



Minutes

Overview and Scrutiny Committee

Held at:	Council Chamber - Civic Centre, Folkestone
Date	Tuesday, 17 January 2023
Present	Councillors Peter Gane, Michelle Keutenius (Chairman), Connor McConville, Rebecca Shoob (Vice-Chair) and John Wing.
Apologies for Absence	Councillor Miss Susan Carey, Councillor Terence Mullard and Councillor Patricia Rolfe.
Officers Present:	Andy Blaszkowicz (Director of Housing and Operations), Gill Butler (Chief Officer - Housing), James Clapson (Case Officer (Committee)), Ewan Green (Director of Place), Susan Priest (Chief Executive), Andrew Rush (Chief Officer Place & Regulatory Services) and Karen Weller (Environmental Protection Senior Specialist).
Others Present:	Councillor Stuart Peall (Folkestone & Hythe District Council).

1. **Declarations of Interest**

There were no declarations of interest.

2. **Minutes**

The minutes of the meeting dated 8 November 2022 were agreed and signed by the Chairman.

3. **Minutes of the Finance and Performance Scrutiny Sub Committee**

The minutes of the meeting dated 6 December 2022 were agreed and signed by the Chairman.

4. **How the Council Can Assist Parish and Town Councils with Legally Moving on Illegal Encampments**

Mrs Weller provided members with a presentation that outlined the ways in which Folkestone and Hythe District Council (FHDC) currently supported parish

and town councils in responding to unauthorised encampments on their land. The presentation slides have been attached to the minutes for reference.

During consideration of the item it was noted that:

- Parish councils often had a very limited number of staff, they may find it difficult to complete the paperwork needed to get unauthorised encampments moved on.
- Negotiated stopping agreements could be useful for private landowners in certain circumstances; it could save money on legal costs.
- When an incident occurred, it was very important to keep the public informed about what was happening. Information would be shared on FHDC's website and parish and town councils could link to this information on their websites. The Customer Services department were also kept up to date in order to respond to public enquiries.
- If parish or town councils were concerned that an area was particularly vulnerable, the Police could carry out a target hardening review. This looked at what could be done to make access to the site more difficult. Members could potentially allocate some of their ward grant monies towards target hardening schemes.
- The officers who conducted welfare checks were well trained and had a housing background. Although there was no legal requirement or national standard for welfare checks, the checks carried out by the FHDC were very thorough. FHDC would carry out welfare checks for parish and town councils.
- It was very important that people reported incidents of antisocial behaviour to the Police. The Police could only act upon the information that was reported to them. Cases of anti-social behaviour allowed the Police to use Section 61 powers to move unauthorised encampments on. These reports could be made anonymously using the non-emergency 101 phone number.
- Officers will produce an information sheet for parish and town councils which will outline the processes and supports available from the Council.

5. **Housing - HRA Business Plan and Carbon Reduction Approach**

Mrs Butler and Mr Blaszkowicz provided Members with a presentation detailing the strategic priorities and themes for the Housing Revenue Account (HRA) 30 Year Business Plan and Housing Carbon Reduction Approach. The slides have been attached to the minutes for reference.

During consideration of the item it was noted that:

- Objective 3 of the Asset Management Strategy – to improve the housing stock to energy rating C by 2030 was a key focus of the team.
- There was a balance to be struck between keeping rents low for council tenants, and maximising rental income that provided funding to improve the housing stock for those tenants in the future.
- The method to improve the housing stock's energy efficiency would be to take a fabric first approach, initially this would target the lowest

performing properties. This approach would prepare the properties for whatever the heating systems maybe in the future.

- There would be some properties where retrofitting energy performance improvements would not be viable; in these cases, consideration would be given to rebuilding or selling the building.
- A larger housing stock would provide more income, however purchases through the right to buy scheme reduced the number of council houses. The potential impact of the right to buy scheme sales would be considered in the 30 year business plan.
- The new build budget may need to be reduced, this was in recognition of the current economic climate and the many competing demands on the HRA capital finances. The Council was open to opportunities to acquire new stock and regularly looked for potential properties to purchase.
- A lot of research was going on into the use of hydrogen as a heat source for houses.
- There would be a need to educate and inform tenants about how to live with new technologies and make behavioural changes to minimise their energy usage. One method for this would be Housing Online which can be accessed via the Council's 'My Account' system, which around 1000 tenants had signed up to so far. Since going live, this system has been continuously improved and now allows tenants to digitally report issues.
- There was £450,000 of decarbonisation funding allocated to the Ross House project in the 2023/24 budget. This budget was carried forward from the 2022/23 year as works were not expected to be completed by the end of March 2023.
- Mr Blaszkowicz believed the current HRA debt was around £50,000,000, however he offered to confirm this with finance colleagues and arrange for a response to members outside of the meeting.
- The business plan had a complex finance model behind it that modelled different scenarios and assumptions over the 30 year period. Part of the model would consider various borrowing strategies.
- The Council could retain capital receipts from property sales, such as through the right to buy scheme.

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Unauthorised Encampments

Overview & Scrutiny Committee 17 January 2023

Introduction

- Council Motion 30 November 2022 –

‘That the Overview and Scrutiny be asked to consider ways in which the district council can assist town and parish councils in the area with legally moving on illegal encampments on their land (including land leased from the district council) as quickly as possible, and to at least the same level that they are able to deal with incursions on their own land.’

To Be Covered...

- **Background** – Experience with unauthorised encampments in the district and legal powers available.
- **Working with Towns and Parish Councils** – What support is provided?
- **What more can be done?** – Police reporting, target hardening, and negotiated stopping agreements.

Background

- **Activity –**
 - Number of Unauthorised Encampments 2018-2022 - 164
 - ASB reports

Page 8

Legal Powers Available –

- Landowner – Common Law, s55 Civil Procedure Rules
 - Local Authority – s77/s78 CJPOA 1994
 - Police – s61/s62 Criminal Justice & Public Order Act 1994 with powers strengthened by Part 4 Police, Crime, Sentencing and Courts Act 2022
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- Police can directly evict under s61.

Working with Towns and Parishes

- Support Provided –
 - Providing information and sharing experience with town/parish council
 - Joint visit with uniformed Enforcement Officer
 - Mainly to support town/parish council
 - Ask trespassers to vacate land
 - Welfare Checks – can be shared with Court to show eviction was not detrimental to health and safety
 - Photos of encampment where appropriate
 - To serve paperwork – Notices
 - Share intel with Police if group are known
 - Share contacts of Bailiffs FHDC use

Working with Towns and Parishes

- Constraints
 - Financial – cost of legal support and bailiffs for non-council land.
 - Enforcement Team workload, priorities and commitments.
 - Legal Team workload and restrictions on private legal work for TPCs.

What more can be done?

- **ASB Reporting to Police**

- Use of 101 number or online reporting.
- Experience is that ASB is under-reported.
- Incident reporting used in the assessment for use of s61 powers.

- **Target Hardening**

- Exposed entrances, open spaces, previous encampments.
- Will make access difficult, but not impossible.

- **Negotiated Stopping**

- Limited period of time, based on behaviours and agreement with TPCs

Thank you.

F&HDC – Housing Revenue Account (HRA)

1. HRA Business Plan
2. Housing Carbon Reduction Approach

Andy Blaszkowicz - Director Housing & Operations
Gill Butler – Chief Officer, Housing

Overview & Scrutiny Committee
17th January 2023



Housing Service Vision

“To create a world-class housing service - one that is digitally enabled, easy to do business with, and where tenants (customers) are at the heart of everything we do.”

- **3,400** council managed homes, 18% of stock Independent Living (Sheltered Housing)
- **October 2020** housing landlord service came back in-house from East Kent Housing ALMO
- Regulatory notice for H&S non-compliance – **removed by Regulator of Social Housing Aug. 2021**
- Focus on **performance**, building a new, compliant landlord service, assets & tenant engagement

Page 14

HRA Business Plan – that reflects the commitments and priorities of the housing services

- ***What is the HRA?*** - a ring-fenced account - income & expenditure - running the council’s own housing stock for the benefit of our tenants
 - ***Main sources of income*** from tenants rents and service charges
 - ***Main expenditure*** - management & maintenance costs, major repairs, loan charges, and depreciation

CREATING TOMORROW TOGETHER CORPORATE ACTION PLAN 2021-2030

Service Ambitions: – 1. *Positive Community Leadership* - 2. *A Thriving Environment* - 3. *A Vibrant Economy*
4. *Quality Homes and Infrastructure*

Asset Management Strategy 2022 - 2027

Purpose of the Asset Management Strategy: -

- Supports the Corporate Plan and Council's ambitions
- Framework for decision making on the existing and future housing stock
- Provides priorities for future works programmes / improvements
- Informs 30-year HRA Business Plan & Budgets

Page 15

HOUSING ASSET MANAGEMENT STRATEGY

Folkestone & Hythe District Council
2022- 2027



Objective 1 *Ensure the housing stock is safe and well maintained.*

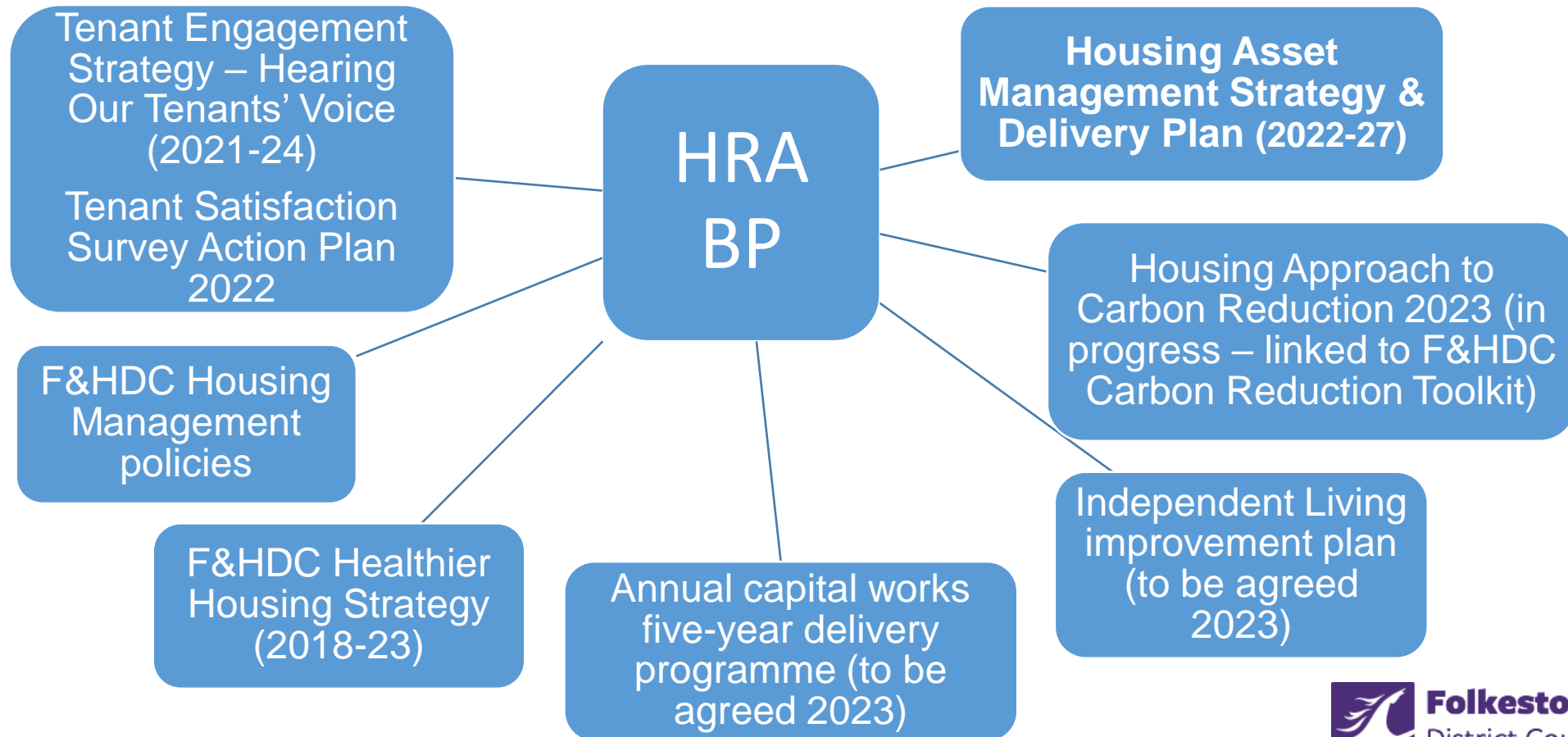
Objective 2 *Develop a social housing portfolio that is fit for purpose, meeting the needs of current and future generations of tenants and their families.*

Objective 3 *Improve the energy efficiency of the housing stock and the ways of working that reduce carbon emissions and levels of fuel poverty by achieving at a minimum EPC rating of 'C' by 2030 and aiming to achieve 'net zero carbon in use (NZC)' by 2050 for all of its housing stock.*

Objective 4 *Developing skills and supporting the local economy.*

HRA Business Plan

Documents that underpin the HRA Business Plan and inform our priorities for funding from the HRA - delivering the vision in the context of wider council priorities: -



HRA Business Plan – Order of Priorities...

1. Compliance / Tenant H&S and wellbeing incl. meeting Regulator of Social Housing new legislation
2. Housing management, repairs and maintenance of existing stock
3. Decent Homes - Capital Improvements / Investment
4. Decarbonisation / Retrofitting
5. New Build / Acquisitions



Do Members agree with this order of priorities?

HRA Income- Explanation of Rents

Affordable vs Social Rents

- Current BP – all new homes are affordable rents set at LHA rates (see a)
- Existing / Older stock at social housing rents (see b)
- Government Policy sets out that affordable rent levels can be set at up to 80% of market rent value (see d)
- Of the approximately 3400 tenancies that we have, approximately 120 households pay affordable rents (LHA) (a) and 3280 pay social rents (b)
- Average social rent £ 94.27 p.w.

	Affordable Rent LHA 22/23 (a)	Social Rent 22/23 (b)	Market Rent (c)	Affordable rent – 80%(d)
1 bed	£100.11	£83.35	£173	£138
2 bed	£132.33	£93.46	£207	£166
3 bed	£172.60	£104.19	£254	£203

Social Housing Rents Q&As Discussion

Challenges - Balance

Challenges for the HRA BP

- Compliance and Health & Safety
- Housing Management costs
- Capital improvement programme (decent homes)
- EPC 'C' by 2030 (circa 1,000 homes)
- 'NZC in use'/EPC A by 2050
- HRA New build programme
- Improvements to Independent living



How much of this cost should we build into 30-year Business Plan?
How much can the Business Plan support?

HRA Business Plan – Draft 23/24 Budget

Draft High Level Projections – Year 1

Income

- Projected Income 23/24 - £18.42M

(based on 7% rent increase)

Expenditure

- Housing Management service - £14.71M
(Revenue)
- Capital works (decent homes) - £5.08M
- Retrofit /NZC – estimated cost - £1.04M
- New Build - £3.5M



30 Year HRA Business Plan – Risks

- Costs – currently modelled at 2% inflation target + 1% uplift (but currently subject to heightened uncertainty). Higher inflation would further increase costs.
- Tenant rent arrears
- Supply chain?
- Lack of Government funding (*what if we don't receive Wave 2 SHDF bid?*)
- New retrofit technology – untested/ future technology – uncertain?
- Meeting future social housing need – changing demographics



Housing Carbon Reduction Approach 2023-2030

Context to 30 year HRA BP

- Main focus of next 7 years – all properties to EPC 'C'
- F&HDC Carbon Action Plan & Carbon Reduction Toolkit 2022
- Informs 30-year HRA Business Plan & Budgets



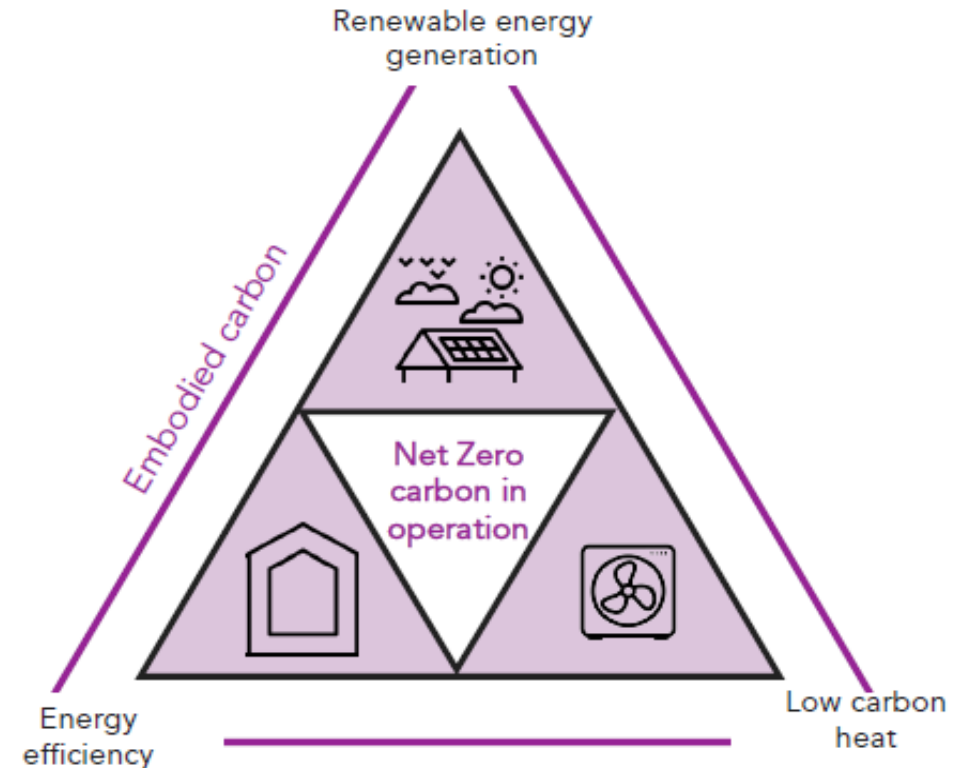
This plan has considered the following key factors when agreeing our approach to carbon reduction measures:

- *Current knowledge of the housing stock (2021 stock condition survey)*
- *Future expectations for social housing*
- *The increasing population of older tenants, along with the expectations and changing needs of current and future tenants.*

Housing Carbon Reduction

What will our approach document will cover:

- Achieving EPC 'C' by 2030– Retrofitting existing housing stock
- NZC 'in use' by 2050
- Retrofit principles
- Housing Operations helping to reduce energy usage
- Achieving Net zero carbon ready – new build homes
- General approaches to reducing carbon emissions
- Active Behavioural Change
- Involving Tenants and Stakeholders



Social Housing Decarbonisation Fund

- The Social Housing Decarbonisation Fund (SHDF) - £3.8bn government commitment over a 10-year period to improve the energy performance of social rented homes.
- **Wave 1** bid Council awarded £2M Govt grant with match funding of £900K to improve the energy efficiency of 109 of our worst performing homes (up to EPC 'C') – along with **Ross House** (fabric first)– flagship zero carbon retrofit scheme – 16 apartments.
- **Wave 2** bid submitted for 2023-25 to improve energy efficiency of a further 300 homes – Grant could be £5.1M (across 2 years) with match funding in Year 1 (23/24) £1.03M

Our Approach to Retrofitting



'Fabric first' -
roof, walls,
windows etc. of
homes are as
energy efficient
as possible.



'Worst first' -
tackle properties
with the lowest
EPC rating first.

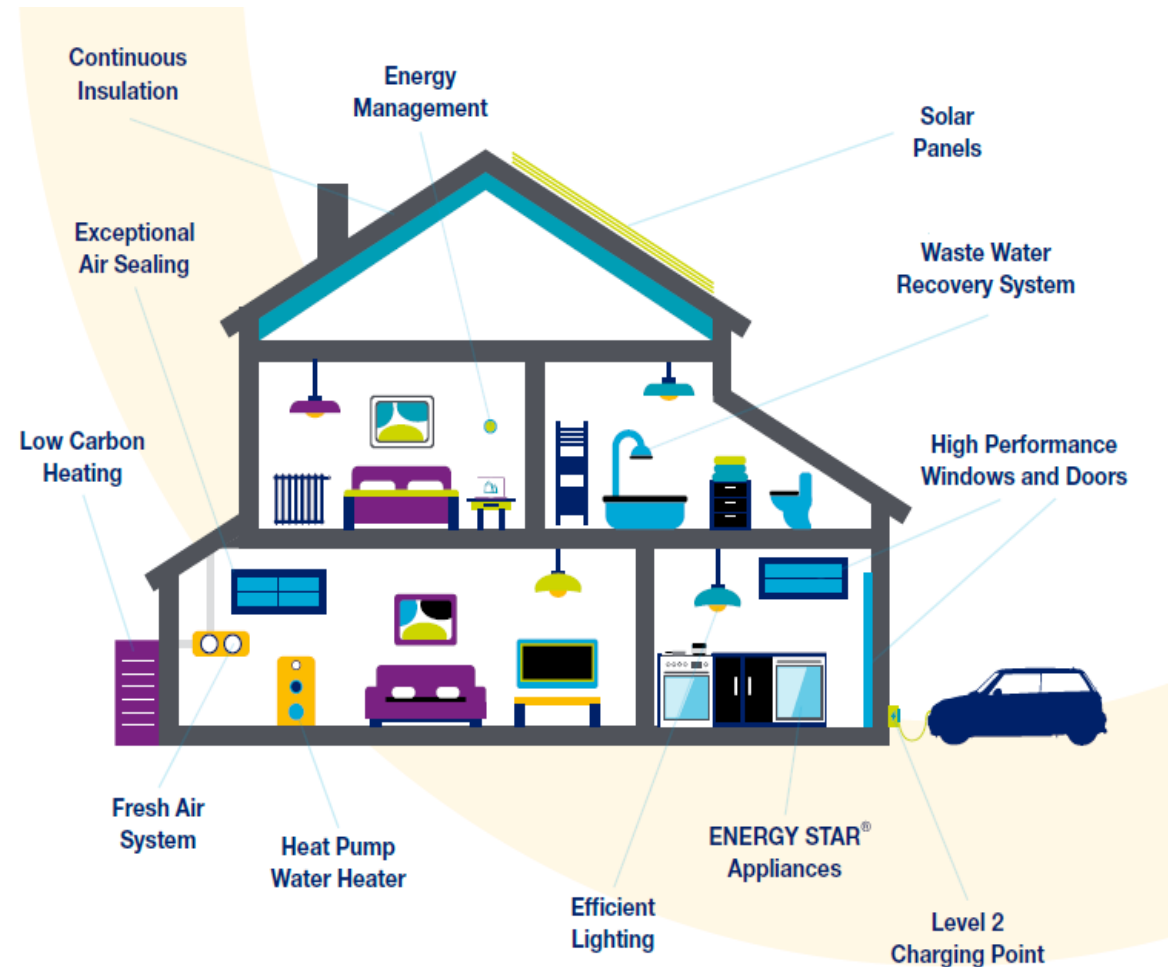


'Least regrets' -
coordination of
planned
maintenance work
and/ or being an
early adopter of
new initiatives,
e.g. the
installation of heat
pumps.

Achieving net zero carbon – new build homes

- Council has an ambitious new build target
- Recent amendments to Building regs, part L and part F – higher energy efficiency
- Homes should be NZC ready
- Councils Net Zero Toolkit includes a 60 page section on new build - communicates how new developments that are consistent with climate change objectives can be designed and constructed to higher environmental standards

Page 27



- ***IS THIS AFFORDABLE?***

Q&As Discussion