge, insights, skills, and motivating him to complete his studies." -* ***End-point Assessor, DSW (Apprenticeships)***

CORPORATE PLAN 2021-30 – ‘CREATING TOMORROW TOGETHER’

In February 2020, we published our new Corporate Plan ‘**Creating Tomorrow Together’**, a 34-page document setting out our over-arching principles and service ambitions up until 2030 following approval by councillors.

The plan identifies the main priorities and themes of the council, including the key role we will play in leading the district's recovery from the coronavirus pandemic over the next three years.

The name of our corporate plan was inspired by the excellent relationships and networks which the council already has - and will continue to build on for the benefit of residents. It also alludes to the recovery work already being undertaken.

The plan was subject to public consultation in late 2020 and incorporates the key points raised during the consultation period to ensure it reflects the needs and ambitions of our residents, businesses and key stakeholders across the district.

The plan is focused on four service ambitions which are priority areas of action that relate to the key services that the council plans, delivers and commissions and six guiding principles that guide everything that we do (see summary image).

The adopted service priority actions as part of the plan will be further developed into an action plan, with progress against the plan itself monitored annually, and the plan will be comprehensively reviewed in 2024 to ensure it remains appropriate for the district.

A copy of our new corporate plan can be found here: [Creating Tomorrow Together – Corporate Plan 2021-30]

Online anytime at **www.folkestone-hythe.gov.uk**

Register for ‘My Account’ – The easy way to access Council information

- Pay your council tax and view your previous council tax bills
- Find your bin collection day
- See planning applications within 500m radius of your registered property
- Report missed bins and dog fouling
- View a history of your council tax reductions and housing benefits
- View details of your local councillors…. and more!

To register and to find out more information about ‘My Account’ please visit:

www.folkestone-hythe.gov.uk/myaccountinfo

It’s clear, simple and fast and is also available on your tablet or mobile.

Website: folkestone-hythe.gov.uk

Facebook: FolkestoneandHytheDC

Twitter: @fstonehythedc

Instagram: @folkestonehythedc

Folkestone & Hythe District Council

Appendix 2 - KPI Data 2020-21

More Homes- *Provide and enable the right amount, type and range of housing*

Description	Q1 Actual 2020-21	Q2 Actual 2020-21	Q3 Actual 2020-21	Q4 Actual 2020-21	Target	2019/20 Comparison	2020-21 Summary	Target Met
Number of new homes built within the District	-	-	-	-	738 (Annual)	528*	476*	✗
	**The Housing Information Audit for 2021 is yet to be undertaken so an estimated figure has been taken for the number of new homes built in the district from the housing supply work carried out for the Core Strategy Review Examination.*							
Council new builds and acquisitions started on site	3	3	5	8	20 (Annual)	35 *(Total)*	19 *(Total)*	✗
	Coronavirus has slowed down the overall delivery times for new builds starts and acquisitions completed during the year. A total of 19 properties have been delivered in 2020-21: 17 from the re-acquisition of properties previously sold under the right to buy in the district in Folkestone, Cheriton, New Romney and Lydd. A further 2 properties were acquired for shared ownership sale in Hawkinge. *Works are also due to start on the High View School site in Folkestone, later this year. It is anticipated that this site will deliver 30 Council homes for rent and shared ownership purchase.*							
Additional affordable homes delivered in the District by the Council and its partner agencies	3	4	5	10	80 (Annual)	76 *(Total)*	22 *(Total)*	✗
	The progress of affordable housing development sites in the district has been significantly slowed by the Coronavirus Pandemic during the year. Our housing association partners have advised that a number of sites originally anticipated to complete before the 31/3/21, are now scheduled to complete in the early part of 2021/22. There are approximately 90 additional affordable homes for rent and shared ownership purchase currently under construction on sites in Shorncliffe, Sellindge, New Romney and Cheriton. The sites will deliver homes for rent and shared ownership purchase.							
Affordable homes provided in the District for low cost home ownership	0	0	0	4	32 (Annual)	32 *(Total)*	4 *(Total)*	✗
	See commentary above.							
Long-term empty homes brought back into use	29	13	3	33	70 (Annual)	44 *(Total)*	78 *(Total)*	✓
Private sector homes improved as a result of intervention by the Council and its partner agencies	33	66	76	66	175 (Annual)	257 *(Total)*	241 *(Total)*	✓
% of major planning applications to be determined within statutory period	75%	86%	100%	100%	60% (Quarterly)	85.7% *(Average)*	90.2% *(Average)*	✓
% of minor planning applications to be determined within statutory period	78%	76%	94.3%	89.1%	70% (Quarterly)	67% *(Average)*	84.3% *(Average)*	✓
% of other planning applications to be determined within statutory period	93%	89%	96.6%	98.5%	85% (Quarterly)	65.3% *(Average)*	94.2% *(Average)*	✓

Appendix 2 - KPI Data 2020-21

Description	Q1 Actual 2020-21	Q2 Actual 2020-21	Q3 Actual 2020-21	Q4 Actual 2020-21	Target	2019/20 Comparison	2020-21 Summary	Target Met
Number of homelessness approaches *(includes Triage, Prevention, Relief & Decision cases)*	317	348	320	417	No Target	1,479 *(Total)*	1,402 *(Total)*	-
	The number of homelessness approaches increased in quarter 4. The Housing Options team continues to work to prevent homeless wherever possible. We are also working with private sector landlords to maximise the supply of good quality long-terms homes to enable us to respond to any further increases and minimise the time that households spend in all forms of temporary accommodation.							
Number of homelessness approaches closed as 'homelessness prevented'	14	10	11	14	No Target	-	49 *(Total)*	-
Number of homelessness approaches closed as 'homelessness relieved'	41	40	42	34	No Target	-	157 *(Total)*	-
Number of main duty decisions issued in the quarter where housing duty was accepted	2	0	0	2	No Target	-	4 *(Total)*	-
Average number of households in temporary accommodation	44	44	43	30	35 (Quarterly)	26 *(Average)*	40 *(Average)*	✗
	During the course of the Coronavirus Pandemic, the number of households (particularly single person households) placed in temporary accommodation increased significantly. Securing move on accommodation for these households has proved challenging, as less suitable private rented units are being made available in the market at present. The Housing Options team continues to work with private sector landlords across the district, to maximise the supply of good quality private rented homes available for use. The number of households in temporary accommodation has consequently reduced considerably during quarter 4.							
Average number of households in Bed and Breakfast accommodation	16	12	7	9	0 (Quarterly)	2 *(Average)*	11 *(Average)*	✗
	The number of households in bed and breakfast accommodation has increased slightly and continues to remain under target during the year due to the coronavirus pandemic. It has been necessary to use this type of accommodation due to a decrease in suitably available temporary accommodation. Bed & breakfast accommodation is continuing to be used for homeless single persons and couples. Families are continuing to be placed in self-contained accommodation, unless it is an emergency and no self-contained is available. The Housing Options team are actively working to move all clients into more suitable accommodation as soon as possible.							
Number of private rental properties provided through the Social Lettings Agency and Property Solutions	14	19	13	17	15 (Quarterly)	73 *(Total)*	63 *(Total)*	✓
Number of households registered on the Folkestone and Hythe Housing Waiting List	1,250 (as at end of June 2020)	1,169 (as at end of Sept 2020)	1,256 (as at end of December 2020)	1,309 (as at end of March 2021)	No Target	1,322 (as at the end of March 2020)	1,309 (as at end of March 2021)	-

Appendix 2 - KPI Data 2020-21

More Jobs - *Work with businesses to provide jobs in a vibrant local economy*

Description	Q1 Actual 2020-21	Q2 Actual 2020-21	Q3 Actual 2020-21	Q4 Actual 2020-21	Target	2019/20 Comparison	2020-21 Summary	Target Met
Number of employment sites or schemes where new employment space has been delivered	0	0	0	0	2 (Annual)	0 *(Total)*	0 *(Total)*	✗
	During Quarters 1-4 work has continued to be progressed by the Economic Development team this year to prepare for the following schemes, although the coronavirus pandemic has had some impact: • *Mountfield Road – Work started on site in December 2020 and the building of the Romney Marsh Business Hub is well underway and due to be completed 26 Oct 2021. Getting Building Funding has been confirmed for phase 2 of the site and contractors are now in place to deliver the infrastructure by end March 2022 to bring forward the remaining five hectares of employment land. Work is also underway to establish the strategy for bringing forward and developing out Stage 2 and will be coming for approval to Cabinet in due course.* • *16 Bouverie Place – The refurbishment of the property is underway and due to be completed in April 2021. The marketing of the property is underway with a good level of interest from prospective tenants. At this stage and that some occupiers will move into the property by June 2021.* • *Biggins Wood – Discussions continue between the Council and contractor regarding a Joint Venture for the scheme, but this has been delayed due to uncertainty over the Homes England grant required for site remediation.*						
External funding sources applied for to deliver better infrastructure or business accommodation within the district	0	1	0	1	3 (Annual)	3 *(Total)*	2 *(Total)*	✗
	One successful application for external funding sources was made during Quarter 4 which was to the Magnox socio-economic fund for 50% of the funding towards three years funding for the RMP Coordinator's post from 1 April 2021. Funding from FHDC and KCC was also secured for the other 50% during Quarter 4.							
Number of key employers met and supported as part of the business engagement programme	1	2	1	4	12 (Annual)	17 *(Total)*	8 *(Total)*	✗
	The business engagement programme in its usual form was put on hold during 2020/21, but some virtual telecalls have been conducted with businesses in the programme, including BigJig Toys, Plamil Foods, GoPak and NIC Instruments. *The focus of engagement with businesses over the last year has been with a much wider set of businesses to inform them of the support and grants available during the COVID national lockdown and Tier 3 and Tier 4 restriction periods. The Economic Development team has administered the government's COVID business grants during 2020/21. It ran the Folkestone & Hythe Discretionary Business Grant scheme during Q1 and Q2 of 2020/21, allocating £1.2 million government funding to 161 businesses and from November 2021 it ran the Additional Restrictions Grant scheme. The Council was allocated £3.2 million for its ARG scheme and by the end of Q4 had distributed 99.9% of this funding in business grants.*						

Appendix 2 - KPI Data 2020-21

Description	Q1 Actual 2020/21	Q2 Actual 2020/21	Q3 Actual 2020/21	Q4 Actual 2020/21	Target	2019/20 Comparison	2020-21 Summary	Target Met
Allocation of Folkestone & Hythe High Streets Fund funding	-	£57,340	No funds allocated	£25,234	£ 250,000 (Annual)	-	£82,574 *(Total)*	✗
	During the lockdown period the High Streets Fund remained open to applications but all decisions on grants were put on hold at this time, so no grants were issued during Quarter 3. This continued throughout Quarter 4, however 4 urgent applications were reviewed and a total of £25,234 was awarded. There is a healthy pipeline of applications that will be reviewed during Quarter 1 2021/22.							
Number of Folkestone Town Centre initiatives led by F&HDC	0	2	1	0	4 (Quarterly)	-	3 *(Total)*	✗
	During Quarter 4 progress continued with the delivery of a number of Folkestone town centre initiatives including heritage lighting, signage. The Vegan Veganism market launched during Quarter 3 was on hold during continued pandemic restrictions but approval to extend the pilot phase until the end of the Summer months has been confirmed. *During this quarter the Folca building has been used as a vaccination centre and discussions have continued around the future uses of the building, including the potential to incorporate a new FHDC Customer Access Point and Youth Hub, as well as for health uses.* *The Economic Development team has also continued to project manage and work closely with Planning colleagues on the work underway by consultants to develop a Place Plan for Folkestone town centre which is due to conclude in July '21.*							
Value of Grant Funding Agreements agreed under the Folkestone Community Works SME Business Grant Scheme funding programme	*No GFAs agreed in Q1*	*No GFAs agreed in Q2*	*£19,431*	£26,077	£70,000 (Annual)	£145,888 *(Total)*	£45,508 *(Total)*	✗
	The number of application was less than forecasted as the opening of the call was delayed to August due to the COVID pandemic. During the remainder of the year, nine application have been approved for funding with a total grant value £89,472. By the end of quarter four, grant funding agreements had been sealed to a value of £45,508, with the reminder expected to be completed next year as business confidence increases as the economy reopens.							

Appendix 2 - KPI Data 2020-21

Appearance Matters - *Provide an attractive and clean environment*

Description	Q1 Actual 2020-21	Q2 Actual 2020-21	Q3 Actual 2020-21	Q4 Actual 2020-21	Target	2019/20 Comparison	2020-21 Summary	Target Met
Retain Green Flag awards for the Coastal Park, Royal Military Canal and Radnor Park sites	-	-	-	-	3 (Annual)	-	3 *(Total)*	✓
Community environmental events (e.g. litter picks) held	2	15	11	4	15 (Quarterly)	81 *(Total)*	32 *(Total)*	✗
	The number of community environmental events held did not meet target during the year due coronavirus pandemic. A number of planned events had to be cancelled in Quarters 1 and 4 due to lockdown restrictions.							
Community environmental volunteer hours committed	286	404	172	140	600 hours (Quarterly)	2,820 *(Total)*	1,002 *(Total)*	✗
	See commentary above							
Corporate social responsibility environmental events held	0	5	1	0	5 (Quarterly)	15 *(Total)*	6 *(Total)*	✗
	The number of community social responsibility events did not hit target during year due to a series of planned corporate social responsibility events being cancelled in Quarters 1 and 4 due to coronavirus lockdowns.							
Corporate social responsibility hours committed	0	355	72	0	240 hours (Quarterly)	973 *(Total)*	427 *(Total)*	✗
	See commentary above							
Number of recorded See It, Own It, Do it, interventions completed	263	1,918	1,995	2,309	1200 (Quarterly)	10,336 *(Total)*	6,485 *(Total)*	✓
Average time for graffiti to be removed from the time of being reported (Local Area Officers)	48 hours	48 hours	48 hours	12 hours	48 hours (Quarterly)	30 hours *(Average)*	39 hours *(Average)*	✓
Number of enforcement notices served (e.g. Abatement Notices, Community Protection Notices)	13	12	19	7	100 (Annual)	136 *(Total)*	51 *(Total)*	✗
	The number enforcement notices served is lower than the previous year due to a change in the law in March 2020 that has not allowed Environmental Enforcement Officers to use Section 108 of the Environment Act 1995 to serve a notice if a person refuses to comply and supply relevant information. As a result, alternative measures have had to be taken which do not use enforcement notices.							
Enforcement - % of successful prosecutions	-	100%	100%	100%	100% (Quarterly)	100%	100%	✓
	Quarter 1: No prosecutions took place during the quarter.							
Enforcement - Fixed Penalty Notices issued	59	92	127	74	185 (Annual)	219 *(Total)*	352 *(Total)*	✓

Appendix 2 - KPI Data 2020-21

Description	Q1 Actual 2020-21	Q2 Actual 2020-21	Q3 Actual 2020-21	Q4 Actual 2020-21	Target	2019/20 Comparison	2020-21 Summary	Target Met
Enviro-crime patrol hours (dog fouling and littering)	747	599	760	493	2,800hrs (Annual)	1,666 *(Total)*	2,599 *(Total)*	✗
	The number of patrol hours undertaken by Environmental Enforcement Officers has shown significant increase during the year. The officers have been involved in a number of coronavirus related activities whereby patrolling has not feasible, including providing support to the NHS at Folca to manage vaccination queues over a 2 week period, helping to promote test and trace in communities as well as undertaking local door knocking for test and trace covid cases that KCC were trying to obtain contact details from. The team has also had several people off long term with Coronavirus or long term sickness, which has also an impacted on overall patrol hours.							
% of unauthorised encampments successfully removed from FHDC Land	100%	100%	-	-	100% (Quarterly)	100%	100%	✓
	There were no unauthorised encampments on FHDC land in Quarter 4.							
Compliant air quality monitoring sites	18	18	18	18	16 Sites	16 *(Total)*	18 *(Total)*	✓
% of household waste recycled	48%	49%	46%	45%	50% (Quarterly)	46% *(Average)*	47% *(Average)*	✗
	Seasonal variation is inherent in waste collection and recycling figures: garden waste in particular is seasonally driven and data trends over previous years have shown that Spring (Quarter 1) is the busiest time of the year when residents prepare their gardens for the summer months, whilst the autumn months (Quarter 3) are quieter due to colder and wetter weather conditions. *However, COVID-19 has no precedent and any comparison with our "normal" data sets must be done so with caution. Since March 2020, residents' waste behaviour has changed due to lockdown arrangements – for example: more online deliveries have been made, increasing cardboard volumes; more meals have been made and eaten at home resulting in increased food waste; and, home improvements / clear-outs have been undertaken whilst people have been at home, both of which have increased waste volumes generated (this now frequently being collected via the Council's bulky waste service, as opposed to previously being deposited at a Household Waste Recycling Centres) – and the increased collection of reusable items by the 3rd Sector, for example charities, thus removing such recyclable items from the waste stream.* *Whilst avoiding direct comparisons, it would appear that the net result of the COVID restrictions continuing during the period has resulted in an increase in the Quarter 4 2020/21 recycling rate compared to the same period in 2019/20 where a rate of 42% was achieved, but it has continued to reduce relative to the preceding quarters this year, largely reflecting the seasonal variations in garden waste production which is typical rather than attributable to COVID. (i.e. gardening activity is limited during the winter months, especially during periods of snow, etc.)*							
Number of missed collections per 100,000 population	8.22	11.47	6.48	Figure Unavailable	50 (Quarterly)	7.4 *(Average)*	8.72 *(Average Q1-Q3 only)*	-
	A Figure for Quarter 4 is unavailable due to the introduction of an all new data management system by Veolia in April 2021 as part of the new waste and street cleansing contract. In addition, both the waste and contractor teams have experienced the departure of experienced data specialist's roles that are currently looking to be filled.							

Appendix 2 - KPI Data 2020-21

Description	Q1 Actual 2020-21	Q2 Actual 2020-21	Q3 Actual 2020-21	Q4 Actual 2020-21	Target	2019/20 Comparison	2020-21 Summary	Target Met
% of street surveyed clear of litter within the district	83%	96%	96%	96.3%	95% (Quarterly)	93.7% *(Average)*	92.8% *(Average)*	✗
% of returns to empty a missed bin by the end of the next working day if it is reported within 24 hours	80%	90%	87%	Figure Unavailable	95% (Quarterly)	94.2% *(Average)*	85.6% *(Average Q1-Q3 only)*	-
	A Figure for Quarter 4 is unavailable due to the introduction of an all new data management system by Veolia in April 2021 as part of the new waste and street cleansing contract. In addition, both the waste and contractor teams have experienced the departure of experienced data specialist's roles that are currently looking to be filled.							
Number of days to remove fly tipped waste on public land once reported	1.2	1.1	2	Figure Unavailable	3 Days (Quarterly)	2.2 days *(Average)*	1.4 Days *(Average Q1-Q3 only)*	-
	See comment above							
Parking: Number of PCNs issued	2,643	5,653	3,889	2,371	No Target	21,580 *(Total)*	14,556 *(Total)*	-
Parking: British PCN recovery rate	46.2%	62.9%	46.5%	62.6%	60% (Quarterly)	58.9% *(Average)*	54.5% *(Average)*	✗
	In light of the Coronavirus pandemic, the British Parking Association and the Local Government Association (LGA) have recommended authorities take an understanding and flexible approach towards taking payments in recognition that an increasing number of people will be impacted financially. Our current approach includes extending the discount period, placing cases on hold for specific periods, and offering payment plans to people with multiple cases. This has in turn continued to reduce the overall pcn recovery rate achieved.							
Parking: Foreign PCN recovery rate	32.2%	47.6%	26.8%	35.8%	40% (Quarterly)	39.3% *(Average)*	35.6% *(Average)*	✗
	Foreign registered vehicles (FRVs) are more likely to contravene traffic and parking regulations than drivers of UK registered vehicles – and are less likely to pay the penalty charges which they incur. It has often proved challenging to trace the owners of FRVs and, even when they can be traced, there is no legal process by which they can be made to pay civil penalties. *Debt recovery has been slower during the pandemic. Officers continue to work with enforcement agents to recover much of the outstanding debts as possible.*							

Appendix 2 - KPI Data 2020-21

Health Matters - *Keeping our communities healthy and safe*

Description	Q1 Actual 2020/21	Q2 Actual 2020/21	Q3 Actual 2020/21	Q4 Actual 2020/21	Target	2019/20 Comparison	2020-21 Summary	Target Met
% of premises rated 3 or above for food hygiene	92%	92%	97%	97%	95% (Quarterly)	95% *(Average)*	94.5% *(Average)*	✗
	A number of premises inspections during the first half of the year were suspended under COVID legislation with health and safety actions and responses to COVID related complaints has taken up significant resource time within the team and this has impacted on the overall end of year outturn achieved. The second half of the year has shown improvement due to restrictions lifting as well as revisiting businesses which applied for re-ratings following enforcement/educational visits during the lockdowns.							
Number of visits and inspections to licensed premises	6	21	69	43	30 (Quarterly)	114 *(Total)*	139 *(Total)*	✓
	The 43 reported visits and inspections consisted of: • *43 premises licence inspections (under Licensing Act 2003 and The Health Protection (Coronavirus, Business Closure) (England) Regulations 2020)* *The number of visits and inspections has shown a drop from the previous quarter as we went into a National Lockdown in January. This meant that premises that were previously open had to close, however we received a number of allegations that premises that should have been closed were open, or that those offering takeaway only were not operating correctly in line with government guidance. Officers were unable to conduct other licensing visits (such as animal welfare, gambling premises etc) and therefore focussed on visiting licensed premises to check their compliance with Covid restrictions. An increase in visits and inspections is likely moving into Quarter 1 of 2021/22 as result of national lockdown restrictions being lifted. Weekday, evening and weekend visits are planned to licensed premises across the district in line with new Covid Regulations until they are lifted. Advice and enforcement is being undertaken.*							
Fixed Penalty Notices issued under the Public Space Protection Order	4	7	8	4	No Target	5 *(Total)*	23 *(Total)*	-
	Fixed penalty notices have been issued under the Public Space Protection order to people who have been begging, urinating and camping in public spaces during the year.							
Number of young people engaged in ASB diversionary activities	0	0	0	4	100 (Quarterly)	962 *(Total)*	4 *(Total)*	✗
	Due to the ongoing coronavirus pandemic there has been little engagement with young people directly by FHDC during Quarter 4. This has been to do with the limited availability of schools. Our district schools were only open throughout this period for a limited time and when they were reopen they are still discouraging ongoing contact with outside agencies to reduce the risk of transmission, but support has been provided through virtual initiatives. KCC face to face work had not been taking place for our detached working and Police Crime Commissioner (PCC) funded Projects have been on hold. However the partnership working has continued to take place with high risk young people who are being highlighted through the weekly Community Safety Unit (CSU) and the fortnightly District Contextual Safeguarding Meeting (DCSM). *The 4 children who have been supported are from the Young Street Group which has been identified through CSU (there are 2 x YSG's) and this is preventative work that has been done with them and the Metanoia project which was a presentation on Knife Crime and Gangs.*							

Appendix 2 - KPI Data 2020-21

	It is hoped that Community Safety projects within schools and PCC funded projects can now safely start to recommence as lockdown is eased. New PCC funded projects are being submitted to the PCC for 2021/2022 and will start in due course.							
Description	**Q1 Actual 2020/21**	**Q2 Actual 2020/21**	**Q3 Actual 2020/21**	**Q4 Actual 2020/21**	**Target**	**2019/20 Comparison**	**2020-21 Summary**	**Target Met**
Number of hospital admissions prevented or hospital discharges accelerated as a result of Private Sector Housing Team and partner intervention	92	27	71	116	100 (Annual)	262 *(Total)*	306 *(Total)*	✓
No of Disabled Facilities Grants administered	13	17	11	13	No Target	78 *(Total)*	54 *(Total)*	-

Achieving Stability - *Achieve financial stability through a commercial and collaborative approach*

Description	**Q1 Actual 2020/21**	**Q2 Actual 2020/21**	**Q3 Actual 2020/21**	**Q4 Actual 2020/21**	**Target**	**2019/20 Comparison**	**2020-21 Summary**	**Target Met**
Council tax collection	28.82% (cumulative)	55.53% (cumulative)	82.34% (cumulative)	96.13% (cumulative)	97.3% (Annual)	97.48% *(cumulative)*	96.13% *(cumulative)*	✗
	Collection rates have dropped in council tax due to the financial hardships felt by council tax payers during the pandemic. Usual recovery methods have not been available to the team as the courts have been closed and therefore we haven't been able to obtain liability orders to pursue enforcement routes.							
Council tax reduction collection rate	27.25% (cumulative)	49.09% (cumulative)	69.21% (cumulative)	86.71% (cumulative)	82.5% (Annual)	83.4% *(cumulative)*	86.71% *(cumulative)*	✓
Business Rates collection	32.94% (cumulative)	56.83% (cumulative)	79.17% (cumulative)	94.11% (cumulative)	97.5% (Annual)	98.03% *(cumulative)*	94.11% *(cumulative)*	✗
	Collection rates have dropped for business rates due to the financial hardships felt by businesses during the pandemic. Usual recovery methods have not been available to the team as the courts have been closed and therefore we haven't been able to obtain liability orders to pursue enforcement routes. Also the entire Business Rates and Corporate Debt team has been working on the administration of business grants since March 2020.							
Total annual income accrued from Oportunitas for the Council	-	-	-	-	£275,000 (Annual)	£227,481 *(Total)*	£287,373 *(Total)*	✓
	The total income received from Oportunitas for 2020/21 is broken down as follows: General Fund £259,929; Loan principal repaid (capital receipt) £27,444							
Total income collected from the Council's corporate property portfolio	£433,301	£895,954	£253,686	£509,207	£1.6 million (Annual)	£1,765,008 *(Total)*	£2,092,147 *(Total)*	✓
Total income from Apprenticeships and commercial work for TDC, CCC and DDC	£6,646	£36,884	£49,673	£28,400	£75,000 (Annual)	-	£121,603 *(Total)*	✓
Total value of Community Infrastructure Levy Liability notices	£52,347	£283,415	£122,030	£160,968	No Target	£1,285,535.20 *(Total)*	£618,760 *(Total)*	-

Appendix 2 - KPI Data 2020-21

Description	Q1 Actual 2020/21	Q2 Actual 2020/21	Q3 Actual 2020/21	Q4 Actual 2020/21	Target	2019/20 Comparison	2020-21 Summary	Target Met
Total value of Community Infrastructure Levy receipts	£15,425	£173,548	£129,319	-	No Target	£381,465.13 *(Total)*	£318,292 *(Total)*	-
	There were no CIL receipts recorded for Quarter 4.							

Delivering Excellence - *Deliver excellent customer service through commitment of staff and members*

Description	Q1 Actual 2020/21	Q2 Actual 2020/21	Q3 Actual 2020/21	Q4 Actual 2020/21	Target	2019/20 Comparison	2020-21 Summary	Target Met
% of calls received are answered	97.4%	91.8%	87.3%	79.2%	80% (Monthly)	89.6% *(Average)*	88.9% *(Average)*	✓
Increase of customer self-serve transactions (compared to 2019/20)	-	-	-	-	5% (Annual)	41.18% *(Compared to 2018/19)*	14.23% *(Compared to 2019/20)*	✓
	This indicator is collated on an annual basis and not available quarterly. A figure will be available at the end of Quarter 4							
% of customers satisfied with Web Chat service	94.1%	93%	93.9%	94.4%	88% (Annual)	90% *(Average)*	93.9% *(Average)*	✓
Average number of days taken to process new claims for Housing Benefit	20.9	17	10.2	8.5	21 Days	15.9 days *(Average)*	14.1 days *(Average)*	✓
Lifeline - Number of calls answered within 60 seconds	97.4%	97.1%	96.9%	97.9%	97.5% (Monthly)	98.3% *(Average)*	97.3% *(Average)*	✗
	The move to permanent home working at the beginning of the year due to the coronavirus pandemic saw the Lifeline team experience multiple IT issues with Skype and the Lifeline system which had a negative impact on call answering times in quarters 2 and 3. During quarter 3, the Lifeline server was successfully replaced and this has resulted in a reduction in IT related issues and an overall increase in productivity during quarter 4.							
Lifeline - Number of calls answered within 180 seconds	99.7%	99.7%	99.7%	99.8%	100% (Monthly)	99.9% *(Average)*	99.7% *(Average)*	✗
	See comment above							
Council Dwellings -Average time taken to re-let council dwellings excluding major works	40.4 days	25.5 days	22.5 days	25.3 days	16.5 Days (Quarterly)	19.6 days *(Average)*	28.4 days *(Average)*	✗
	Delays previously reported during Quarter 1 due to access restrictions, furloughed contractor staff and suspension of lettings as a result of the coronavirus pandemic have affected our year-end outturn position of 28 days. However, an increase in the amount of void work being undertaken, in part due to increased safety checks (e.g. asbestos) and the deteriorating condition of the stock, has resulted in longer void turnaround times overall.							
Council Dwellings - % of emergency repairs completed on time	99.75%	99.78%	99.66%	99.95%	98% (Quarterly)	99.6% *(Average)*	99.7% *(Average)*	✓
Council Dwellings - % of routine repairs completed on time	99.67%	99.20%	99.55%	98.47%	98% (Quarterly)	98.7% *(Average)*	99.2% *(Average)*	✓
All complaints will be acknowledged within 5 days as required in the policy	100%	100%	100%	100%	100% (Monthly)	99.7% *(Average)*	100% *(Average)*	✓

Appendix 2 - KPI Data 2020-21

Description	Q1 Actual 2020/21	Q2 Actual 2020/21	Q3 Actual 2020/21	Q4 Actual 2020/21	Target	2019/20 Comparison	2020-21 Summary	Target Met
All Freedom of Information / Environmental Information Requests to be responded to within the statutory period of (20 working days or lawful extension).	64.8%	87.4%	83.9%	74.3%	90% (Monthly)	69.2% *(Average)*	77.6% *(Average)*	✗
	Performance remains under target in the quarter due cross training being undertaken between a Freedom of Information officer and Recovery officer on their opposite work functions to help build skills resilience within the team. Additionally the number of FOI/EIR requests has continued to increase during the year from 113 in Quarter 1, to 159 in Quarter 2, to 193 in Quarter 3 to 199 in Quarter 4 with varying levels of complexity that have impacted on the response times achieved throughout the year. Further discussions on resourcing are being undertaken to address the situation to help improve future performance.							
All Subject Access Request responses to be provided within the statutory period (1 calendar month or lawful extension).	16.6%	88.8%	61.1%	11%	100% (Monthly)	59% *(Average)*	44.3% *(Average)*	✗
	The number Subject Access Requests (SAR) responded to within the statutory period/lawful extension remains under target due to the extensive length of time required to collate and redact these types of request, coupled with increased number Freedom of Information/Environmental Information Requests (FOI/EIR) received, a decision was made within the Case Management team to prioritise the FOI/EIR responses. This is now being addressed through cross-training other members of the Case Management team to log SAR cases that will enable fully trained freedom of information officers to spend more time dealing with the request responses.							
Number of absence days per employee (Per full-time equivalent)	1.24	0.77	1.31	1.81	7 days (Annual)	4.57 *(Total)*	5.13 *(Total)*	✓
Employee Net Promoter score	-	-	-	-	-20 or above (Annual)	-8	See comments	-
	The council used the Best Companies survey in July 2020 and March 2021. This survey does not measure the employee net promoter score but has given us a range of other valuable data. From the Best Companies survey we have been awarded a 2 star accreditation for outstanding levels of engagement and are recognised as one of the top 10 not for profit bodies to work for in the UK!							

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This Report will be made public on 7 June 2021

Folkestone & Hythe District Council

Report Number **C/21/08**

To:	**Cabinet**
Date:	**23 June 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 OUTTURN 2020/21

SUMMARY: This report summarises the 2020/21 final outturn position (subject to audit) for the General Fund capital programme compared to the latest approved budget. The report also summarises the outturn position for the approved prudential indicators for capital expenditure in 2020/21.

REASONS FOR RECOMMENDATIONS:

a) 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.

b) CIPFA's Prudential Code for Capital Finance requires the actual prudential indicators for the financial year to be reported.

RECOMMENDATIONS:

1. To receive and note Report C/21/08.

1. INTRODUCTION AND BACKGROUND

1.1 This report compares the 2020/21 outturn (subject to audit) for the capital programme to the latest approved budget, agreed by Full Council on 24 February 2021 (minute 25 refers). Specifically, this report;-

i) provides explanations of the key variances for schemes within the programme between the latest approved budget and the outturn position for 2020/21,

ii) considers the impact the changes to the overall capital programme will have on the financing resources required to fund it,

iii) summarises the 2020/21 outturn position for the approved prudential indicators for capital expenditure.

2. 2020/21 FINAL OUTTURN COMPARED TO THE LATEST APPROVED BUDGET

2.1 The total cost and funding of the General Fund capital programme for 2020/21 is £17,614,951 a reduction of £3,257,949 compared to the latest approved budget of £20,872,900. The following table provides a summary of the final outturn for the General Fund capital programme in 2020/21 compared the latest budget. Full details are shown in Appendix 1 to this report. The final outturn figures are consistent with the draft Statement of Accounts and subject to the audit of the accounts.

General Fund Capital Programme 2020/21	Latest Budget 2020/21	Provisional Outturn	Variance Budget to Outturn
	£'000	£'000	£'000
Service Units			
Operations	1,781	1,408	(373)
Corporate Services	2,106	2,179	73
Housing	1,010	810	(200)
Transformation & Transition	2,599	1,209	(1,390)
Economic Development	0	371	371
Place	13,377	11,638	(1,739)
Total Capital Expenditure	**20,873**	**17,615**	**(3,258)**
Capital Funding			
Capital Grants	(1,753)	(2,049)	(296)
External Contributions	(196)	(871)	(675)
Capital Receipts	(2,010)	(1,140)	870
Revenue	(4,226)	(3,194)	1,032
Borrowing	(12,688)	(10,361)	2,327
Total Funding	**(20,873)**	**(17,615)**	**3,258**

2.2 The following table summarises the main reasons for the net reduction in the final outturn expenditure compared to the latest budget:

Variances – 2020/21 Latest Budget to Outturn				
1		**Reprofiling between 2020/21 and 2021/22**	**£'000**	**£'000**
	i)	General Fund Property - Health and Safety Enhancements	(13)	
	ii)	Public Toilets Enhancement Programme	3	
	iii)	Ship Street Site Folkestone	(161)	
	iv)	*On Street Parking Pay & Display Machines	4	
	v)	Electric Vehicles Charging Points	(40)	
	vi)	*Oportunitas Phase 2	80	
	vii)	Land at Otterpool Lane	(314)	
	viii)	*Mountfield Business Hub	(297)	
	ix)	*Mountfield Employment Land	(568)	
	x)	*Waste Contract - Acquisitions of Vehicles and Equipment	(608)	
	xi)	*Temporary Accommodation	(200)	
	xii)	Biggins Wood Site Land Remediation Works	(100)	
	xiii)	Biggins Wood Commercial Development	9	
	xiv)	*Princes Parade Leisure Centre	(110)	
	xv)	Coast Protection, Coronation Parade Folkestone	40	
	xvi)	*Otterpool Park Masterplanning Costs	(839)	
	xvii)	*Lower Sandgate Rd Beach Huts	(20)	
	xviii)	Other small changes	3	
				(3,131)
2		**Reclassification between capital and revenue**		
	i)	Community Led Local Development ERDF Capital Projects (externally funded)	371	
				371
3		**Overspends**		
	i)	Lifeline Capitalisation	4	
	ii)	Otterpool Park Delivery Costs	16	
	iii)	Disabled Facilities Grants (externally funded)	36	
	iv)	Other small overspends	10	
				66
4		**Savings**		
	i)	Beach Management 2020-2021 (externally funded)	(89)	
	ii)	Transformation Project costs	(416)	
	iii)	Empty Home Initiatives	(26)	
	iv)	Greatstone dune management & study (externally funded)	(10)	
	v)	Home Safe Loans	(10)	
	vi)	Server Replacement Programme	(7)	

vii)	Other small savings	(6)	
			(564)
	Total change in overall capital programme for 2020/21		**(3,258)**

*denotes scheme in progress and sum fully committed in 2021/22

2.3 The outturn for 2020/21 of £17.615m is £1.510m lower than the previous projected position of £19.125m reported to Cabinet on 17 March 2021 (minute 91 refers), which was based on information at 31 January 2021. The main reason for this difference is the reprofiling of both the Mountfield Employment Land scheme (£568k) and the Otterpool Park Masterplanning costs (£839k) to 2021/22, neither of which were reflected in the previous projection. The Otterpool Park Masterplanning costs are fully committed and the masterplanning continues at pace.

2.4 As highlighted in 2.2 above, the main reason for this significant reduction in the planned capital expenditure for the year is due to the reprofiling of a number of schemes between 2020/21 and 2021/22. The majority of the sum being reprofiled to 2021/22 is for schemes in progress where the sum is fully committed. Cabinet is reminded that the council has an approved five year Medium Term Capital Programme through to 31 March 2026 and a number of the schemes in it are profiled to incur expenditure over more than one financial year as part of their approved budget. Some capital schemes are more difficult to project accurately in terms of both the timing of expenditure and, in some cases, the final cost.

3. IMPACT OF PROGRAMME CAPITAL FUNDING RESOURCES

3.1 As summarised in section 2 of this report, the Council has used £10.361m of prudential borrowing towards financing its capital expenditure incurred in 2020/21. The capital financing costs from the borrowing have been included in the Council's future budget projections. The capital schemes in 2020/21 supported by prudential borrowing are:

		£'000
i)	Otterpool Park schemes	5,412
ii)	Waste Contract Vehicles	2,323
iii)	Oportunitas Phase 2 funding	2,080
iv)	Biggins Wood Commercial Development	9
v)	Greatstone Holiday Lets	17
vi)	Lower Sandgate Road Beach Huts	520
	Total	**10,361**

3.2 The council's actual borrowing activity for the financial year will be covered in the Treasury Management Outturn Report for 2020/21 which Cabinet is due to consider later this summer. However, the Prudential Indicators outturn for 2020/21, covered below and in appendix 2 to this report, summarise the council's total debt, including that attributable to the Housing Revenue

Account, at 31 March 2021 against its total borrowing need, known as the Capital Financing Requirement.

3.3 The £3.194m of revenue resources used to fund capital expenditure in the current financial year, summarised in section 2.1 of the report, is reflected in the General Fund outturn report for 2020/21, due to be considered by Cabinet as part of this agenda.

3.4 The latest position regarding the council's available capital receipts to fund capital expenditure is shown in the following table:

General Fund Capital Receipts Position Statement	**£'000**
Total receipts in hand at 31 March 2021	(8,435)
Less:	
Committed towards General Fund capital expenditure	(2,130)
Committed towards HRA capital expenditure	(4,614)
Ring-fenced for specific purposes	(78)
Contingency for urgent or unforeseen capital expenditure	(500)
Balance available to support new capital expenditure	**1,113**

3.5 Of the £1.1m in available General Fund capital receipts at 31 March 2021, £0.9m can be used towards qualifying efficiency costs under the government's Flexible Use of Capital Receipts guidance. In 2020/21 the capitalised Transformation Project cost of £584k was met from qualifying capital receipts held under this guidance.

3.6 Available resources to fund the slippage and reprofiling of capital expenditure to 2020/21, outlined in section 2 of the report, have been ring-fenced to meet this.

4 PRUDENTIAL INDICATORS OUTTURN 2020/21

4.1 The Local Government Act 2003 requires the Authority to have regard to the Chartered Institute of Public Finance and Accountancy's *Prudential Code for Capital Finance in Local Authorities* (the Prudential Code) when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. Appendix 2 compares the approved indicators with the outturn position for 2020/21. The actual figures have been taken from or prepared on a consistent basis with the Authority's draft Statement of Accounts. The Authority has complied with all the limits set as part of the approved indicators for 2020/21.

5 CONCLUSIONS

5.1 The outturn position for 2020/21 is consistent with the draft Statement of Accounts.

5.2 The main reason for the reduction in expenditure compared to the latest approved budget is due to slippage and reprofiling of expenditure to 2020/21.

5.3 The outturn for the programme requires £10.361m of borrowing to support it.

6 RISK MANAGEMENT ISSUES

6.1 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.
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.

7. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

7.1 **Legal Officer's Comments** (NM)

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

7.2 **Finance Officer's Comments** (LW)

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

7.3 **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.

7.4 **Communications (KA)**

There are no communications implications arising directly from this report

8. 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 & Treasury Senior Specialist
Tel: 01303 853593. e-mail: 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 Outturn
Appendix 2 – Prudential Indicators Outturn Report 2020/21

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APPENDIX 1 - GENERAL FUND CAPITAL PROGRAMME PROVISIONAL OUTTURN 2020/21

by Head Of Service

Item	Scheme	Latest Approved Budget	Provisional Outturn	Variance Budget to Outturn	Comments
		£000	£000	£000	
	Andy Blaszkowicz - Director of Housing & Operations				
1	Vehicle Replacement Programme	66	64	(2)	Two vehicles have been purchased in 20/21 as part of the replacement programme.
2	Coast Protection, Coronation Parade Folkestone	20	60	40	Scheme all externally funded. Preliminary test and studies to allow for procurement of the main works brought forward from 2021/22.
3	Coastal Protection, Greatstone dune management & study	15	5	(10)	Annual scheme funded by the Environment Agency.
4	Beach Management 2020-2021	420	331	(89)	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	54	4	Additional expenditure to meet demand for the service.
7	Royal Military Canal Enhancements	29	31	2	Slight overspend on annual programme of works for the year.
8	Coronation Parade Annual Monitoring	4	0	(4)	No expenditure for 2020/21.
9	Public Toilets Enhancement Programme	0	3	3	Preliminary costs only. To be met from main scheme budget profiled for 2021/22.
10	Biggins Wood Commercial Dev	0	9	9	Preliminary costs only. To be met from main scheme budget profiled for 2021/22.
11	Biggins Wood Site Land Remediation Works	100	0	(100)	Reprofiled to 2021/22
12	Greatstone Holiday Lets	15	17	2	Preliminary costs only.
13	Ship Street Site Folkestone	441	280	(161)	General Fund share of the acquisition. Balance for site planning and preparation costs reprofiled to 2021/22.
14	Hawkinge Cemetery Expansion	28	29	1	Scheme completed 20/21.
15	Hawkinge Depot Upgrade	0	1	1	Preliminary costs only. To be met from main scheme budget profiled for 2021/22.

Item	Scheme	Latest Approved Budget	Provisional Outturn	Variance Budget to Outturn	Comments
		£000	£000	£000	
16	Lower Sandgate Rd Beach Huts - Loan to FPPG Charity	540	520	(20)	Loan funding to the Folkestone Parks and Pleasure Grounds Charity to meet the cost of the scheme. Balance reprofiled to 2021/22 to complete the scheme
17	On Street Parking Pay & Display Machines	0	4	4	Expenditure being met from budget originally profiled for 2021/22.
18	Electric Vehicles Charging Points	40	0	(40)	Scheme to provide on-street charging points delayed until 2021/22.
	Total - Head of Housing & Operations	**1,781**	**1,408**	**(373)**	
	Charlotte Spendley - Director of Corporate Services				
19	PC Replacement Programme	46	46	0	On target.
20	Server Replacement Programme	60	53	(7)	Saving
21	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
	Total - Head of Corporate Services	**2,106**	**2,179**	**73**	
	Katharine Harvey - Head of Economic Development				
22	Community Led Local Development (CLLD) ERDF Capital Projects	0	371	371	Folkestone Community Works reclassified as capital expenditure and met from Government Grant.
	Total - Head of Economic Development	**0**	**371**	**371**	
	Ewan Green - Director of Place				
23	Waste Contract - Acquisitions of Vehicles and Equipment	2,931	2,323	(608)	Purchase of new waste contract vehicles. Balance to be reprofiled to 2021/22 and budget fully committed
24	Acquisition of former Debenhams Building	2,340	2,340	0	Building acquired in May 2020.
25	Land at Otterpool Park	3,700	3,386	(314)	Balance reprofiled to 2021/22 and budget fully committed.
26	Otterpool Park LLP Funding	1,250	1,255	5	Initial funding of Otterpool Park LLP to support the delivery of the proposed development.
27	Otterpool Park Delivery Costs	12	28	16	Further consultancy advice to support the delivery process.
28	Otterpool Park Masterplanning Costs	3,144	2,305	(839)	Balance reprofiled to 2021/22 and budget fully committed.
	Total - Director of Place	**13,377**	**11,638**	**(1,739)**	
	John Holman - Head of Housing				
29	Temporary Accommodation	200	0	(200)	The acquisition of these units is now likely to complete in early 2021/22.
30	Disabled Facilities Grants	600	636	36	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.
31	Home Safe Loans	60	50	(10)	Lower demand than anticipated

Item	Scheme	Latest Approved Budget	Provisional Outturn	Variance Budget to Outturn	Comments
		£000	£000	£000	
32	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.
	Total - Head of Housing	**1,010**	**810**	**(200)**	
	Tim Madden - Head of Transition & Transformation				
33	Princes Parade Leisure Centre	250	140	(110)	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.
34	FHDC Transformation	1,000	584	(416)	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.
35	Mountfield, New Romney - Employment Land	614	46	(568)	Contractor appointed and works expected to commence in March 2021. Balance to be reprofiled to 2021/22.
36	Mountfield, New Romney - Business Hub	735	438	(297)	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**	**1,209**	**(1,390)**	
	TOTAL GENERAL FUND MEDIUM TERM CAPITAL PROGRAMME	**20,873**	**17,615**	**(3,258)**	

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Appendix 2

Prudential Indicator Outturn Report 2020/21

Capital Expenditure: The Authority's capital expenditure and financing, including the Housing Revenue Account, is summarised in table 1 below and is consistent with the draft statement of accounts for 2020/21:

Table 1

Capital Expenditure and Funding	2020/21 Estimate £m	2020/21 Actual £m	Difference £m
Capital Expenditure			
General Fund Services	7.698	6.149	(1.549)
Capital Investments	13.175	11.466	(1.709)
HRA	13.755	8.128	(5.627)
Total Expenditure	**34.628**	**25.743**	**(8.885)**
Funded by:			
External Resources	(1.949)	(2.920)	(0.971)
Internal Resources	(19.991)	(12.462)	7.529
Debt	(12.688)	(10.361)	2.327
Total Funding	**(34.628)**	**(25.743)**	**8.885**

Capital Financing Requirement: The Capital Financing Requirement (CFR) shown in table 2 below, measures the Authority's underlying need to borrow for a capital purpose and the actual position is consistent with the draft statement of accounts for 2020/21:

Table 2

Capital Financing Requirement	31.03.21 Estimate £m	31.03.21 Actual £m	Difference £m
General Fund Services	14.242	13.425	(0.817)
Capital Investments	67.514	66.103	(1.411)
HRA	47.416	47.416	-
Total CFR	**129.172**	**126.944**	**(2.228)**

Gross Debt and the Capital Financing Requirement: In order to ensure that over the medium term debt will only be for a capital purpose, the Authority should ensure that debt

does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. This is a key indicator of prudence and is shown in table 3 below:

Table 3

Debt and CFR	31.03.21 Estimate £m	Maximum Debt in 2020/21 £m	31.03.21 Actual £m	Difference £m
Total debt	88.2	90.3	80.0	(8.2)
Capital financing requirement	129.2	126.9	126.9	2.3
Headroom	**(41.0)**	**(36.6)**	**(46.9)**	**(5.9)**

The total debt remained below the CFR during the forecast period.

Operational Boundary for External Debt: The operational boundary is based on the Authority's estimate of most likely (i.e. prudent but not worst case) scenario for external debt. It links directly to the Authority's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring. Other long-term liabilities comprise finance lease, Private Finance Initiative and other liabilities that are not borrowing but form part of the Authority's debt. The operational boundary for external debt is shown in table 4 below:

Table 4

Operational Boundary and Total Debt	31.03.21 Boundary £m	Maximum Debt in 2020/21 £m	31.03.21 Actual Debt £m	Complied
Borrowing	151.1	90.3	80.0	✓
Other long-term liabilities	-	-	-	✓
Total Debt	**151.1**	**90.3**	**80.0**	✓

Authorised Limit for External Debt: The authorised limit is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Authority can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements. The authorised limit for external debt is shown in table 5 below:

Table 5

Authorised Limit and Total Debt	31.03.21 Boundary £m	Maximum Debt in 2020/21 £m	31.03.21 Actual Debt £m	Complied
Borrowing	180.1	90.3	80.0	✓
Other long-term liabilities	-	-	-	✓
Total Debt	**180.1**	**90.3**	**80.0**	✓

Ratio of Financing Costs to Net Revenue Stream: This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income. The ration of financing costs to net revenue stream is shown in table 6 below:

Table 6

Ratio of Financing Costs to Net Revenue Stream	31.03.21 Estimate %	31.03.21 Actual %	Difference %
General Fund	15.3%	**24.8%**	9.5%
HRA	50.6%	**27.6%**	(23.0)%

The increase to the General Fund ratio is mainly due changes in the revenue funding of capital expenditure required in 2020/21. In particular this reflects the decision to use £2.3m of revenue resources to meet the cost of acquiring the former Debenhams building in Folkestone.

The change to the HRA ratio is mainly due to a reduction in the revenue funding of capital expenditure of £3.8m required in 2020/21, reflecting lower than estimated expenditure on the new build and acquisitions programme for the year.

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This Report will be made public on 7 June 2021

Report Number **C/21/10**

To:	**Cabinet**
Date:	**23 June 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, Portfolio Holder for Housing, Transport and Special Projects**
SUBJECT:	**HOUSING REVENUE ACCOUNT REVENUE AND CAPITAL FINANCIAL OUTTURN 2020/21**

SUMMARY: This report summarises the 2020/21 provisional outturn position (subject to audit) for the HRA revenue expenditure and HRA capital programme compared to both the latest approved budget and quarter 4 projections.

REASONS FOR RECOMMENDATIONS:
Cabinet is asked to agree the recommendations set out below because it is essential they are kept informed of the Housing Revenue Account final 2020/21 position.

RECOMMENDATIONS:
1. To receive and note Report C/21/10.

INTRODUCTION

1.1 This report brings the 2020/21 financial monitoring to a conclusion. It sets out the HRA's financial position at year end (subject to audit) and compares it against the latest approved budget and quarter 4 projections. The report covers both revenue and capital expenditure for last year.

1.2 The formal Statement of Accounts for 2020/21 is being audited over July and August and will be submitted to Audit and Governance Committee at their meeting in September for approval.

2. HRA REVENUE AND CAPITAL 2020/21 OUTTURN

2.1 Final Revenue outturn compared to latest approved budget

2.1.1 The draft Statement of Accounts 2020/21 reports the following year end position for the HRA. This report however expands further on the detail.

HRA Net Revenue Expenditure 2020/21	Latest Approved Budget 2020/21	Final Outturn 2020/21	Variance
	£000's	**£000's**	**£000's**
Income	(16,359)	(16,325)	34
Expenditure	11,591	22,975	11,384
HRA Share of Corporate Costs	175	156	(19)
Net Cost of HRA Services	**(4,593)**	**6,806**	**11,399**
Interest Payable/Receivable	1,572	1,334	(238)
HRA Surplus/Deficit	**(3,021)**	**8,140**	**11,161**
Other items of Income & Expenditure	(295)	(10,668)	(10,373)
Revenue Contribution to Capital	6,805	2,966	(3,839)
Decrease/(Increase) to HRA Reserve	**3,489**	**438**	**(3,051)**

2.1.2 The above table shows that the final position reflects a favourable movement in financial terms of £3.1m compared to the latest approved budget.

2.1.3 The 'Expenditure' line shows an adverse variance of £11.4m of which £6.2m relates to impairment and revaluation losses relating to council dwellings and £4.3m relates to non-distributed pension costs, however these entries are reversed out in accordance with accounting policies through the 'Other Items of Income and Expenditure' line which shows a favourable variance of (£10.4m).

2.1.4 The main reasons for the £3.0m underspend compared to the latest approved budget, are as follows:

HRA Net Revenue Expenditure

	Variance £000's
Revenue contribution to capital expenditure (see 2.1.5 below)	(3,839)
Costs of new housing structure (see 2.1.7 below)	505
Increase in cleaning costs (see 2.1.8 below)	224
Other net variances	59
Final year end movement compared to latest approved budget	**(3,051)**

2.1.5 The decrease in revenue contribution relates to an underspend on the new build/acquisition programme in year. These schemes are now planned to commence in 2021/22 and will be funded from future years' budgets. The amount of revenue contribution to capital will change from year to year depending on the profile of the new build/acquisitions programme.

2.1.6 The non-distributed pension costs relate to the transfer in of EKH staff to the Council's pension scheme. These costs are reversed out in accordance with accounting policies to the pensions reserve so there is no impact to the HRA (surplus)/deficit.

2.1.7 The new housing management service commenced on 1st October and the staffing structure is now in place. The net additional cost for the new structure in 2020/21 is £505k.

2.1.8 The increase cleaning costs relate to enhanced cleaning required at the sheltered accommodation due to Covid-19.

2.2 Final Revenue outturn compared to quarter 4 projections

2.2.1 The table below shows that the final position is £554k better than the quarter 4 projections.

HRA Net Revenue Expenditure 2020/21	**Qtr 4 Projection 2020/21**	**Final Outturn 2020/21**	**Variance**
	£000's	**£000's**	**£000's**
Income	(15,919)	(16,325)	(406)
Expenditure	12,223	22,975	10,752
HRA Share of Corporate Costs	175	156	(19)
Net Cost of HRA Services	**(3,521)**	**6,806**	**10,327**
Interest Payable/Receivable	1,609	1,334	(275)
HRA Surplus/Deficit	**(1,912)**	**8,140**	**10,052**
Other items of Income & Expenditure	(295)	(10,668)	(10,373)
Revenue Contribution to Capital	3,199	2,966	(233)
Decrease/(Increase) to HRA Reserve	**992**	**438**	**(554)**

2.2 The main reasons for the £554km variance compared to quarter 4 projection, are as follows:

HRA Net Revenue Expenditure

	Variance £000's
Dwelling Rents & Other Charges for Services and Facilities	(406)
Revenue contribution to capital expenditure	(233)
Other net variances	85
Final year end movement compared to Qtr 4 Projection	**(554)**

2.2.1 The projection for rental income anticipated a 2.5% reduction due to Covid-19 based on the latest data, however this did not materialise during the financial year and overall collection rates were higher than anticipated.

2.2.2 The revenue contribution to capital was lower than projected at quarter 4 based on final capital expenditure.

2.3 Final Capital outturn compared to latest approved budget

2.3.1 The table below shows that the final position on the HRA Capital programme is £5.6m less than the latest approved budget.

HRA Capital Programme 2020/21	Latest Approved Budget 2020/21	Final Outturn 2020/21	Variance
	£000's	£000's	£000's
HRA Capital programme	**13,755**	**8,128**	**(5,627)**

2.3.2 The main reasons for the £5.6m variance compared to the latest approved budget, are as follows:

HRA Capital Programme

	Variance £000's
Enhanced Capital Programme (see 2.3.3 below)	(3,500)
New Build/Acquisitions programme (see 2.3.4 below)	(2,527)
Kitchen Replacement (see 2.3.5 below)	(291)
Heating Improvements (see 2.3.5 below)	(119)
Disables Adaptations (see 2.3.5 below)	(115)
Fire Protection Works (see 2.3.6 below)	435
Re-roofing (see 2.3.6 below)	350
EKH Single System (see 2.3.7 below)	145
Voids Capital Works (see 2.3.8 below)	129
Other net variances	(134)
Final year end movement compared to latest approved budget	**(5,627)**

2.3.3 This budget was not required in year as the enhanced capital programme was delayed in 2020/21, it is due to commence in 2021/22 following the results of stock condition surveys to be carried out in the coming months with work continuing into 2022/23.

2.3.4 The decrease in new build/acquisition expenditure relates to an underspend on the current year's planned programme due to delays in sites being ready for works to commence. These schemes have been re-profiled works on site are now due to commence in 2021/22 for Highview and Biggins Wood.

19 acquisitions were made in 2020/21, 17 for affordable rent and 2 for shared ownership sale.

The new build acquisition opportunity at Radnor Park Road which will deliver 14 units for affordable rent is still progressing and on track to complete late 2022.

The Council will be pursuing a further new build acquisition opportunity, which will deliver 14 units for affordable rent and shared ownership purchase. The opportunity has been fully tested against the requirements of the Housing Revenue Account Business Plan. The scheme in Shepway Close, Folkestone, is due to complete in the second half of 2022/23.

2.3.5 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 were enforced. The stock condition surveys which commence in 2021/22 will identify works to be carried out.

2.3.6 Fire protection works in communal and external areas and re-roofing works have continued during Covid-19 lockdown and additional works were identified which were not affected by Covid-19 restrictions and were able to be completed during 2020/21.

2.3.7 There was a one-off capital cost of transitioning the EKH Single System to FHDC as part of bringing the housing service back in-house.

2.3.8 The increase in void capital works is due to the poor condition of returning properties which has been difficult to predict until the property is inspected, the stock condition survey should improve this moving forward.

2.4 Final Capital outturn compared to quarter 4 projections

2.4.1 The table below shows that the final position on the HRA Capital programme is £207k less than the quarter 4 projection.

HRA Capital Programme 2020/21	Qtr 4 Projection 2020/21	Final Outturn 2020/21	Variance
	£000's	£000's	£000's
HRA Capital programme	**8,335**	**8,128**	**(207)**

2.4.2 The main reasons for the £207k variance compared to the quarter 4 projections, are as follows:

HRA Capital Programme	**Variance £000's**
New Build/Acquisitions programme	(349)
Void Capital Works	129
Other net variances	13
Final year end movement compared to Qtr 4 Projection	**(207)**

3. CONCLUSION

3.1 The final position reflects a favourable movement in financial terms for the HRA Reserve of £3.0m compared to the latest approved budget.

3.2 The financial results are subject to audit.

4. RISK MANAGEMENT ISSUES

4.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
Capital receipts (including right to buy sales) do not materialise	Medium	Low	The capital programme uses realised capital receipts only.
Insufficient capacity to manage delayed expenditure along with new year programme	Medium	Medium	The 2021/22 capital programme will need to continue to be reviewed to take account of the capacity to manage the programme including the slippage from 2020/21.
Significant amendments having to be made to the financial results following audit.	Medium	Low	The formal accounts have been prepared in accordance with professional standards and best accounting practice.

5. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

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

There are no legal implications arising from this report.

5.2 **Finance Officer's Comments** (CI)

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

5.3 **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.

6. 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

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 outturn report
Appendix 2 Housing Revenue Account capital programme outturn report

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Appendix 1

HRA REVENUE OUTTURN POSITION 2020/21

Actual 2019/20 £	HOUSING REVENUE ACCOUNT	Latest Budget 2020/21 £	**Actuals 2020/21 £**	**Variance £**	Quarter 4 Projections £	Variance to Qtr 4 £
	INCOME					
14,854,286	Dwelling rents	14,954,140	**14,944,128**	**(10,012)**	14,590,875	353,253
318,503	Non-dwelling rents	342,380	**279,139**	**(63,241)**	302,964	(23,825)
978,838	Other charges for services and facilities	1,009,840	**1,048,989**	**39,149**	973,365	75,624
52,200	Contributions from general fund	52,200	**52,200**	**0**	52,200	0
16,203,827	**TOTAL INCOME**	16,358,560	**16,324,456**	**(34,104)**	15,919,404	405,052
	EXPENDITURE					
3,487,250	Repairs and maintenance	3,786,920	**3,826,666**	**39,746**	3,846,620	(19,954)
4,610,244	Supervision and management	5,067,395	**10,291,734**	**5,224,339**	5,590,294	4,701,440
19,316	Rents, rates & taxes	21,750	**21,071**	**(679)**	21,750	(679)
140,313	Increase provision for bad or doubtful debts	150,000	**95,063**	**(54,937)**	200,000	(104,937)
	Capital Financing Costs					
5,510,903	Depreciation charges	2,564,670	**6,886,853**	**4,322,183**	2,564,670	4,322,183
827,860	Exceptional Item Impairment	0	**1,828,248**	**1,828,248**	0	1,828,248
21,920	Debt management expenses	0	**24,940**	**24,940**	0	24,940
14,617,805	**TOTAL EXPENDITURE**	**11,590,735**	**22,974,574**	**11,383,839**	**12,223,334**	**10,751,240**
(1,586,021)	**NET COST OF SERVICES**	**(4,767,825)**	**6,650,118**	**11,417,943**	**(3,696,070)**	**10,346,188**
159,534	HRA Services Share of Corporate & Democratic Core	175,000	**156,120**	**(18,880)**	175,000	(18,880)
0	HRA share of other amounts	0	**0**	**0**	0	0
(1,426,487)	**NET COST OF HRA SERVICES**	**(4,592,825)**	**6,806,238**	**11,399,063**	**(3,521,070)**	**10,327,308**
(628,558)	(Gain)/Loss on Sale of HRA fixed Assets	0	**(358,105)**	**(358,105)**	0	(358,105)
1,569,205	Loan charges - Interest	1,546,680	**1,546,681**	**1**	1,546,680	1
	Investment Income					
0	Mortgages	0	**0**	**0**	0	0
(78,215)	Interest on notional cash balances	(75,000)	**(18,392)**	**56,608**	(37,500)	19,108
43,000	Pensions Interest Cost and Expected Return on Assets	100,000	**164,000**	**64,000**	100,000	64,000
(521,056)	**NET OPERATING INCOME**	**(3,021,145)**	**8,140,423**	**11,161,568**	**(1,911,890)**	**10,052,313**
(3,750,219)	Any other item of income & expenditure	0	**(6,132,657)**	**(6,132,657)**	0	(6,132,657)
0	Amounts charged to income & exp. for premiums & discounts	0	**0**	**0**	0	0
628,558	Gain/(Loss) on Sale of HRA fixed Assets	0	**358,105**	**358,105**	**0**	358,105
0	Repayment of Debt	0	0	**0**	0	0
1,387,326	Revenue Contribution to Capital Expenditure	6,804,820	**2,965,932**	**(3,838,888)**	3,199,000	(233,068)
(56,000)	Net charges made for retirement benefits	(295,000)	**(4,894,000)**	**(4,599,000)**	(295,000)	(4,599,000)
0	Transfer to/(from) Major Repairs Reserve	0	**0**	**0**	0	0
(2,311,390)	**TOTAL DEFICIT/(SURPLUS) FOR YEAR**	**3,488,675**	**437,802**	**(3,050,873)**	992,110	(554,308)
10,163,309	Balance as at 1st April	12,474,698	**12,474,698**		12,474,698	
12,474,698	Balance as at 31st March	8,986,023	**12,036,896**		11,482,588	

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Appendix 2

HRA CAPITAL OUTTURN POSITION 2020/21

Actual 2019/20 £	HRA CAPITAL PROGRAMME	Latest Budget 2020/21 £	Outturn 2020/21 £	Variance 2020/21 £	Qtr 4 Projections £	Variance to Qtr 4 £
	EXPENDITURE					
	MAJOR REPAIR & IMPROVEMENT					
	Decent Homes Standard					
174,942	Fire Protection Works	**50,000**	**484,700**	434,700	593,200	(108,500)
260,872	Replacement Windows and Doors	**250,000**	**302,405**	52,405	291,000	11,405
458,501	Re-roofing	**350,000**	**699,782**	349,782	699,782	0
547,460	Heating Improvements	**649,330**	**529,903**	(119,427)	419,330	110,573
239,590	Kitchen Replacement	**411,000**	**119,655**	(291,345)	101,000	18,655
159,521	Bathroom Improvements	**173,500**	**134,848**	(38,652)	144,000	(9,152)
172,986	Voids Capital Works	**300,000**	**428,816**	128,816	300,000	128,816
212,281	External Enveloping	**350,000**	**331,653**	(18,347)	325,000	6,653
67,875	Rewiring	**485,000**	**502,060**	17,060	550,000	(47,940)
14,340	Contract Specification	**30,500**	**6,555**	(23,945)	7,500	(945)
0	Enhanced Capital Programme	**3,500,000**	**0**	(3,500,000)	0	0
2,308,369	**Sub-Total**	**6,549,330**	**3,540,376**	(3,008,954)	3,430,812	109,565
	Non Decent Homes Standard					
0	Treatment Works	**10,000**	**2,503**	(7,497)	10,000	(7,497)
426,565	Disabled Adaptations	**450,000**	**334,506**	(115,494)	288,000	46,506
37,900	Cyclical Sheltered	**80,000**	**66,669**	(13,331)	66,000	669
24,362	Garages Improvements	**30,000**	**(9,362)**	(39,362)	1,000	(10,362)
5,228	Lift Replacement	**60,000**	**20,000**	(40,000)	30,000	(10,000)
4,836	Thermal Insulations	**10,000**	**10,450**	450	10,000	450
498,891	**Sub-Total**	**640,000**	**424,766**	(215,234)	405,000	19,766
	Environment/Estate Improvement					
7,899	Environmental Works	**25,000**	**3,470**	(21,530)	3,470	0
25,912	New Paths	**15,000**	**11,198**	(3,802)	15,000	(3,802)
14,235	Play Areas	**10,000**	**14,235**	4,235	14,235	0
48,046	**Sub-Total**	**50,000**	**28,903**	(21,097)	32,705	(3,802)
	OTHER SCHEMES					
1,913,257	New Builds/Acquisitions	**6,515,270**	**3,988,123**	(2,527,147)	4,336,760	(348,637)
0	EKH Single System	**0**	**145,342**	145,342	130,000	15,342
1,913,257	**Sub-Total**	**6,515,270**	**4,133,465**	(2,381,805)	4,466,760	(333,295)
4,768,564	**TOTAL EXPENDITURE**	**13,754,600**	**8,127,511**	(5,627,089)	8,335,277	(207,766)
	FINANCING					
573,977	1-4-1 Capital Receipts	**1,424,983**	**1,141,636**	(283,347)	1,301,028	(159,392)
0	HRA Capital Receipts	**0**	**54,801**	54,801	0	54,801
2,807,260	Major Repairs Allowance	**5,524,800**	**3,965,142**	(1,559,658)	3,835,812	129,331
1,387,326	Revenue Contribution	**6,804,817**	**2,965,932**	(3,838,885)	3,198,437	(232,505)
4,768,564	**TOTAL FINANCING**	**13,754,600**	**8,127,511**	(5,627,089)	8,335,277	(207,766)
0	**SURPLUS C/FWD**	**0**	**0**	0	0	0

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This Report will be made public on 7 June 2021

Report Number **C/21/09**

To:	**Cabinet**
Date:	**23 June 2021**
Status:	**Non-Key Decision**
Head of Service:	**Charlotte Spendley – Director Corporate Services**
Cabinet Member:	**Councillor David Monk, Leader**

SUBJECT: GENERAL FUND REVENUE 2020/21 PROVISIONAL OUTTURN

SUMMARY: This report summarises the 2020/21 final outturn position (subject to audit) for the General Fund revenue expenditure compared to both the latest approved budget and quarter 4 projections.

REASONS FOR RECOMMENDATIONS:
Cabinet is asked to agree the recommendations set out below because Cabinet needs to be informed of the council's General Fund revenue 2020/21 final outturn position.

RECOMMENDATIONS:
1. **To receive and note Report C/21/09.**
2. **As detailed in paragraph 2.7, to allocate £393k of unspent 2020/21 budgets to the Carry Forward Reserve.**

1. INTRODUCTION

1.1 This report brings the 2020/21 financial monitoring to a conclusion. It sets out the General Fund's financial position at year end (subject to audit) and compares it against the latest approved budget and the projected outturn position at quarter 4.

1.2 The Statement of Accounts for 2020/21 will be audited during July and August and the audited set will be submitted to Audit and Governance Committee at its September meeting for approval.

2. GENERAL FUND OUTTURN 2020/21

2.1 The draft Statement of Accounts 2020/21 reports the following year end position. This report however expands further on the detail.

2.2 The final outturn shows a net deficit for the year of £5.7m against the latest approved budget of £2.4m. This represents an unfavourable variance of £3.3m compared to the latest approved 2020/21 budget.

2.3 It is important to note that this deficit position includes a transfer to earmarked reserves of £5.8m which is an accounting entry required to comply with Collection Fund accounting regulations and in line with guidance received from CIPFA. It relates to additional s31 grant funding received in year to compensate for the new Business Rates reliefs awarded by the Government in response to Covid. Due to the timing of Collection Fund accounting, the awarding of these reliefs will result in a deficit on the Collection Fund which will hit the General Fund in 2021/22, therefore the income has been set aside in an earmarked reserve to be drawn down next year to mitigate the impact.

2.4 Excluding this accounting adjustment the outturn position is a surplus of (£0.1m), which is an underspend of (£2.5m). This is £1.0m higher than the projected underspend reported at quarter 4 with the main reasons for the movement being (£714k) net Disabled Facilities Grant funding received and a (£259k) reduction in the use of revenue to fund capital due to the use of capital receipts instead.

2.5 A more detailed explanation of the final outturn is set out in the following paragraphs. In addition to the carry forwards (which are set out below), £300k has been allocated to an earmarked reserve to support the delivery of recovery focussed priorities of the Council in response to the pandemic as approved by Cabinet at its meeting in March.

2.6 After all statutory accounting adjustments have been made at year-end, which are not included in management reporting, there is a surplus on the General Fund of £513k which will be transferred to the General Reserve where it will be available for use to support expected future expenditure pressures. The General Reserve balance at the end of 2020/21 is anticipated to be £3.8m

2.7 The provisional carry forwards are £393k which were approved by the Section 151 Officer as budgeted revenue expenditure relating to 2020/21 to be carried forward to 2021/22. Recommendation 2 of this report seeks confirmation of this position, and appendix 1 outlines the proposed carry forwards by service area.

2.8 Section 3 of the report compares the outturn to the projected outturn at quarter 4 as reported to Cabinet in March 2021. The outturn for the General Fund Revenue in 2020/21 compared to the latest budget is summarised below:

General Fund Net Cost of Services	Latest Approved Budget	Outturn	Variance
	£'000	£'000	£'000
Finance, Strategy & Corporate Services	6,714	6,585	(129)
Human Resources	767	651	(116)
Governance & Law	2,451	2,499	48
Leadership Support	960	1,002	42
Place	5,296	5,549	253
Economic Development	1,191	758	(433)
Planning	509	79	(430)
Operations	1,200	2,590	1,390
Strategic Development	1,143	767	(376)
Housing	1,212	1,364	152
Transition & Transformation	34	10	(24)
Sub-Total - Heads of Service	**21,477**	**21,854**	**377**
Unallocated Net Employee Costs	(324)	-	324
Recharges to Non General Fund Accounts	-	(1,337)	(1,337)
Total – Heads of Service	**21,153**	**20,517**	**(636)**
Internal Drainage Board Levies	474	474	-
Interest Payable and Similar Charges	486	244	(242)
Interest and Investment Income	(793)	(1,864)	(1,071)
New Homes Bonus Grant	(1,422)	(1,422)	-
Other Non-Service Related Government Grants	(1,792)	(9,789)	(7,997)
Town and Parish Precepts	2,549	2,549	-
Minimum Revenue Provision	874	775	(99)
Capital Expenditure Financed from Revenue	1,679	3,194	1,515
NET REVENUE EXPENDITURE BEFORE USE OF RESERVES	**23,208**	**14,678**	**(8,530)**
Net Transfers to/from Earmarked Reserves	(4,049)	2,891	6,940
TOTAL TO BE MET BY TAXPAYERS	**19,159**	17,211	(1,948)
Business Rates Income	(3,753)	959	4,712
Demand on the Collection Fund	(13,045)	(12,878)	167
SURPLUS(-)/DEFICIT FOR THE YEAR	**2,361**	**5,650**	**3,289**

2.9 The main variations are shown and explained in more detail below.

	£'000
Administration budgets	(207)
Finance, Strategy & Corporate Services	
Covid-19 grants received	(768)
Otterpool (Local Planning Authority)	270
Council Tax Collection	472
Housing Benefits	328
Council Tax Reduction Scheme	(249)
Corporate Management	(107)
Housing	
Renovation Loans	(714)
Homelessness	(147)
Strategic Development	
Otterpool Park	(398)
Economic Development	
Regeneration & Economic Development	(219)
High Street Innovation fund	(180)
Planning	
Development Control	(152)
Operations	
Connect 38	1,101
Grounds Maintenance	(111)
Folca	134
Off-Street Parking	448
Place	
Hythe Swimming Pool	203
Other small variations	(340)
Total – Heads of Service	**(636)**

2.9.1 Administration Budgets

This represents variances across all service areas within the administration budgets mainly relating to staffing costs. This position is net of the agreed vacancy factor amount budgeted for each year.

2.9.2 Finance, Strategy & Corporate Services

Covid-19 grant – due to the Covid-19 pandemic the Council has received various grants to cover 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 sales, fees and charges

and to help re-open the High Streets safely. The grants aim to offset these cost pressures however, these will occur within various other service areas.

Otterpool (Local Planning Authority) – Professional fees of £148k and temporary staff costs of £105k. The cost will be met by the Otterpool Reserve.

Council Tax Collection – due to the Courts being closed since the beginning of the pandemic there was no court cost income received, totalling £400k. In addition, there was an unbudgeted write-off of court cost income totalling £63k.

Housing Benefit/Rent Rebates – the net overspend of £328k on Housing Benefits mainly relates to the under recovery of overpayments on rent allowances £406k and a projected increase in rent allowance payments £83k which is partly off-set by unspent Covid related funding received for DHSC Test and Trace and self–isolation payments of (£161k) which have been transferred to an earmarked reserve for use in 2021/22.

Council Tax Reduction Scheme – (£280k) increase in income relates to grants being received from Kent County Council (KCC), in respect of additional Support Grant and Empty Homes Incentive Fund, partly offset by unbudgeted computer software costs £31k.

Corporate Management – favourable variance of (£107k). This is mostly due to an accounting adjustment of £584k for Transformation costs being funded from the flexible use of capital receipts, offset by (£492k) budget savings identified by budget managers during the year in response to the pandemic and additional cost pressures and (£237k) unused CLT contingency.

2.9.3 Housing

Renovation Loans – (£714k) net Disabled Facilities Grant funding received in year.

Homelessness – there is an increase in income of (£285k) 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. This is partly offset by an overspend on B&B costs of £137k.

2.9.4 Strategic Development

Otterpool Park – The unfavourable variance of £398k is the net impact of costs capitalised, with the balance being met from the Otterpool Reserve.

2.9.5 Economic Development

Regeneration & Economic Development – The £219k underspend was largely explained by the cancellation of the 2020/21 Triennial which will now take place in 2021/22. This expenditure is funded from the Leisure Reserve and has been carried forward to 2021/22.

High Street Innovation Fund – the underspend of (£180k) relates to projects being delayed due to the pandemic. Expenditure is funded from the High

Street Regeneration Reserve and so this has been carried forward to 2021/22.

2.9.6 Planning

Development Control – income for planning application fees were £171k higher than budget, but they were partly offset by £9k overspend within professional fees expenditure and reduced income for Pre-Application fees £10k.

2.9.7 Operations

Connect 38– £950k reclassification of commercial property income as investment income and £210k lower rental income than budgeted partly offset by savings in Professional fees of (£40k) and net service charge costs (£23k).

Grounds Maintenance – Savings in seasonal staffing costs of (£111k).

Folca – Unexpected income from NHS vaccine site (£30k) partly offsetting running costs £160k.

Car Parking - off-street parking has been adversely affected by the pandemic due to lockdown measures in place during the year and the income budget has been under achieved by £448k.

2.9.8 Place

Hythe swimming pool – loss of income due to pool closure as a result of lockdown measures £203k.

2.10 Further variances below the heads of service total are shown below.

2.10.1 Interest Payable and Similar Charges

The (£242k) favourable variance relates to a reduction in the bad debt provision based on latest analysis of arrears data.

2.10.2 Interest and Investment Income

The favourable variance of (£1.1m), largely relates to the reclassification of commercial property income from property holding accounts (mainly Connect 38).

2.10.3 Other Non-Service related Government Grants

Additional grants of (£8.0m) have been received in 2020/21 compared to budget, largely as a result of Covid funding announced during the year.

(£5.7m) of additional s31 grant was received to compensate for new Covid business rates reliefs (this offsets the reduction in income shown against Business Rates income). (£2.0m) of Covid emergency grants were received to compensate for additional expenditure incurred as a result of the response to Covid and loss of income. (£150k) of Brexit funding was received and £124k s31 grant for loss of council tax income as part of the government's Tax Income Guarantee Scheme.

2.10.4 Capital Financed from Revenue

There was an additional £1.5m capital expenditure funded from revenue in-year compared to budget. This is the net position relating to the £2.3m purchase of Folca, £902k capitalisation of Otterpool Masterplanning costs and (£1.7m) expenditure re-profiled to 2021/22 for Biggins Wood and Mountfield Business Hub projects. Expenditure for all of these schemes is to be met from earmarked reserves.

2.10.5 Movement in Earmarked Reserves

The table below sets out the various Earmarked Reserves that the council holds and shows the movement in year to be £2.9m.

The Carry Forward reserve includes £393k which was approved by the Section 151 Officer as budgeted revenue expenditure relating to 2020/21 to be carried forward to 2021/22 and will be endorsed through the approval of recommendation 2 of this report.

The main reasons for the £6.9m variance are (£2.3m) use of reserves to purchase Folca, £5.8m of s31 grants received in 2020/21 for Covid business rates reliefs transferred to reserves to offset the Business Rates deficit in 2021/22 (due to the timing of Collection Fund accounting), £1.7m funding for Biggins Wood and Mountfield Rd Industrial Estate capital projects deferred to 2021/22, £1m Business Rates pool benefit (subject to final reconciliation by the Pool Lead) transferred to reserves, £400k unspent Covid Grants transferred to reserves for use in 2021/22 and £300k earmarked for Corporate Priorities focussed on recovery in 2021/22.

Based on the outturn as at 31 March 2021 the council's net movements in earmarked reserves were:

Earmarked Reserve	**Balance at 1/4/2020**	**Latest Budget**	**Movement**	**Outturn Variance**	**Balance at 31/3/2021**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Business Rates	5,699	(4,426)	(2,976)	1,450	2,723
Leisure Reserve	497	(100)	50	150	547
Carry Forwards	681	(352)	10	362	691
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	(220)	(400)	(180)	598
IFRS Reserve	30	(23)	(23)	0	7
Otterpool Park Garden Town	1,570	(735)	(1,570)	(835)	0
Economic Development	4,384	(2,239)	(2,393)	(154)	1,991
Community Led Housing	418	(52)	(53)	(1)	365
Lydd Airport	9	0	0	0	9
Homelessness Prevention	401	0	87	87	488
High Street Regeneration	3,000	(468)	(930)	(462)	2,070
Climate Change	0	5,000	4,946	(54)	4,946
Covid Reserve	0	0	6,501	6,501	6,501
Total Earmarked Reserves	**20,682**	**(4,049)**	**2,891**	**6,940**	**23,573**

2.10.6 Business Rates Income

The reduction of £4.7m in Business Rates income is largely due to £5.5m of increased reliefs being awarded due to Covid (which are compensated via the additional s31 grants shown against Non-Service Related Government Grants), offset by (£0.7m) higher pool benefit than budgeted (subject to final reconciliation by the Pool Lead).

2.11 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 interim capacity for the delivery of agreed Corporate Priorities. The funding was allocated to an earmarked reserve for future use. In order to be met from the available resources the funds were to be spent only on one off items and would not have any recurring financial impact. To date, £94k has been spent and the following initiatives and projects are currently proposed to be implemented in 2021/22:

	£'000
Heritage enhancements	39
Pesticide motion	30
Park enhancements (including H&S equipment improvements)	30
Development of new ED Strategy	50
Additional CLLD capacity	12
Lifeline Strategy	23
Total	**184**

GENERAL FUND OUTTURN 2020/21 COMPARED TO PROJECTED OUTTURN

3.1 This section compares the final outturn to the projected outturn at quarter 4 as reported to Cabinet in March 2021.

General Fund Net Cost of Services	Projected Outturn @ Qtr 4	Outturn	Variance
	£'000	**£'000**	**£'000**
Finance, Strategy & Corporate Services	4,174	6,585	2,411
Human Resources	669	651	(18)
Governance & Law	2,533	2,499	(34)
Leadership Support	1,000	1,002	2
Place	5,527	5,549	22
Economic Development	1,045	758	(287)
Planning	18	79	61
Operations	1,743	2,590	847
Strategic Development	832	767	(65)
Housing	2,045	1,364	(681)
Transition & Transformation	34	10	(24)
Sub-Total – Heads of Services	**19,620**	**21,854**	**2,234**
Corporate Initiatives	91	-	(91)
Recharges to Non General Fund Accounts	(1,294)	(1,337)	(43)
Total – Heads of Service	**18,417**	**20,517**	**2,100**

3.1.1 The major reasons for the variance at 'Total - Heads of Service' level are as follows:

	£'000
Administration budgets	(94)
Finance, Strategy & Corporate Services	
Covid-19 grants received transferred to non-service related income	2,031
Housing	
Renovation Grants – net Disabled Facilities Grant funding received	(714)
Operations	
Connect 38 income reclassified as investment income	969
Other small variations	(92)
Total – Heads of Service	**2,100**

3.1.2 The income relating to the Covid-19 grants and Connect 38 are shown below the line in Other Non-Service Related Government Grants and Interest and Investment Income respectively so the adverse variance shown above does not impact the contribution to the general reserve.

4. RISK MANAGEMENT ISSUES

4.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
Significant amendments having to be made to the financial results following audit.	Medium	Low	The formal accounts have been prepared in accordance with professional standards and best accounting practice.

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** (MD)
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:

Mark Dodson, Senior Accountant, Specialist Finance (Corporate Services)
Telephone: 01303 853441 Email: mark.dodson@folkestone-hythe.gov.uk

The following background documents have been relied upon in the preparation of this report:

Budget outturn and projection working papers.

Appendices:

Appendix 1 – List of carry forwards

List of Carry Forwards	**£**
Finance, Strategy & Corporate Services	
CLT Contingency	175,940
Human Resources	
Corporate Training – professional training	31,615
Corporate Training – resource to support ILM learners through assessments delayed due to the pandemic	21,600
Corporate Training – ongoing work from Best Companies Survey results	3,000
Governance & Law	
Communications – Your District Today	11,500
Economic Development	
Corporate Investment Initiatives – feasibility studies for ED projects	26,000
Place	
Crime & Disorder – external grant for action plan with CSU	8,000
Planning	
Development Management – Folkestone Town Centre Place Plan	75,000
Housing	
Temporary Accommodation – acquisition of new temporary accommodation units	20,000
Operations	
Community Parks & Open Spaces – Play improvements from s106 contributions	20,000
Total – Heads of Services	**392,655**

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This Report will be made public on 15 June 2021

Report Number: **C/21/15**

To:	**Cabinet**
Date:	**23 June 2021**
Status:	**Non Key Decision**
Director:	**Tim Madden, Transformation and Transition**
Cabinet Member:	**Councillor Ray Field, Portfolio holder for Digital Transformation**

SUBJECT: **Customer Access Point (CAP)**

SUMMARY: The paper considers establishing a new Customer Access Point (CAP) initially within the Civic Offices and subsequently within Folca in Folkestone town centre. It considers the nature of service provision and also updates members on the discussions with the Department for Work and Pensions (DWP).

REASONS FOR RECOMMENDATION:

Cabinet is asked to agree the recommendations set out below:

(a) So that the Council can launch a new Customer Access Point, initially at the Civic Offices before moving to Folca, and continue discussions with the DWP to co-locate at the Folca site.

RECOMMENDATIONS:

Cabinet is asked:

1. To consider report C/21/15.
2. To agree the service delivery approach for the new CAP;
3. To agree the initial establishment of the CAP at the Civic Offices;
4. To agree the future intention to locate the CAP at Folca;
5. To agree that officers, in consultation with the Portfolio Holder for Digital Transformation, prepare and establish a CAP at Folca;
6. To agree that officers, in consultation with the Portfolio Holder for Digital Transformation, continue discussion with the DWP to provide services from Folca;
7. To note the comments from Overview and Scrutiny Committee as set out in paragraph 2.8;
8. To note the estimated cost of the initial launch and subsequent move can be met from the overall agreed budget of £250,000 for civic office feasibility work.

1. Introduction

1.1 At its meeting of 20 January 2021, Cabinet agreed the following (report C/20/70):

- To agree that officers, in consultation with the Portfolio Holder for Digital Transformation, continue to undertake further work to identify a Customer Access Point in Folkestone and to bring detailed proposals back to Cabinet for approval during 2021.

The report set out the rationale for a Customer Access Point and also agreed that further work be undertaken on a potential relocation of the Civic Offices to smaller more sustainable new-build facilities at Otterpool Park. The relocation of the Civic Offices is being taken forward as a separate piece of work which will be reported to Cabinet for decision at a later date.

This report considers the work undertaken on the development and launch of a Customer Access Point (CAP).

1.2 Report C/20/70 set out the key strategic principles for future service delivery modes. For ease of reference, the key principles which relate to the CAP are set out below:

- To deliver on the council's commitment to reduce its estate and operations to zero net carbon by 2030;
- To ensure services are appropriately delivered and to maximise the use of technology and on-line means to provide access to those services;
- To recognise that some members of the community are unable to access services through these means, and to have an appropriately located access point for those who may be digitally excluded or need additional support;
- To ensure that any new facilities maximise the opportunity to be sustainable and offer net zero carbon or better;
- To optimise the use of public transport for accessing facilities;
- To optimise a joint facility with partners to provide economies of scale, efficiencies etc.; and
- To provide the potential for joint community use in order to maximise the use of the asset.

1.3 As previously set out, the main reasons for developing a CAP are:

- Central Folkestone is the most populous centre in the district. It will facilitate access for those who either cannot or have difficulty accessing digital services;
- A central location in Folkestone town centre is close to public transport links and local footfall to associated public amenities;
- By being in Folkestone town centre localized regeneration activity will be stimulated through increased footfall;
- It is part of the overall Place Plan for Folkestone and provides part of a more vibrant mix of future community facilities;

- Investing in the town centre is further support from the district council and conveys a focal point and sense of confidence to other potential investors;
- Being in a town centre location offers the opportunity to engage closely with other public sector partners to provide a complementary range of services, that are sometimes offered to the same customers; and
- A district council Access Point will be clearly differentiated from the services and activities of Folkestone Town Council.

1.4 Since January 2021 officers have looked at the options for how services could best be delivered. The continued roll out and development of "My Account" to allow self-service means that the council continues to be on track to deliver many of its services digitally. The experience of the pandemic has also shown that there are many services which can be provided more effectively through other means than face-to-face, with a more positive convenient experience for customers. Take up of the My Account function has been steadily increasing and as at the end of May 2021 this stood at 35.6% of all households having signed up for the service. This is shown in more detail at Appendix A.

1.5 Alongside this work, discussions have also been ongoing with the DWP on the possibility of co-locating within the new CAP. DWP are considering ways to develop services from a more central location. Discussions are ongoing but it is anticipated there are benefits from this type of joint working.

2 Range of Services

2.1 In scoping the range of services the Council has been guided by the strategic principles as set out in paragraph 1.2 above, particularly the move to self-service while recognizing the need to support those who have difficulty accessing services on-line.

2.2 Following discussions with service managers in order to maintain levels of customer satisfaction and to capitalize on the best of our experience from operating through the Covid pandemic, the proposed service activity for the CAP is set out in the table below:

Activity	Purpose	Resources
Supporting self-serve	To help those who are not digitally enabled to self-serve or who need to be shown how to do this. The facility will integrate with FHDC networks so all self-serve functionality can be accessed and documents for all departments can be scanned.	Accessible Wi-Fi with appropriate security settings Staff & ICT resources

Private Meeting Rooms	A small number of private meeting rooms with flexible use e.g. community safety, corporate debt, recovery/pre-court appointments, etc.	Interview rooms with glass (frosted) doors. Access to ICT & staff resource
In-person and document verification	Applicant needs to be seen in person to verify documents received, e.g. Election materials, Taxi Licensing DBS Forms, and Life Verifications, etc.	ICT & staff resources
Depositing or collection of hard paper / voucher / permissions etc.	Where a resident needs to hand in hard copy documents, e.g. election material, or cannot print at home, a paper service can be offered	Chargeable print facilities. Access to ICT & staff resources

2.3 The intention is to launch this range of services shortly after the covid restrictions are lifted. The model is akin to the assisted self-serve approach which is now prevalent in the banking sector we experience at branches. Signposting will also be a major part of the offer and support will be available to encourage the use of on-line access wherever possible.

2.4 There will not be a general drop-in meeting facility as appointments will be made for the continued use of convenient technology-based meetings with customers, or they can be scheduled for a future date as needed.

2.5 The aim will be to develop the service and learn from what works through the first few months with a view to carrying that learning through to the establishment of the CAP at Folca. A number of steps will need to be taken to ensure appropriate arrangements are in place, for example:

- Communications strategy prepared
- Customer facing staff engaged and all staff aware
- Risk assessment and safe system of working completed (following government guidelines)
- Equipment identified from the risk assessment ordered
- Self-serve kiosks, scanners, pc's & furniture moved to main part of reception and tested
- IT requirements and cabling works completed
- New signage displayed
- Enforcement of visitors car park re-instated

It should be noted that this is based on the national easing of Covid restrictions being lifted with an estimated go live launch during the summer period. If the easing of restrictions is delayed then this timetable will be affected.

2.6 Current expectations are that Folca will not be available until autumn 2021 when its use as a vaccination centre is expected to end. The intention is to move the CAP to Folca where it is more appropriately located in the town centre. As mentioned above, Council officers are also in discussion with the DWP and the detail of the arrangements between the Council and the DWP are still being developed including floor layout, financial contribution and potential for use of shared resources. This is likely to be an ongoing exercise and it is recommended that as these discussions are progressed, consultations are held with the portfolio holder for digital transformation to agree the final format of the service and all Members will be advised prior to the launch in the town centre.

2.7 In addition, discussions are ongoing to maximise the funding opportunity available through the Folkestone Community Works CLLD Programme to meet the needs of DWP and other employability service providers within Folca. Some £250,000 ERDF capital funding is available through Objective 3 of the Programme to establish a Community or Employability Hub which will act as a coordinating and signposting point for delivery for employment (and pre-employment) services, as well as business start-up and support service.

2.8 The original proposals were considered by the Overview and Scrutiny Committee at its meeting of 6 October 2020 and have considered in more detail proposals set out in this report at its meeting of 1 June 2021. The key comments from the committee are set out below:

- Libraries – could be used as future customer access points, should there be high demand for multiple CAPs across the district.
- Consider a hybrid approach when completing and verifying forms for services officered to residents so that assistance may be provided when a customer has partially filled out the form.
- Some residents lack resources, i.e. they don't own devices to be able to access on-line services. Is there a way this can be addressed with partners and other government funding?
- The Folca building will need to consider disability access and how far carbon neutrality matters can be addressed in the development plans.
- Pleased to see that private meeting rooms will be made available to support residents who need to discuss sensitive issues.
- Consider the potential for local charities to co-locate and share workspace at Folca as the development plans are prepared.

3. Human Resources

3.1 Whilst all office based staff have been working from home through covid restrictions, contractually their work base location has remained at the civic centre. Therefore, in terms of launching a Customer Access Point staff will return to their base location to carry out some of their duties on a rota basis. There will still be days where they will work from home when their duties can effectively and efficiently be delivered remotely.

Conversations have begun with the staff in Customer Services to explain the principles of how this will work and to discuss any implications arising.

At the same time as considering how the council engages staff with the launch of the Customer Access Point at the civic centre, the move to Folca has also been considered to minimise the change for affected staff.

All current employment contracts contain the following clause:

> *Your role has been designated as a Flexible Worker. Your principle place of work is the Folkestone and Hythe District Council premises at the Civic Centre, however your work location may be flexible and may vary as long as this is in accordance with the needs of your role and the service. You may be required to work, on either a temporary or an indefinite basis, at any of the council's premises, or any premises at which it may from time to time provide services having been given reasonable notice of the change in work place.*

For many years the staff within Customer Services have provided the service from 'one stop shops' across the district under this clause as their working week would include one or two days from a location other than the civic centre. Over time the requirement for this has diminished due to low customer demand, however the opening of the Customer Access Point in Folca is classed as council premises under the clause outlined above. Staff will continue to be engaged with the plans to provide the service from Folca.

Although the service will be run from a new location, many of the affected staff park in the facilities at the top of Sandgate Road in Folkestone and as a result there is virtually no difference in distance when comparing to working at the civic centre or at Folca.

The recommendation from HR is that there is no requirement to change employment terms and conditions to launch and run the CAP as described, and that when there is a permanent change for all staff relating to the potential relocation of the civic suite to Otterpool Park, a fundamental review of all contract terms and conditions will be undertaken for all staff. This is not expected to be for another 2/3 years and will be subject to a separate council report and decision relating to the new civic proposals.

4. Financial Issues

4.1 The initial move to operate the CAP from the Civic Offices is expected to be low cost at an estimated £3,000. Any new equipment / furniture that needs to be purchased will be utilized at the Folca location when that is opened.

4.2 An upgrade on equipment, such as improved customer booths, that may be necessary would be on the basis that they could be utilised when the CAP locates in Folca.

4.3 The cost of the move to Folca is estimated at under £30,000 although work remains ongoing to provide a more detailed and robust cost estimate. The above costs can be met from the previously agreed budget of £250,000 which

can utilized for both this CAP project and the feasibility work relating to the potential relocation of the Civic Offices to a new smaller and sustainable facility at Otterpool Park.

5. Communications

5.1 A communications plan has been produced to launch the CAP as a markedly different offer to the Civic Centre simply re-opening. One of our key messages will be about the scope of the service and how the online channels can effectively be used. Signage will be developed for the CAP which will help residents navigate the new set up.

6. Risks

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Perceived Risk	Seriousness	Likelihood	Preventative Action
Costs of proposed moves are excessive	High	Low	Ongoing assessment is being made of costs which are expected to be within budget
Assumption services will be provided as per pre pandemic	Medium	Medium	Social Media and communications campaign preparing customers for the change and what to expect
Customers refuse to use online services	High	Medium	Continued promotion of My Account so that for the majority of customers this will be the default route through which services can be accessed allowing resources to be targeted on those who cannot do so
Potential change in how DWP may wish to provide services	Low	Low	Ongoing discussions with DWP and ability to flexibly respond to changes in requirements

7. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

7.1 Legal Officer's Comments (NM)

There are no legal implications arising out of this report.

7.2 Finance Officer's Comments (TM

These are set out in the body of the report

7.3 Diversity and Equalities Implications (TM)

Access requirements will be considered as part of the work for both the sites of the CAP. The aim will be to support those who are unable to access

through on line services and all arrangements will be in line with the respective Covid guidance.

8. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

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

Tim Madden, Director, Transformation and Transition

Tel: 01303 853371 E-mail: tim.madden@folkestone-hythe.gov.uk

Appendices

Appendix A – My Account Take Up

The following background documents have been relied upon in the preparation of this report:

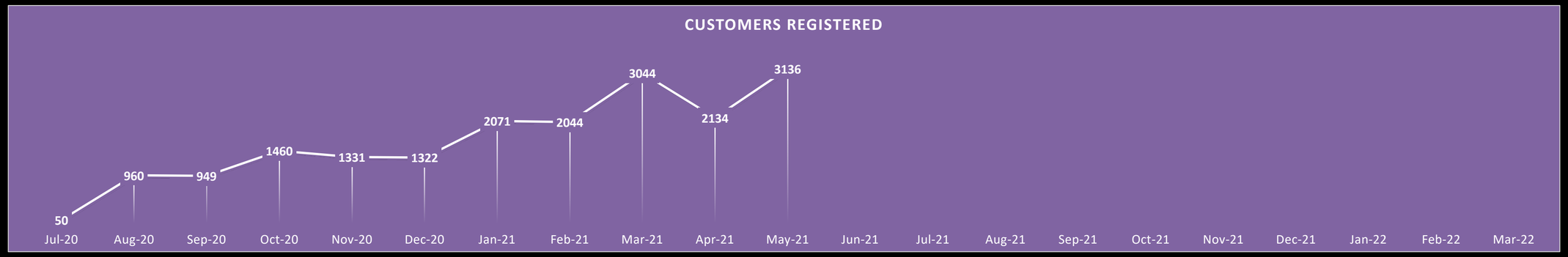
None

MyAccount

Total registered 18501

Percentage of households 35.62%

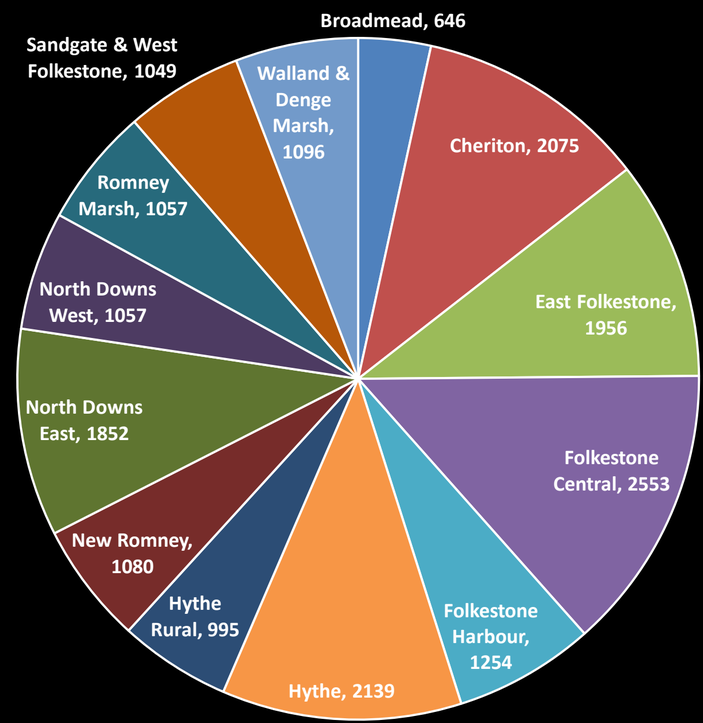
Report date: 31/05/2021



Monthly take up

Cummulative take up

Ward



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This report will be published on 15 June 2021

Folkestone & Hythe District Council

Report Number **C/21/13**

To:	**Cabinet**
Date:	**23/06/2021**
Status:	**Key Decision**
Responsible Officer:	**Alastair Clifford – Operations Lead Specialist** **Andy Blaszkowicz, Director – Housing & Operations**
Cabinet Member:	**Councillor John Collier, Cabinet Member for Property Management and Grounds Maintenance**

SUBJECT: Romney Marsh Coastal Destination including Beach Chalet Project

SUMMARY: The Marsh coastal areas are much loved throughout the summer season and welcome large numbers of tourists as well as providing recreational space to local residents. Like all areas of Folkestone & Hythe's District, numbers have increased year on year and increasingly during the Pandemic. Managing these numbers, whilst actively promoting and supporting the areas moving forward is important.

It details the request for an additional £518,000 in capital funding to deliver the proposed project consisting of beach huts, toilet facilities including a changing places toilet, a concession/café, car parking facilities and public realm improvements that will link with New Romney Town Councils "The Green" area to create a true visitor destination. The project also delivers a surplus revenue to the council from year one and continuing throughout the 25 year lifetime of the scheme.

Reasons for Recommendations:

The investment into Coast Drive Car Park will create a Coastal Destination, boost tourism and business on the Marsh whilst providing an important revenue stream into the council. This project shows an investment into the Marsh by the council and with the proposed long term actions presents an exciting opportunity for not just the Marsh but the whole district.

Recommendations:

1) **Cabinet are asked to note report C/21/13.**
2) **Cabinet are asked to approve the scheme detailed in the report**
3) **Cabinet are asked to approve the £375k in this year's capital budget for two schemes to be used exclusively on this project**
4) **Cabinet are asked to approve that Officers submit a report to Full Council in July to ask for additional funding of £518k to deliver the outlined scheme**
5) **Cabinet are asked to approve that officers proceed with a grant funding application to NDA/Magnox to support the project should initial discussions be positive.**

1. BACKGROUND

1.1 The coast between Rye Bay and Littlestone, along with Dungeness Point and large parts of nearby Romney Marsh, are internationally important and protected for their wildlife and habitats. The beaches and countryside within this area are also much visited, and are an integral part of the visitor economy of the area.

1.2 The Dungeness Complex of Natura 2000 sites comprises three overlapping international designations - the Dungeness, Romney Marsh and Rye Bay Special Protection Area and Ramsar site, and the Dungeness Special Area of Conservation. The area is particularly important for its coastal vegetated shingle, providing a high proportion of the U.K's area of this habitat. Shingle ridges support numerous rare plants, invertebrates and other exceptional and unique biodiversity, for example rare saline lagoons. The area is also very important for birds. The water bodies, coastline and marshes provide important, interlinked areas for breeding and over-wintering birds. The diverse habitats also support many rare and vulnerable species, including great crested newt, water vole and wetland thread mosses.

1.3 The local plan for Folkestone & Hythe District Council sets out commitments to sustainable access for the Natura sites and works in tandem with the Habitats Regulation Assessment.

1.4 In 2017 FHDC and Rother District Council approved the Sustainable access and recreational management strategy (SARMS). This strategy addresses recreational pressure and provides a strategic, cross boundary approach to issues relating to disturbance, to ensure that any increases in access and recreational usage resulting from the planning policies of either Council do not adversely impact on the integrity of these internationally important wildlife sites, and proposes supporting actions to ensure sensitive management of recreation and access for the Dungeness complex of sites.

1.5 Monitoring of the SSSIs that make up the international designations shows them to be largely in 'favourable' condition or, in compartments where this is not the case, to be 'recovering'. Where the condition of some habitats is unfavourable, this can be attributed to factors unrelated to visitor pressure. However, there is considerable visitor activity within parts of the study area which, in certain locations, can have some adverse impacts on Natura 2000 features.

1.6 The impact of recreational activities depends on the areas in which they occur, the sensitivity of the habitats or species, and the intensity of recreational use; shingle habitats can be damaged by vehicles and trampling over the shingle, trampling also erodes dunes, while studies have shown that birds can be disturbed by recreational activities including dog walking. The presence of visitors in itself does not necessarily conflict with conserving the integrity of the Natura 2000 sites, but impacts will depend on the specifics of the nature conservation interest, the activity and its management.

1.7 Consideration was given as part of the SARMS to the likely visitor numbers in the future with wider trends suggesting that the number of people visiting the coast and countryside was increasing. The extent to which this is seen locally will be affected, in part, by the niche offer of particular destinations and associated growth of recreational activities (e.g. Broomhill and Greatstone beaches for kite surfing and other water and beach-based sports), but also by the level of accessibility to the area.

1.8 The visitor economy is a key economic driver for Folkestone & Hythe District Council; and the volume and economic value of visitors is increasing. The rich and diverse

landscape, coastline and historic towns and villages offer distinctive destinations, attracting different market sectors and providing opportunities for a diverse tourism offer. The coast is the biggest attraction, but there are also historic towns and villages.

2. The Romney Marsh partnership which FHDC forms a key pillar of has agreed to 5 work streams. Proposals throughout this document fit into work streams 1,2,3 and 5.
   - 1: Maximising opportunities in the nuclear, tourism and high value sectors,
   - 2: Improving accessibility to enable better workforce and community mobility,
   - 3: Encouraging and supporting business development,
   - 4: Realising the workforce potential through skills development,
   - 5: Enhancing infrastructure.

2.1 On Romney Marsh the closure of one of the two nuclear power stations is a blow to a local economy with few large employers. The development of this otherwise rural, mostly agricultural area for tourism is an attractive option, particularly for rural or green tourism. This area's coastal resorts provide a venue for a wide range of visitors and recreational uses. Visitors come for the holiday parks, the sandy beaches and the sea.

2.2 Changes in demographics and in society are resulting in changing trends in tourism and visits to the outdoors. Active leisure is a particular growth area; this includes a growth in 'experience' tourism and extreme sports, such as kite-surfing and land-yachting. The coastal areas, with their long stretches of beach and variety of seascapes, as well as the many lakes in the area, are ideal for these niche sports and other pastimes such as angling.

2.3 Greatstone dunes are in a Higher Level Stewardship agreement with the White Cliffs Countryside Project (WCCP) with additional funding from Natural England. The WCCP, through its local project arm the Romney Marsh Countryside Partnership, work with volunteers, mainly to manage sea buckthorn, white poplar and alien garden plants and monitor rare plants and report back to Natural England. FHDC maintain the sand fencing on Greatstone Dunes through a Defra-funded EA grant for flood risk management.

2.4 There are three public car parks operated by FHDC within the coastal areas of the Marsh: Coast Drive, 250 spaces - this pay and display car park is largely unmade ground and utilisation of this car park is particularly low during all seasons. Jolly Fisherman, 130 spaces - Utilisation is high during the summer months and overall utilisation has increased by 39% since 2013; Lade car park – 50 spaces where utilisation is considerably high at peak times.

2.5 The Lade car park offers 50 spaces, which during the peak season and on windy days means that users of the beach park along the coast road as a result. There is some road parking available, with casual laybys at Coast Drive, Littlestone Wall, Marine Parade and Clark Drive. The section of coast road from Lydd-On-Sea (i.e. just north of Dungeness Estate) as far as the Romney Sands Holiday Park (between Lade and Greatstone) has parking restrictions (double yellow lines) on the landward side and a scheme is being implemented that introduces further restrictions on the coast side with intermittent double yellow lines. North of Romney Sands Holiday Village there are parking restrictions (double yellow lines) on both sides of the road and these continue for some distance.

2.6 The visitor facilities are largely centred around the holiday parks and some small parades of shops. Leisure facilities are available in the larger town of New Romney. The exception is the Romney Marsh Visitor Centre. Facilities on public sites are limited. The local visitor economy seems focused largely on the holiday parks. When asked

what facilities visitors would like at the sites, visitors to Greatstone wanted showers (the site is popular with kitesurfers and wind-surfers), more car parking for kite-surfers and, similar to other sites including Lade, more seats, litter bins and dog waste bins.

2.7 Visitors are largely drawn to the two car parks (The Lade and Jolly Fisherman) because of their position on the coast, the available facilities and what this offers as an amenity.

3. Beach Chalets Capital Funding Review

3.1 The District Council of Folkestone and Hythe, as part of the medium term financial plan approved the funding of £375,000 (capital via borrowing) for additional beach chalets in the district. This was split into two funding streams, £75,000 for Fisherman's beach in Hythe and £300,000 where the proposed location/s were to be identified.

3.2 Works have been ongoing to identify suitable locations for additional chalets after the success of the Folkestone refurbishment scheme. This scheme has 100% occupancy rates with a waiting list of over 800 people.

3.3 Three primary sites have been identified, namely; Coast Drive Car Park, Fisherman's Beach and St Mary's Bay Car Park.

3.4 St Marys Bay Car Park is a large thin piece of land sandwiched between the sea wall to the south and the A259 to the North. It is leased in from the Environment Agency who are land owners. This lease comes to an end in 2021. The site is primarily used as a car park, but is mainly unformalised surfacing and spaces. Large sections of the land cannot be used as car parking so offer opportunities to place beach chalets on site. The environment agency have been contacted re the opportunity to place beach chalets on site, formalise areas of the car park and to agree the lease. Initial discussions with the EA have taken place on this, and officers are working to progress further, a proposal for this scheme should be brought forward as part of the capital programme for 2022/23.

3.5 Fisherman's Beach in Hythe is a large piece of beach primarily identified as village green. To the North are a pumping station and houses, to the south is the sea. It currently operates partly as a working beach and FHDC owns and leases a number of fisherman's huts. As part of the village green agreement Folkestone and Hythe District Council maintain the right to place buildings onto identified areas that have been excluded from the village green status due to their previous use. The area offers opportunity to place beach chalets directly onto these identified sites, but the scheme would not follow a uniform pattern and poses a risk with offering leisure chalets within the working area of the beach. Officers have explored opportunities to move the locations to the Western end away from the working beach, however the process to do so is expensive, complicated and poses a significant failure risk. At this time with other opportunities available it is proposed this scheme should not move forward.

3.6 Coast Drive Car Park is situated along the A259 and is currently used as unsurfaced 250 space car park. To the South is a SSSI beach, to the East is "the green" - open space, play park and beach huts owned and operated by New Romney Town Council. To the East is the RNLI lifeboat station and the Varne boat club with boat launching ramp. To the North is a number of private residences and a restaurant. Importantly even during the busy summer months the majority of the car park is not utilised. Previous planning applications for development of the site as a housing complex have been rejected. Officers consider this site the most suitable moving forward and have detailed a proposal as part of section 4. This site is identified in the Local area plan (LAP) as residential for 16 units. Discussion has taken place with the chief planning

officer regarding the scheme and its implications. The scheme has been designed so as to not impact on any future development. Appendix 1 shows a block plan of how the site could be utilised in the future to meet the LAP.

4. The Marsh Coastal Implications

4.1 Considering the importance of tourism and its implications to the Natura Sites it is relevant to consider the Marsh and its coastal tourism as a large scale offering. Working in isolation could put pressure on the very nature of what makes the area so special.

4.2 With the funding available to FHDC through its allocated capital scheme officers have been working to understand the full implications and consider how the beach chalet funding would become part of a larger offering.

4.3 It is apparent through early discussions with New Romney Town Council, Magnox as funding providers, The Varne Boat Club as leisure providers and The Roger De Haan Charitable trust through their sailing and water sports support that there is considerable enthusiasm and support for development of this site and to increase the offering throughout the Marsh.

4.4 An initial approach has been made to the NDA/Magnox for up to £200,000 of funding which if met positively will progress into a formal bid. The site location 5 miles from Magnox's Dungeness site which is identified in Magnox's 2016-21 Socio-economic Plan as a high priority for socio-economic investment. The approach has been made on the grounds of;

- Enhancing economic diversification and opening up new employment opportunities where possible.
- Achieving value for money through targeted use of funds for socio-economic initiatives that offer the biggest impact for the lowest cost.
- Building upon existing stakeholder relationships and socio-economic initiatives.
- Continuing to work with the Romney Marsh Partnership Group moving forward.
- Looking for opportunities to work with partners in the future to mitigate the closure of the site.

NDA local social and economic impact strategy (2020 update);

- Resilient economies – the project would encourage and support the conditions for local wealth building, and especially growth in a key sector for the local economy - the tourism sector.
- Thriving communities – the project will have social impact by enabling volunteering in environmental activities through the Romney Marsh Countryside Partnership, and participation in water sports.
- Sustainable Incomes – the project will create opportunities for work and training in its construction and in its ongoing management
- Sustainable growth – the project will attract visitors to an area of the Marsh that is not environmentally sensitive and so could divert visitor pressure from key sensitive sites, particularly at Dungeness which is SSSI area and it will embody sustainability in its use of materials, technology and in its operation

4.5 All work will have to have the support of Natural England and officers have been working on understanding the implications through its partnership with the White Cliffs Countryside Partnership.

5. Coast Drive Car Park

5.1 Considering the size of coast drive car park and its low utilisation, with the proximity of New Romney town councils destination park and open space (the Green) there are considerable opportunities to develop the area, reduce the pressures on the other SSSI and RAMSAR sites whilst developing the Marsh's overall offering.

5.2 In order to make coast drive car park an attractive destination it is important to have key items of infrastructure. Mainly; suitable car parking, public toilets and conveniences such as a café/concession. As part of the scheme allowance has been made for the upgrade of 1/4 of the car park as sustainable drainage and the rest to be regraded (opportunity to increase this if utilisation increase at a later date). The construction of a toilet facility with attached concession/café which also provides a revenue income. Public realm improvement such as installation of bins, signage and planting has also been costed.

5.3 The long frontage of the site would allow for 100-110 beach huts to be installed. In order to reduce the impact upon the SSSI a boardwalk and appropriate signage would need to be fitted that kept users off the sensitive shingle area. This boardwalk would also offer the opportunity for equal access along the site, to the beach and the chalets themselves.

5.4 Considering the increase in use of the site, through beach chalet placement and an expected demand on car parking then income can be considered to be substantially increased moving forward. To cater for this works have been scoped to improve the parking conditions along with an increase in waste facilities.

5.5 The nearest public convenience is found approximately 500m to the East at the Green public open space. This toilet is seasonal and is operated by the Town Council. The toilet is considerably dilapidated and has no electrical supply. There is serious doubt as to its provision as a toilet moving beyond this summer. Therefore the scheme has been costed to include a new modern toilet facility. To offset the cost of this it is proposed a café / Kiosk is included in the design to bring in revenue and to further the offering at the site.

5.6 Appendix 2 shows the proposed indicative layout (block plan) and appendix 3 shows an artist visualisation of how the scheme could look.

5.7 Risks to the project include refusal of planning permission through lack of agreement from Natural England and a rejection of planning permission. The inclusion of the boardwalk, signage and toilets aim to reduce this risk.

5.8 In order to receive the full financial benefits the scheme would look to be implemented by April 2022 in time for the summer season.

5.9 Considerations and allowances have been made in the costing of the project for Solar panel installation on the concession and for all construction materials and methods to consider environmental implications.

6. FINANCE

6.1 A full cost model has been developed for the works at Coast Drive. The key assumptions are;

- 108 Chalets with rental income matched to that at Folkestone, with a 3% uplift in income per year over the 25 year scheme. Occupancy set at 95% for the duration. A vat deduction of 20% has been included as per financial regulations.
- Kiosk and toilet to include a 'changing places facility' for disabled adults. Income set at £10,000 per annum, revenue cost of toilet facility as £5,000 per annum with associated 3% uplift. Provision for PV installation has been included.
- Car Park formally laid to 25% of total space with regrading of the rest. Income set at £40,000 per annum +3% uplift per annum in line with Greatstone Car Park's anticipated income projection.

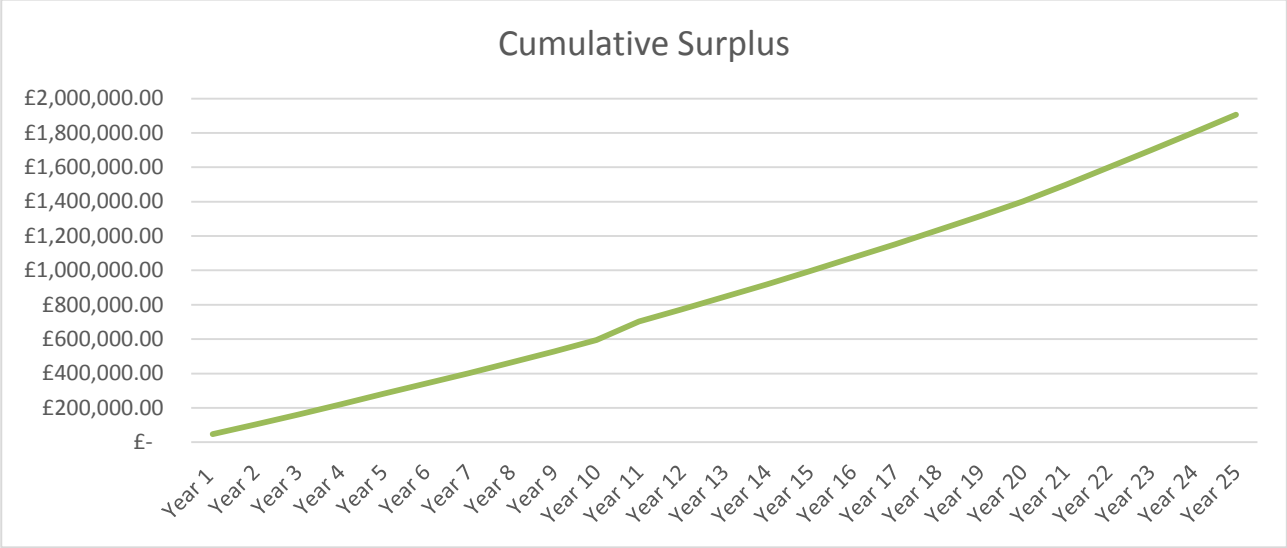
6.2 The key capital costs are set out as below.

Toilet + Concession	£225,000.00
Beach Huts	£200,000.00
Beach Hut Public Realm	£40,000.00
Streetlights	£20,000.00
SSSI Signs + Bin Enclosures	£7,500.00
Car Park	£180,000.00
Regrade	£10,000.00
Boardwalk	£100,000.00
Painting	£51,000.00
Fees (2%)	£16,670.00
Total Price	£850,170.00
Plus Contingency (5%)	£892,678.50

6.3 Total capital cost is £893,000. It is proposed that the full £375,000 of capital finding for the beach chalets is allocated towards this project. To secure funding for the additional £518,000 it is proposed to add to the borrowing in the financial year 21/22.

6.4 Total annual surplus and total cumulative income can be seen as set out below at 5 yearly intervals.

Year	Annual Surplus	Total Cumulative Surplus
1	£ 46,363.72	£ 46,363.72
5	£ 69,172.94	£ 282,489.47
10	£ 81,185.30	£ 595,065.51
15	£ 141,770.03	£ 995,388.79
20	£ 161,139.75	£ 1,400,553.46
25	£ 193,215.02	£ 1,906,205.11



7. CONCLUSION

7.1 The Marsh and its coastal frontage are hugely important to the district and offer huge opportunity for growth. However its complex needs in relation to balancing the tourism offering and its Natura 2000 sites are important to consider.

7.2 The proposed scheme does not affect the designation of the site within the local area plan.

7.3 The project offers a tourism scheme at Coast Drive car park that delivers a revenue income to the council whilst meeting the demands of the district.

7.4 Additional borrowing is needed to deliver the full scheme, however this is seen as being of minimal risk to the authority with confidence in the longevity and security of the key financial assumptions made.

8. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

8.1 **Legal Officers Comments (NE)**

There are no legal implications rising out of this report.

8.2 **Finance Officers Comments (LK)**

The Council's General Fund Medium Term Capital Programme to 2025/26 makes a budgetary provision of £375k for the Beach Chalet Project. The proposed wider scheme would require a further £518k capital expenditure to be financed by borrowing. The Finance Specialist team have been directly involved in the preparation of this report and the key financial implications are covered in it.

9. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

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

(Alastair Clifford – Operations Lead Specialist)
Telephone: 01303 853327
Email: Alastair.clifford@folkestone-hythe.gov.uk

The following background documents have been relied upon in the preparation of this report:

FHDC: Sustainable Access Recreation Management Strategy.

Appendices;

Appendix 1 – Potential Site Plan
Appendix 2 – Block Plan
Appendix 3 - Visualisation

Alastair Clifford, Operations Lead Specialist
Andy Blaszkowicz, Director – Operations and Housing

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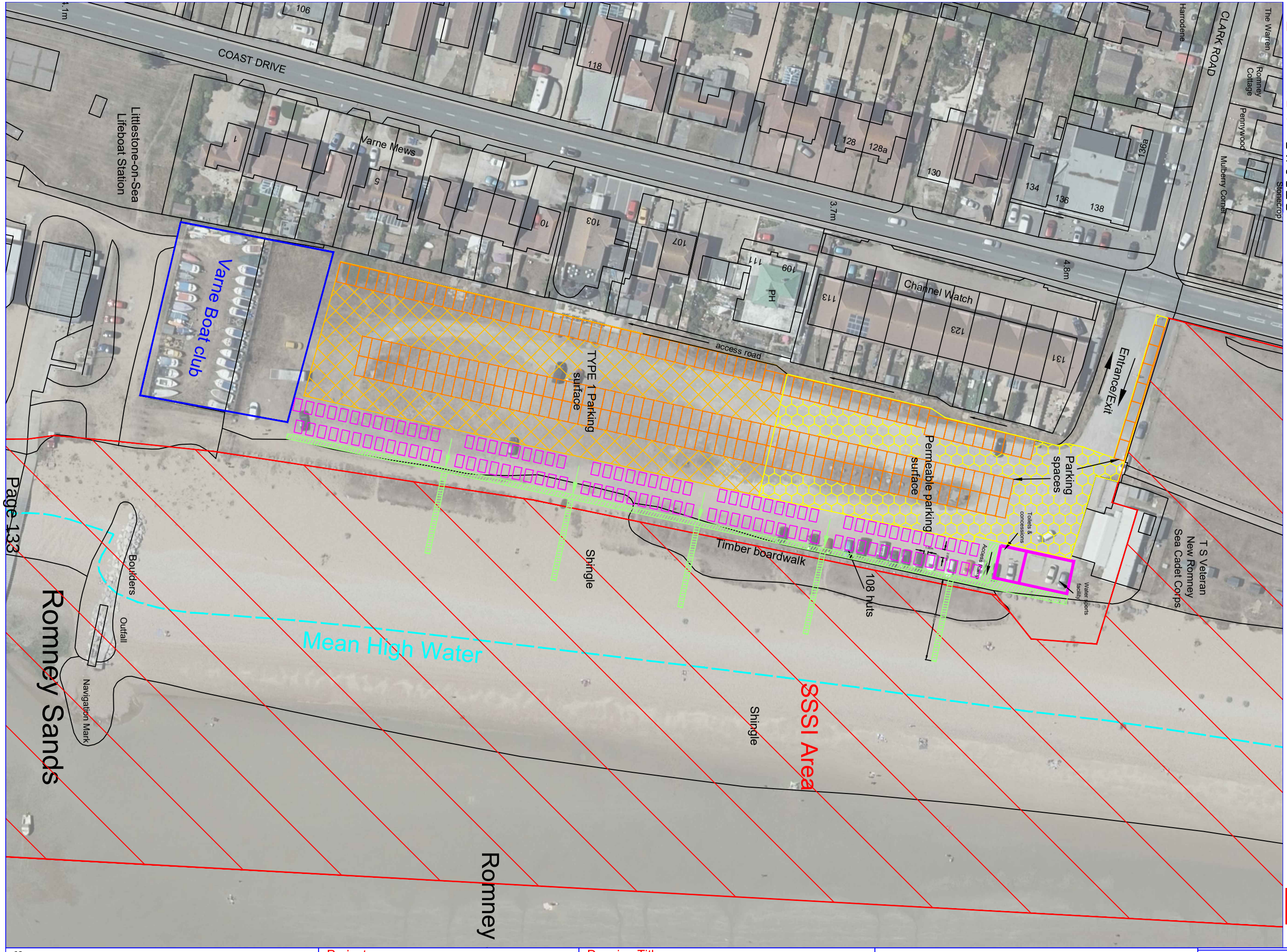

Notes

1. Do not scale

2. Dimensions are in millimetres unless stated otherwise

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Tel: 01303 853000
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Project
Coast Drive Car Park
Littlestone

Drawing Title
Beach Hut Options
Rev2

REV	DESCRIPTION	DATE	BY	CHKD

ORIGINAL DRAWING SIZE A3

Drawn: RK	Checked:	Date 04/06/2021
Scale NTS	Drawing Number	Rev

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Folkestone & Hythe District Council

Disabled carparking bays and electric vehicle charging points.

Existing entrance to carpark enhanced and upgraded.

Neighbouring residential area shown for context purposes.

Existing access maintained to rear of properties.

Low-lying, single storey beach huts will not obscure views of the sea from existing properties.

New Romney Sea Cadets building (existing) with designated storage enclosure.

Watersports Centre with hire facilities at North end of new single storey building.

New cafe with green sedum roof, clad in materials appropriate for coastal environment.

Visitor toilets contained to South end of new single-storey building.

New timber boardwalk extends beyond the grassy area (SSSI) to provide protected passage for visitors to the beach.

New beach huts aligning the new boardwalk, orientated North to South.

Staggered arrangement of beach huts ensures each has a view out over The Channel.

Visitor carpark provides approximately 72 spaces, with disabled bays located near the entrance, along with electric vehicle charging points.

Beach huts to be painted in the colours of the rainbow (shown here for digrammatic purposes).

Boardwalk provides access in accordance with the Equality Act (2010) to front row beach huts.

Proposed holiday lets includes 16 new two-storey units, with living accommodation located at first floor level and ground floor parking spaces below.

Carpark provides 60 spaces for the use of the holiday lets and beach huts.

Staggered arrangement of Western-most (rear) holiday lets ensures some properties are still provided with a view out to sea.

Beach huts are all single-storey with East-facing views.

New planting to be selected appropriate for coastal environment.

Beach umbrellas for hire by visitors.

Exisiting boat storage yard to be maintained.

N

Littlestone Beach

Masterplan Sketch Proposal

Do not scale from this drawing, use noted scale bar for dimension and proportion.
This drawing is issued for informative purposes only

this drawing is scaled as follows:
1:500 @ **A1** // 1:1000 @ **A3**

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This Report will be made public on 15 June 2021

Folkestone & Hythe District Council

Report Number **C/21/14**

To:	**CABINET**
Date:	**23 June 2021**
Status:	**Non key**
Responsible Officer:	**Ewan Green, Director of Place**
Cabinet Member:	**Councillor David Monk, Leader of the Council**
SUBJECT:	**OTTERPOOL PARK PLANNING APPLICATION - HANDLING ARRANGEMENTS**

SUMMARY: This report sets out for approval, proposed updates to the administrative arrangements for the handling of the planning application for Otterpool Park Garden Town following a recent court case and makes a recommendation for future handling arrangements.

REASONS FOR RECOMMENDATIONS:
In order to ensure that the administrative arrangements for handling the Otterpool Park Garden Town application are updated to meet the requirements as recently set out in a court judgement Cabinet is asked to approve the appended arrangements.

RECOMMENDATIONS:

1. **To receive and note report C/21/14.**
2. **To approve the updated handling arrangements contained in appendix 1 for the Otterpool Park Garden Town application (and all post application matters);**
3. **The Monitoring Officer be authorised to make minor or consequential amendments to the arrangements if necessary to keep it up to date;**
4. **The Director of Place be authorised to approve future handling arrangements in the same or similar form where the Environmental Impact regulations apply and the Council is both the applicant and the Local Planning Authority.**

1. BACKGROUND

1.1 Members will be aware of the Council's proposals for Otterpool Park Garden Town. A planning application (Y19/0257/FH) for outline permission for the Garden Town has been lodged with the Council and is currently being processed.

1.2 The Council is both the promoter of the scheme and the local planning authority (LPA). As the LPA the Council has an obligation to determine planning applications in accordance with planning legislation, guidance and planning policies. The non – planning interests of the Council in the application must be disregarded.

1.3 Protocols for both councillors and officers have been agreed to avoid any conflict of interest. However a decision in a recent legal case (below) means that it is appropriate to bring together the handling arrangements into a single document in order to provide clarity and aid in ease of reference to the relevant processes.

2. RECENT LEGAL DEVELOPMENTS

2.1 The case of London Historic Parks and Gardens Trust v Secretary of State for Housing Communities and Local Government was decided on 2 October 2020. In brief the Secretary of State was both the planning applicant for the National Holocaust and Learning Centre at Victoria Tower Gardens, Westminster and through a call–in the determining authority.

2.2 The application was subject to the Town and Country Planning (Environmental Impact Assessment) Regulations 2017 as an application for a proposal that would have significant environmental effects.

2.3 The challenge to the Secretary of State partly succeeded because the administrative arrangements for handling the application to avoid a conflict of interest were inadequate. This requirement to have such administrative arrangements is set down in the regulations and applies whenever a body is both the applicant and the determining authority in respect of an application to which the Environmental Impact regulations apply.

2.4 The regulations do apply to the Otterpool Park Garden town and accordingly the Council needs to set out its arrangements to ensure it performs its duty under the Regulations in an objective manner and so as to avoid a situation giving rise to a conflict of interest. The proposals are set out below in the proposed handling arrangements.

3. PROPOSED HANDLING ARRANGEMENTS

3.1 Appended (1) are the proposed handling arrangements for the Otterpool Park planning application. It also applies to all post application matters (see paragraph 23).

3.2 The proposals are self – explanatory and seek to establish the appropriate functional separation between those making the application and those responsible for considering and determining the application. This obviously has implications for members and officers.

3.3 The two officer and consultant teams working on the distinct functions are identified (paragraph 9 and 10) as is how cross working will be dealt with (paragraph 14).

3.4 Guidelines on processing the application are contained in paragraph 14 and seek to ensure that the roles of applicant and LPA are not confused and are separate.

3.5 Paragraphs 15 – 22 deal with the determination of the application and again sets out the clear separation of roles. Members' attention is drawn in particular to paragraph 16 which requires that as part of these arrangements, Cabinet members, in conjunction with the Monitoring Officer, will keep under regular review, the need, or otherwise, for any member to recuse him or herself from participating in determining the Application to ensure functional separation is maintained. Members of cabinet who have an interest under the Council's code of conduct for councillors would, in any event, have to withdraw from any meeting discussing the application.

3.6 The handling arrangements are therefore recommended for approval. It is also recommended that the Monitoring Officer be delegated to make minor or consequential amendments to reflect, for example, changes in personnel or job titles, to keep it up to date as part of her three monthly review.

4. FUTURE ARRANGEMENTS

4.1 The Council will need to establish handling arrangements whenever it is considering as the LPA an application to which the Environmental Impact Regulations and where the Council is also the applicant.

4.2 Accordingly it is recommended that in the circumstances described in paragraph 4.1 above the Director of Place be authorised to approve, where required, handling arrangements in the same or similar form to those appended to govern the handling of future applications.

5. RISK MANAGEMENT ISSUES

5.1

Perceived risk	Seriousness	Likelihood	Preventative action
Challenge to the Council's administrative arrangements to ensure there is no conflict of interests	Medium	Medium	Approve the handling arrangements appended at appendix 1.

6. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

6.1 Legal Officer's Comments (NM)

The report clearly sets out recent legal developments and the need for independence and objectivity in the discharge by the Council of its duties regarding environmental impact assessment of its own projects.

It is therefore essential in order to avoid a challenge to the Secretary of State that arrangements are put in place to ensure that the Council performs its duty under the Regulations in an objective manner to avoid a conflict of interest.

6.2 Finance Officer's Comments (LW)

There are no financial implications arising directly from this report

6.3 Diversities and Equalities Implications (GE)

There are no equalities implications directly arising from 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

James Farrar
Telephone: 07711 188310
Email: James.Farrar@folkestone-hythe.gov.uk

The following background documents have been relied upon in the preparation of this report:

Otterpool Park Protocols for Councillors and Officers
https://www.folkestone-hythe.gov.uk/article/1559/Background-documents

Appendices:
Appendix 1: Proposed Handling Arrangements

APPENDIX 1

Otterpool Park ("OP") – Handling Arrangements for LPA functions

Introduction and context

1 Folkestone & Hythe District Council ("FHDC") and Cozumel Estates Ltd submitted an outline planning application (reference Y19/0257/FH) for a comprehensive residential led mixed use development ("the Application"). The development is known as Otterpool Park (the "Project").

2 In May 2020 FHDC's cabinet approved the establishment of a delivery vehicle, Otterpool Park LLP ("LLP") to act as the master developer for the Project, to secure delivery of FHDC's objectives for the Project. As a result of this and the purchase of land from Cozumel Estates Ltd the LLP will become the sole applicant for the Application. The LLP is owned by FHDC and the Otterpool Park Development Company Limited ("the Limited Company") which is itself wholly owned by the Council. The LLP is staffed by officers of FHDC who are seconded to it. A Members' (or Owners') Agreement between FHDC, the Limited Company and the LLP is the governing document of the LLP.

3 The Application falls to be determined by FHDC in its capacity as local planning authority ("LPA"). FHDC will therefore be exercising both:

- its statutory functions as LPA and decision maker on the Application, and
- its role as landowner and promoter

in each case in respect of the Project.

4 By its nature, the Application is for a development likely to have significant effects on the environment; The Town and Country Planning (Environmental Impact Assessment) Regulations 2017 ("Regulations") will therefore apply.

5 Regulation 64(2) of the Regulations has effect where, as here, the relevant local planning authority is also the same legal person "*bringing forward the (relevant) proposal for development*". In these circumstances, the authority is required to "*make appropriate administrative arrangements to ensure that there is a functional separation, when performing any duty under these Regulations, between the persons bringing forward a proposal for development and the persons responsible for determining that proposal*".

6 This note updates previously advised handling arrangements.[1] Protocols have been in place since the start of the plan-making process in 2016 to establish clear working practices and functional separation through governance structures to address the dual roles. Separate protocols have been in place for both Members and officers. In addition, whilst not directly relevant, a Planning Performance Agreement has been in place since 2017 to clarify practical project management and working arrangements between the LPA and applicant and to ensure FHDC is not fettered in exercising its statutory duties as LPA. These protocols and arrangements have been kept under review by senior management to ensure functional separation has been maintained throughout. The protocols have been published on the FHDC's website.

[1] previously referred to as protocols

7 With the establishment of the LLP and following the decision in *London Historic Parks and Gardens Trust v Secretary of State for Housing, Communities and Local Government*, along with FHDC's commitment to keep the protocols under review, it is appropriate to bring together the handling arrangements into a single document in order to provide clarity and aid in ease of reference to the relevant processes.

8 The processes set out in these handling arrangements must be followed to ensure that a proper and fair decision under the relevant planning legislation can be taken. These arrangements are not guidance, but are necessary in order to meet legally enforceable requirements in the Regulations; it is vital the processes are followed.

Pre-Committee Consideration

9 Throughout pre and post Application submission stages the LPA has established a project team to process the Application. The team of officers who will handle the Application for the LPA and will advise the LPA on the Application include:

9.1 Llywelyn Lloyd (Chief Planning Officer); James Farrar (Senior Planning Lead – Otterpool Park); Sue Head (Principal Planner, Special Projects); James Hammond (Strategic Policy Officer); Wai Tse (Environmental Health Specialist);

9.2 Seijo Associates (Green Infrastructure); Lichfields (Retail, leisure and economic development); Gerald Eve LLP (viability); Alan Baxters (Heritage and Archaeology) Temple Group (Environmental Impact Assessment); Arboriculture adviser (TBC); Mills & Reeve LLP (Legal Advisors).

10 The team of officers and consultants who will handle the Application for the applicant and who will address the relevant committee on the Application from the promoter/applicant perspective include:

10.1 John Bunnett (Managing Director – Otterpool Park LLP); Andy Jarrett (Planning Director – Otterpool Park LLP); Julia Wallace (Project Manager – Otterpool Park LLP); Dave Shore (Project Manager – Otterpool Park LLP).

10.2 Quod (Planning Consultants and agent for the Application); Arcadis (EIA, Project Manager and technical input); Tibbalds (Masterplanning and Design); WSP and Andrew Cameron Associates (Transport and Movement); Mark Hanton (Landscape and Urban Design); Purcell (Heritage); Pillory Barn (Communications and Public Relations);

10.3 Knights Professional Services Limited t/a Knights plc (legal advisors on land transactions and related matters) Browne Jacobson (legal advisors on S106 matters) and Kreston Reeves LLP (accountants and financial advisors).

11 The roles undertaken on behalf of the applicant in progressing the Application are entirely separate from the role of FHDC as LPA with responsibility for determining the Application, and where FHDC as LPA is engaging with the LLP or FHDC as owner of the LLP it will do so in the same way as it would any other third party developer/applicant. The role of FHDC as owner of the LLP in delivering the Garden Town is as described in the LLP's Business Plan (December 2020)[2].

12 There will be instances, where, due to the nature of FHCD being a relatively small district council, some specialist skills are contained in small teams and it will therefore be necessary for those teams to act in support of the LLP as master developer; this will include activities across development delivery including leading and coordinating development activity at the project site, facilitating partnership

[2] The Business Plan submitted by the Board of Otterpool Park LLP was approved by Cabinet on 20th January 2021. https://folkestone-hythe.gov.uk/moderngov/mgAi.aspx?ID=14249

development arrangements to bring forward housing and employment opportunities as well as in some cases acting as the manager of the community infrastructure.

13 It is anticipated that this cross-working will include but not limited to tasks set out below and examples of how the planning team will interact in these areas include:

Table 1 OP Areas of Work

Area of Work	**Role of FHDC as LPA**
Housing, civic and employment development projects within OP and estate management support	If officers from the Council are required to support the LLP side in these areas of work such as estate management or a particular project, this should be identified and agreed at an early stage, e.g. proposals for a relocated Civic Centre. For these projects, the officer would not be able to take part in any LPA side activities associated with that project. Where there is only one officer the LPA will seek independent external advice. Officers from the LPA side will only input into this work through the formal pre-application and planning application process. This is important to ensure FHDC as LPA does not fetter its ability to take an open, transparent and unbiased planning decision.
Technical input into a range of LLP activity including the preparation and submission of planning application material: • Economic development • Housing Strategy including Council house building programme • Health, community and wellbeing strategy • Accountancy, legal and finance support.	If officers from the Council are required to support the LLP side in these areas of work or a particular project, this should be identified and agreed at an early stage. For these projects, the LLP should make the officer aware of the role in which advice is being sought and the officer would not be able to take part in any LPA side activities associated with that advice. Officers from the LPA side will only input into this work through the formal pre-application and planning application process. This is important to ensure FHDC as LPA does not fetter its ability to take an open, transparent and unbiased planning decision. Where necessary, the LPA will seek independent technical advice from external advisors in respect of material submitted as part of planning documentation.
Wider corporate activity: • Corporate plan activity including resourcing for the LPA; • Funding and financing (e.g. MHCLG Garden Communities, Housing Infrastructure Fund or other Infrastructure bids); • Infrastructure Strategy and planning (such as	Officers from the LPA side will support these areas of work where necessary. This work is not directly about the land assembly and/or securing planning permissions and will not fetter the LPA's discretion. Input from the LPA will support the Council in achieving its overarching Corporate objectives of securing comprehensive, well planned new homes and employment opportunities across the district. It will include work in partnership with Otterpool Park LLP, where necessary, to secure public sector funding for key infrastructure such as high speed rail or inward investment to support the Council's Economic Development Strategy.

rail strategy or lobbying for high speed services).	

Processing the Application

13.1 FHDC has put in place the following practical arrangements to maintain functional separation during its processing and consideration of the Application:

FHDC as LPA:

- Will consider and reach a recommendation on any planning application submitted by the LLP in line with the Development Plan and all relevant material considerations. The LPA will (as with all applications) disregard any financial or other benefits to the LLP or FHDC as owner of the LLP;
- Will not be party to the work of the LLP as master developer or FHDC as owner of the Limited Company. Significant decisions as to the terms of acquisitions, Business Plan, disposal of land interests, development partnerships, matters relating to the Members' Agreement or related land issues will all be the subject of separate reporting lines to the LLP Board and Cabinet/ Senior Officers;
- Where necessary, the LPA will liaise with the Council in respect of wider corporate activity and resourcing matters relating to Otterpool Park where it will support the LPA in discharging its statutory functions and not fetter its discretion. The LPA will liaise with FHDC as owner of the LLP and the LLP itself in line with the Otterpool Park related activities outlined in Table 1 to guard against any perception or reality of relevant officers holding any 'hierarchical superiority' over another;
- Officers identified in paragraphs 9.1 – 9.3 will not engage in any discussion or communication in relation to the Application with other officers or Members in respect of the Application save:
    - those officers identified in paragraph 9.1-9.3 shall be entitled to communicate with the officers identified in paragraphs 10.1-10.4 for the purposes of progressing the Application and only in the same way as they would any other third party developer/applicant; and
    - when officers identified in paragraphs 9.1-9.3 are conducting formal consultation on the Application
    - when officers identified in paragraphs 9.1-9.3 are engaging in pre or post application member briefings as they would any other third party developer/applicant.
- Will establish project management arrangements in accordance with the agreed and published Planning Performance Agreement which will be kept under regular review;
- Will act in accordance with the required standards of practice and ethics set out in the RTPI Code of Professional Conduct;
- Communication with the applicant:
    - The LPA will communicate as would be the case with any other application and commensurate with the project's scale and nature;
    - The LPA and the applicant will not share the same office to maintain functional separation – the LLP will have a separate on-site project office;
    - The LPA and the LLP will not share a 'post in/post out' box for written correspondence;

- The LPA will store all documentation in separate filing systems and regard it as confidential – documentation will only be disclosed in the usual course of business between the respective teams;
- The LPA will use separate consultant teams to advise it on its work;
- The LPA will be clear at the outset of all meetings as to individual officer's roles in the meeting (i.e. as LPA or applicant);
- Records will be kept of all meetings between the LPA and the LLP relating to the Application[3]
- Officers should leave a meeting if discussions move on to matters that should not be shared between those acting for the LPA and those acting for the LLP.

FHDC as owner of the LLP and the LLP itself:

- Will not seek to unduly influence FHDC as LPA - persons involved in promoting or assisting in the promotion of the Project or the Application must not give any instructions to, or put any pressure on, any person acting or assisting in the discharge of the functions of FHDC as LPA - or attempt to do so;

- Where necessary, the Council will liaise with the LPA in respect of wider corporate activity and resourcing matters relating to Otterpool Park where it will support the LPA in discharging its statutory functions and not fetter its discretion. FHDC as owner of the LLP and the LLP itself will liaise with the LPA in line with the activities described in Table 1 to guard against any perception or reality of relevant officers holding any 'hierarchical superiority' over another;

- Will not look to access confidential information submitted to the LPA by other applicants in the area;

- Will not share information (such as commercial agreements and other confidential bidder/developer information) with the LPA unless it is of a nature a third party applicant would normally expect to share with a local planning authority and it is clear any necessary third party agreement has been obtained.

- Communication with the LPA:
  - LLP and the LPA will not share the same office to maintain functional separation – the LLP will have a separate on-site project office;
  - The LLP and the LPA will not share a 'post in/post out' box for written correspondence;
  - The LLP will store all documentation in separate filing systems and regard it as confidential – documentation will only be disclosed in the usual course of business between the respective teams;
  - The LLP will use separate consultant teams to advise it on its work;
  - The LLP will be clear at the outset of all meetings as to individual officer's roles in the meeting (i.e. as LPA or applicant);
  - Officers should leave a meeting if discussions move on to matters that should not be shared between those acting for the LLP and those acting for the LPA.

13.2 Community and Member consultation exercises will be handled in the same way as they would for similarly sized development proposals and in line with

[3] meeting records are disclosable under Freedom of Information Act/Environmental Information Regulations requirements unless statutory exemptions apply

best practice. Members of FHDC will be encouraged to engage openly and appropriately with the development of the project through All Member Briefings, whilst ensuring that their decision making functions and other statutory functions are not compromised. Members will be reminded by officers that these topic based briefings are not to discuss or debate the merits of any planning applications. Proposals for community and/or Member consultation led by the LLP will be discussed and agreed with the LPA in advance as is normal practice.

13.3 Should an individual or organisation have any concerns regarding an actual or potential conflict relating to the separation of functions, they should raise it immediately to FHDC's Monitoring Officer.

Determining the Application

14 The Application will be determined by the Planning and Licensing Committee in accordance with the Constitution, Code of Conduct, Planning Code and normal practice.

15 Cabinet and Senior Officers acting under delegated powers will be responsible for land matters and other issues relating to the function and operation of the LLP in accordance with the Members' Agreement and Business Plan.

16 As part of these arrangements, Cabinet members, in conjunction with the Monitoring Officer, will keep under regular review, the need, or otherwise for any member to recuse him or herself from participating in determining the Application to ensure functional separation is maintained.

17 Officers and Members shall comply with the Planning Code. Regular staff and Member training will be provided to remind Members and officers of these handling arrangements and wider guidance including the LGA Guidance 'Probity in Planning'[4]. Copies of these Handling Arrangements will be circulated to all persons identified at paragraph 9.1-9.3 and 10.1-10.4 above and to relevant Members, and recirculated following any amendments.

18 The applicant will only be able to address the Planning and Licensing Committee in the same way as other third party/applicants would, in accordance with the FHDC's speaking scheme.

19 The drafting and finalisation of the officer's report will be the responsibility of the LPA (and its advisors). In accordance with normal practice for large scale developments a final draft of the report shall be shared with the applicant 48 hours prior to publication for fact check purposes only.

20 The drafting and finalisation of the planning conditions will be the responsibility of the LPA (and its advisors). Planning conditions will be prepared based on National Planning Practice Guidance to establish early in the process what may need to be the subject of conditions. The LPA will comply with the Town and Country Planning (Pre-commencement Conditions) Regulations 2018 which provides that planning permission may not be granted subject to a pre-commencement condition without the written agreement of the applicant to the terms of the condition.

21 All section 106 matters will also be dealt with in the same way as would any other third party applicant with separate legal representation for the LPA and applicant.

[4] 'Probity in Planning: Advice for councillors and officers making planning decisions', LGA, December 2019

Post Outline Planning Permission

22 All post Application matters such as the discharge of conditions or reserved matters applications (Tier 3) will be dealt with in accordance with the published Scheme of Delegation.

Reviewing the arrangements

23 These handling arrangements will continue to be kept under review with an informal review by the Monitoring Officer every 3 months and a formal review every 6 months agreed by Corporate Leadership Team. Each 6 monthly review will be reviewed by an independent legal advisor to the LPA.

Publication

24 The handling arrangements will be published on FHDC's website and will be included within the publically available planning application documents in respect of the Application.

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