



Agenda

Meeting: **Cabinet**
Date: **14 December 2022**
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.

This meeting will be webcast live to the council's website at <https://folkestone-hythe.public-i.tv/core/portal/home>.

Please note there will be 37 seats available for members of the public, which will be reserved for those speaking or participating at the meeting. The remaining available seats will be given on a first come, first served basis.

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

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

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

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

To consider and approve, as a correct record, the minutes of the meeting

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Email: committee@folkestone-hythe.gov.uk or download from our
website
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held on 23 November 2022.

4. **Quarter 2 Performance report 2022-23 (Pages 13 - 42)**

This report provides an update on the Council's performance for the second quarter of the year covering 1st July 2022 – 30th September 2022. The report enables the Council to assess progress against the approved key performance indicators arising from the Council's new Corporate Action Plan.

Key performance indicators will be monitored during 2022-23 and reported to CLT and Members quarterly.

5. **Fees and charges 2023/24 (Pages 43 - 70)**

This report focuses on the proposed fees and charges for 2023/24 which will contribute towards meeting the council's 2023/24 budget objectives and Medium Term Financial Strategy.

The Council's Fees and Charges Policy was revised and agreed by Cabinet on 15 November 2017 (Report C/17/54).

6. **Budget Strategy 2023/24 (Pages 71 - 100)**

This Budget Strategy sets out the guidelines for preparing the 2023/24 Budget. It supports the Corporate Plan and aligns with the direction and objectives of the Medium Term Financial Strategy (MTFS).

In terms of financial planning, the Budget Strategy takes account of current and future financial and economic conditions including the outcome of the Government's recent Autumn Statement announced on 17 November 2022.

The Budget Strategy also sets out the underlying assumptions and initial budget-setting proposals and provides a timetable for delivering a balanced budget for approval and final Council Tax setting by Full Council on 22 February 2023.

7. **Empty Homes Premiums (Pages 101 - 110)**

From 1 April 2024, billing authorities will be given the ability to add a Council Tax premium to second homes and to amend existing long term empty home Council Tax premiums. This report reviews these proposals and recommends that some changes are introduced from the financial year 2024/25.

8. **New Grant Agreement - Folkestone Sport Centre Trust (Pages 111 - 154)**

The grant agreement with Folkestone Sport Centre Trust ends in March 2023. The current grant is for £150,000 per annum. Folkestone Sports Centre Trust have developed with the support of consultants, a business

plan to assist the recovery of the business from the pandemic. To support the new business plan, the Trust have made a request to council for its continued financial support through a new grant agreement for £150,000 for five-years. The report recommendation is to agree a grant award for a shorter period of three-years.

9. **Statement of Community Involvement (SCI) Update (Pages 155 - 216)**

The purpose of this report is to update Cabinet on the outcome of the public consultation and set out recommended changes to the document before adoption.

10. **Housing Disabled Adaptations Policy (Pages 217 - 242)**

The following report sets out the rationale for the adoption of a new policy, to assist in the management and administration of housing adaptations to Folkestone & Hythe District Council (F&HDC) tenants.

11. **Princes Parade project - Options (Pages 243 - 270)**

In November 2022, due to the significantly changed and difficult economic climate, the decision was taken to pause spending on the Princes Parade Project and for officers to re-evaluate available options and to propose a way forward (Report C/22/56). This report outlines a small number of headline options for consideration.

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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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Minutes

Cabinet

Held at:	Council Chamber - Civic Centre Folkestone
Date	Wednesday, 23 November 2022
Present	Councillors John Collier, Ray Field, David Godfrey, Mrs Jennifer Hollingsbee (Vice-Chair), David Monk (Chairman), Tim Prater and Lesley Whybrow
Apologies for Absence	Councillors Stuart Peall and David Wimble
Officers Present:	Andy Blaszkowicz (Director of Housing and Operations), Ewan Green (Director of Place), Andy Jarrett (Managing Director), Rod Lean (Chief Officer - Place & Growth), Jyotsna Leney (Health, Wellbeing and Partnership Senior Specialist), Susan Priest (Chief Executive), Jonathan Smith (Senior Accountant), Charlotte Spendley (Director of Corporate Services), Julia Wallace (Masterplanning Project Manager) and Jemma West (Democratic Services Senior Specialist)

NOTE: All decisions are subject to call-in arrangements (except for the decision at Minute No 49 – Otterpool Park Education Provision, which is exempt under paragraph 7 (call-in and urgency) of Part 7 (Overview and Scrutiny Rules and Procedures) of the constitution). The deadline for call-in is Friday 2 December at 5pm. Decisions not called in may be implemented on Monday 5 December 2022.

43. **Declarations of Interest**

Councillor Whybrow made a voluntary declaration in respect of Minute No 47 (new three year grant agreement (2023-2026) for Shepway Citizens Advice Bureau), in that she used to work there, but did not presently.

Councillor Mrs Hollingsbee declared an OSI in respect of Minute No 49 (Otterpool Park Education Provision) due to her role as a Director of the Board. She indicated that she would move to the public gallery during consideration of the report, and would not participate in the debate or vote.

44. **Minutes**

The minutes of the meeting held on 20 October 2022 were submitted, approved and signed by the Leader.

45. **Medium Term Financial Strategy 2023/24 to 2026/27**

The Medium Term Financial Strategy ('MTFS') is the Council's key financial planning document. It puts the financial perspective on the Council's Corporate Plan priorities, expressing the aims and objectives of the various plans and strategies in financial terms over the four year period ending 31st March 2027. It covers both revenue and revenue implications for capital spend for the General Fund. Also included are the Council's reserves policies. The MTFS is a key element of sound corporate governance and financial management.

Proposed by Councillor Monk,
Seconded by Councillor Collier;

RESOLVED:

1. That report C/22/61 be received and noted.
2. That it be recommended to Full Council that the **Medium Term Financial Strategy, as appended to the report, be adopted by Full Council.**
3. That it be recommended to Full Council that the **Reserves Policy outlined in appendix 3 be adopted.**

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

REASONS FOR DECISION:

Cabinet was asked to agree the recommendations because:-

- (a) The MTFS is the Council's key financial planning document.
- (b) The strategy defines the financial resources needed to deliver the Council's corporate objectives and priorities and covers the financial implications of other key strategies.
- (c) The Council needs to be able to carry out an early assessment of the financial implications of its approved policies and strategies and also external financial pressures facing the authority to ensure that it has robust budgeting and remains financially viable.

46. **The Rural Prosperity Fund**

The report presented an overview of the Governments Rural England Prosperity Fund (REPF) and detailed the allocation the Council will receive. The report outlined a recommended approach for use of the funding in an Addendum to the submitted UKSPF Investment Plan and sought agreement for the delivery of the fund.

Proposed by Councillor Monk,

Seconded by Councillor Mrs Hollingsbee; and

RESOLVED:

1. That report C/22/57 be received and noted.
2. That the Rural England Prosperity Fund prospectus and funding allocated to the Council be noted.
3. That the £571,471 Rural England Prosperity Fund grant be accepted and that it be recommended to Full Council that it is included in the General Fund Medium Term Capital Programme.
4. That the basis of addendum to the UK Shared Prosperity Fund Investment Plan be agreed as outlined in section 5 of the report.
5. That the Local Partnership Group arrangements be agreed as outlined section 5 of the report.
6. That a grant application be submitted to the Magnox Socio Economic Fund for a resource assist with the delivery of Rural England Prosperity Fund projects as detailed in section 4 of the report.
7. That delegate authority be given to the Director of Place, in consultation with the Leader of the Council, to take the necessary decisions and actions required to finalise the addendum and to implement and administer the scheme and all related projects in accordance with the requirements and priorities of the prospectus and fund.
8. That the delivery of the addendum will form part of the UK Shared Prosperity Investment Plan which will be reported in the Quarterly Performance Report to Cabinet.

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

REASON FOR DECISION:

Cabinet agreement is required to accept the Rural England Prosperity Fund grant allocation and to agree the basis which will guide use of the funding. Cabinet is also asked to recommend to Council that the grant be included in the General Fund Medium Term Capital Programme.

47. New Three Year Grant Agreement (2023 -2026) for Shepway Citizens Advice Bureau

The council has historically provided grant funding to the Shepway Citizens Advice Bureau (CAB) subject to formal three-year Grant Agreements (GAs). In recent years the funding was renewed on a yearly basis due to the global pandemic in 21/22 and ongoing recovery in 22/23. It was agreed that a more detailed review of the work of the CAB would be carried out during 22/23 for future funding and to inform corporate budget development for future years. The report reviewed the work of CAB and recommended that funding is continued for a further three years.

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

RESOLVED:

1. That report C/22/58 be received and noted.
2. That funding levels be kept for the CAB at present levels as set out in section 3.2 of the report, and that a new three-year grant agreement be entered into with the CAB commencing 1st April 2023, up to 31st March 2026.

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

REASON FOR DECISION:

Cabinet agreement is required due to the value of the three-year agreement.

48. **Social Housing Decarbonisation Fund - Wave 1 Update and Wave 2 Bid application**

The report provided a progress update to Cabinet on the successful award of the Social Housing Decarbonisation Fund Wave 1 (SHDF) application bid. It also outlined details of the proposed Wave 2 bid. The Wave 2 bid, if successful, will improve the energy efficiency and thermal performance of another 300 of the Council's worst performing housing properties using a 'fabric first' approach over a two-year period.

Proposed by Councillor Godfrey,
Seconded by Councillor Whybrow; and

RESOLVED:

1. That report C/22/59 be received and noted.
2. That it be noted that officers have submitted a bid for Wave 2 of the Social Housing Decarbonisation Fund (SHDF), the details of which are contained within the body of the report.
3. That it be noted that for the wave two bid, the additional FHDC match funding required in Year 2 (2024-2025) totals £2,160,000, and that this will be built into the HRA Business Plan. Year 1 match funding will be met from existing budgets.
4. That delegated authority be provided to the Director – Housing & Operations in consultation with the Cabinet Member for Housing & Special Projects to accept the award of the Wave 2 funding should the Council be successful with the bid.
5. That officers issue a tender for the required works and enter into a contract with the successful bidder subject to the bid application being approved.
6. That delegated authority be provided to the Director – Housing & Operations in consultation with the Cabinet Member for Housing & Special Projects to undertake any further tasks to conclude the project within the agreed budget framework.

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

REASONS FOR DECISION:

Cabinet were asked to note that officers have submitted a bid by the deadline 18th November 2022 for Wave 2 of the Social Housing Decarbonisation Fund which will allow further decarbonisation works to 300 homes within the Council's HRA stock. Cabinet is further asked to provide authority to accept the bid should it be successful.

49. **Otterpool Park Education Provision**

Prior to the consideration of this item, Councillor Mrs Hollingsbee moved to the public gallery and did not participate in the debate or vote.

The report presented the approach by which it is proposed to deliver the education provision for Otterpool Park new garden town development. The report set out the strategic principles which will underpin the approach and the role of the Otterpool Park Education Trust. The report also set out a proposal to make an application for the first primary school at Otterpool Park to be a free school.

The report sought retrospective agreement from Cabinet in relation to the establishment of the Trust and the Otterpool Park LLP role in it. This agreement from the Council should have been sought in advance. In presenting the report it was confirmed that this was an oversight from Otterpool Park LLP.

Proposed by Councillor Monk,
Seconded by Councillor Godfrey; and

RESOLVED:

1. **That report C/22/60 be received and noted.**
2. **That the establishment Otterpool Park Education Trust be agreed in retrospect.**
3. **That Otterpool Park LLP becoming a member and guarantor of Otterpool Park Education Trust be agreed in retrospect.**
4. **That it be agreed that Otterpool Park Limited Liability Partnership, through the Otterpool Park Education Trust, submit an application to establish the first primary school at Otterpool Park as a free school.**
5. **That Cabinet be updated once the outcome of the application for a free school is known.**

(Voting figures: 5 for, 0 against, 1 abstentions).

REASONS FOR DECISION:

Cabinet agreement is required for the establishment of Otterpool Park Education Trust and for Otterpool Park LLP to become a member and guarantor of the Trust. Cabinet agreement is also required to submit an application to Government for the creation of a free school.

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This Report will be made public on 6 December 2022



Report Number **C/22/66**

To: Cabinet
Date: 14th December 2022
Status: Non-Key Decision
Director: Charlotte Spendley – Director for Corporate Services
Cabinet Member: Councillor David Monk, Leader and Cabinet Member for Finance

SUBJECT: QUARTER 2 PERFORMANCE REPORT 2022/23

SUMMARY: This report provides an update on the Council's performance for the second quarter of the year covering 1st July 2022 – 30th September 2022. The report enables the Council to assess progress against the approved key performance indicators arising from the Council's new Corporate Action Plan.

Key performance indicators will be monitored during 2022-23 and reported to CLT and Members quarterly.

REASONS FOR RECOMMENDATIONS:

- a) The Council is committed to monitoring performance across all of its corporate service ambitions to ensure progress and improvement is maintained.
- b) The Council needs to ensure that performance is measured, monitored and the results are used to identify where things are working well and where there are failings and appropriate action needs to be taken.

RECOMMENDATIONS:

- 1. To receive and note report C/22/66.
- 2. To note the performance information for Quarter 2 2022-23 in Appendix 1.

1. QUARTER 2 PERFORMANCE REPORT 2022-23

- 1.1 The Council's new corporate plan 'Creating Tomorrow Together' 2021-30 was adopted by Full Council on 24th February 2021 (Report ref: A/20/10).
- 1.2 The Corporate Plan is built on 4 key service ambitions and 6 guiding principles. Each service ambition has a number of priority areas identified within it; these priorities will be the focus of Council activity over the remaining period of the three years from 2021 to 2024. The service ambitions are set out below:

Service Ambitions
 - Positive Community Leadership
 - A Thriving Environment
 - A Vibrant Economy
 - Quality Homes and Infrastructure
- 1.3 The Plan also adopted 6 Guiding Principles, which would apply to the approach taken by the Council in undertaking its duties and these were: Sustainable Recovery; Locally Distinctive; Greener Folkestone & Hythe; Transparent, Stable, Accountable & Accessible; Working Effectively with Partners and Continuous Improvement.
- 1.4 To support the council in delivering against its priorities documented in the corporate plan, a detailed action plan covering a three-year period to 2024 and supporting KPIs for the current financial year was adopted by Cabinet on 20th October 2021 (Report ref: C/21/40).
- 1.5 The Quarterly Performance Report (Appendix 1) has been produced to summarise the Council's performance for Quarter 2 (1st July to 30th September 2022).
- 1.6 Quarterly Performance Reports enable Finance & Performance Scrutiny Subcommittee, Cabinet, other Members of the Council and the public to scrutinise the performance of the Council against strategic deliverables and key indicators in accordance with the approved Corporate Action Plan.
- 1.7 Where the performance indicator is not being met, explanations have been given from the relevant Service leads and noted in the report.
- 1.8 The performance indicators which have fallen below target are monitored by the Council's Performance & Improvement Specialist who will work with the relevant Service Manager to identify appropriate action that can be taken to resolve the situation.

2. PERFORMANCE – EXCEPTION REPORTING

2.1 Service Ambition 1: Positive Community Leadership

- 2.1.1 The average number of days taken to process new claims for Housing Benefit has shown an improved position in Quarter 2 compared to the previous quarter, achieving 12.7 days. This is continuing to help residents on low income understand more quickly what support is available to them for their housing costs.
- 2.1.2 The district offers a wide range of food business to residents and visitors, which includes restaurants, pubs, takeaways, the fishing industry, and food manufacturers, with 97.53% of premises being rated 3 stars or above in the quarter, the equivalent of satisfactory to very good.
- 2.1.3 A total of nine community safety events/projects were delivered during the quarter that included:
- **Walk and Talk event** – Violence against Women and Girls: Members of the Community Safety Unit (CSU) team, Kent Police and Home Start went on a walk-about in Folkestone town centre between 4pm-6pm handing out information about personal safety and safer socialising. The group also promoted various safety apps and handed out personal safety equipment.
 - **Folkestone Pride** – A public engagement stall was hosted by members of the Community Safety team on The Leas in Folkestone where information was given out to members of the public on how to keep safe whilst out and about, report community issues and crimes anonymously. The team also handed out Spikey Bottle Stoppers that help prevent people's drinks from being spiked in bars, pubs and at parties.
 - **Gaming Bus** – The bus hosted by the Kent & Medway Prevent team provided a fun, interactive and safe space where the Community Safety partners and the Prevent team could share important messages and raise awareness to young people and their families about countering hateful extremism and spreading awareness around gaming safely online.
 - **Welcome event for Ukrainians** – In September, the Community Safety team attended an event at the Folkestone Quarterhouse to meet Ukrainians and their hosts to share safety advice, guidance and signposting information.

2.2. Service Ambition 2: A Thriving Environment

- 2.2.1 A total of 13 enforcement notices were issued by Environmental Enforcement Officers for offences relating to statutory noise nuisances, rubbish accumulations on private land, duty of care in disposing of trade waste and unauthorised vehicles in council-owned car parks.
- 2.2.2 52 fixed penalty notices were issued for low level environmental crime, including, fly-posting, littering, dogs off leads, failure to display smoke-free signs at premises and on vehicles and smoking within designated smoke-free premises and vehicles.

- 2.2.3 The Local Area Officer Team have supported a total of 13 community volunteer environmental events working with local community groups and schools during the quarter including the Beacons School, Turner School and St Mary's Primary School whose pupils carried out litter picking and planting within the Lower Leas Coastal Park. The Brabner Brownies, Hawkinge and Hythe local residents' groups also undertook litter picks. The volunteers across all these events collected 172 bags of litter to help keep local areas around the district clean and tidy.
- 2.2.4 A total of 1,523 See it, Own it, Do it Interventions have been actioned by the Local Area Officer Team to help ensure the district remains a welcoming and attractive place to live, work and visit. The team have undertaken work on graffiti clearance in key locations including the Lower Leas Coastal Park (Car Park), Folkestone town centre and the Folkestone Harbour area, keeping the area clean for residents and visitors alike. The team have also cut back overgrown areas including the Durlocks and overgrown alleyways as well as putting up important notices around the district on behalf of other council departments.
- 2.2.5 The number of missed bin collections per 100,000 continues to an improving trend during the quarter achieving 39.84 when compared with same period last year (144.5) following the rectification of operational issues associated with the implementation of the new waste contract that were experienced during the first half of last year.
- 2.2.6 95.25% of streets surveyed were clear of litter during the quarter following inspections of various locations across the district undertaken by members of the Waste Services team. A total of 421 inspection surveys of streets were carried out in locations including Cheriton, West Hythe, Old Romney and their surrounding areas.
- 2.2.7 The result for the Percentage of Household Waste Recycled in Quarter 2 is to be confirmed at the time of writing this report. The recycling tonnage data for the final month of Quarter 2 (September 22) is currently unavailable as this is provided by Kent County Council and is typically supplied 1-2 months in arrears. The overall result achieved will be published as part of the Quarter 3 performance report.
- 2.2.8 A further 20 electric vehicle charging points have been installed within car parks in the district during the quarter bringing the cumulative total of operating points to 73 so far. The new units were rolled out across five sites in Folkestone and Hythe to further help residents and visitors to charge their electric vehicles in the district.
- 2.2.9 A further 19 streetlights were converted to LED within the district during the quarter, bringing the cumulative total to 321 to improve energy efficiency as part of Council's wider ongoing work to increase its resilience against climate change. Phase one of this project is now complete with adoptable assets being transferred to KCC. The second phase of the rollout work is now underway with visual inspections and surveys being carried out.

To monitor:

2.2.10 The number of Community environmental events supported by the Local Area Officer team fell under target during the quarter due to the previous departure of one officer in Quarter 1 and the cancelation of some planned events due to the summer holidays. A number of further events are being planned by the team to take place in Quarter 3 subject to changes in the weather conditions.

2.3 Service Ambition 3: A Vibrant Economy

2.3.1 During Quarter 2 a total of £459,517 was allocated from the High Streets Fund, £450k of this has been allocated as Levelling Up Fund match funding should the council be successful in its bid. The remaining £9,517 was allocated to one new high street fund application for a new business in Folkestone to refurbish a premises and kit it out as a Mexican restaurant. Since the inception of the fund in 2019 a total of 85.98% of the fund (over £2.5million) has been allocated so far to support local initiatives and projects within the district. Further funding applications have been received during Quarter 2 but are awaiting further information in order for them to be determined.

2.3.2 A total of 14 businesses have been engaged with in the district by the Economic Development team to help support business growth and retention of local jobs. The businesses engaged with include: The Burlington Hotel, Screen South, Folkestone Harbour & Seafront Company, Home instead, Holiday Extras, Due-tech, The Workshop, Oak Creative, Profile Architects, Alliance Livingstone, Collier Stevens, Romney Hythe & Dymchurch Railway, Stagecoach Southeast, NIC Instruments.

2.3.3 Total funds allocated from the Folkestone Community Works programme reached 85% by the end of Quarter 2 with all funded projects having claimed expenditure worth £1,457,006 since the programme's inception in 2018. The programme aims to improve social and economic community cohesion in the wards of East Folkestone, Central Folkestone, Folkestone Harbour and part of Broadmead. There are several further applications in the process of gaining agreement that will continue to help reduce the remaining unallocated funds available. The projects underway and support given during Quarter 2 include:

- **Passport to Success led by Prince's Trust** – A project working with 60 young adults to explore career pathways available in local business sectors and develop entrepreneurial skills.
- Three local businesses were awarded Small and Medium Enterprise (SME) Business grants in Central Folkestone to purchase items including a new phone system, photography equipment and computers with software that will help to support the growth of their businesses.

2.4 Service Ambition 4: Quality Homes and Infrastructure

2.4.1 A further 10 affordable homes were delivered by the Council and its partners during the quarter, bringing the total to 43 so far since the start of

the financial year, putting the council over halfway towards to meeting its end of year target of 80 homes. The homes currently started on site within the district are being delivered in conjunction with the Council's registered provider partners to help provide more homes for affordable rent and low-cost home ownership on sites in Cheriton, Sellindge and Folkestone.

- 2.4.2 110 private sector homes were improved during the quarter as a result of intervention by the Council helping to continually improve the standards and compliance of properties within the sector.
- 2.4.3 100% of blocks within the council's housing stock had valid fire risk and legionella assessments in place during the quarter.
- 2.4.4 The percentage of homelessness approaches closed as 'homelessness prevented' has shown an improvement when compared with the same period last year with 39 preventions over the quarter, bringing the total to 79 for the year to date, exceeding the target.

To monitor

- 2.4.5 The number of homelessness approaches to the Council has increased since the previous quarter from 408 to 453. The increasing trend in approaches can be attributed to a number of factors, including: the reinstatement of eviction proceedings within the courts; the ongoing cost-of-living crisis that has seen increases in private rents nationally; and changes in statutory legislation that have increased the number of households/groups who can apply as homeless to any local authority area. The correlation between these factors and approaches continues to be kept under close review as this year progresses.
- 2.4.6 96.71% of properties met the decent homes standard at the end of the quarter with a total of 111 failings outstanding, 19 of which are included on the Social Housing Decarbonisation Fund Wave 1 Programme to be upgraded by the end of this financial year. A planned programme of works is in place to bring these properties back to standard and meet the target.
- 2.4.7 97.2% of blocks within the council's housing stock had a valid electrical safety certificate in place (EICR) at the end of the quarter. A total of four properties within blocks are currently non-compliant with certification being awaited on these properties.
- 2.4.8 99.58% of properties had a valid Landlord Gas Safety Record (LGSR) certificate in the quarter with performance under target. This is as a result of 12 outstanding properties that are being looked into by the Legal Team in order to gain access to ensure the contractor can undertake the safety checks and renew the certificates.
- 2.4.9 The number of empty homes brought back into use is currently forecasted to be under target for completing 70 by year end. A total of 14 homes have been completed in total since April, however, 93 'no use' empty loan units are in the pipeline, so subsequent quarters should provide more towards the target. Progress has been slow for a number of reasons including contractor availability, landlord finances and price rises in materials.

2.5 Transparent, Stable, Accountable & Accessible

- 2.5.1 In Quarter 2, a further 1,514 new customers registered for the My Account service equating to an additional 2.92% take up when compared to residential properties. Since the launch of the service in August 2020, over 34,495 customers have registered equating to 66.42% take up so far, helping residents to access a range of council information and services online.
- 2.5.2 The number of Freedom of Information (FOI)/ Environmental Information Requests (EIR) and Subject Access Requests (SARs) being responded to within statutory timeframes have shown continued improvement when compared with the same period last year with both KPIs achieving above target results in Quarter 2. The additional resource employed to the team at the beginning of the financial year, the ongoing training in this area and continued corporate expectations of departments answering requests within agreed timeframes is helping to contribute to the positive impact both on the overall performance of the team and case response times.

To monitor

- 2.5.3 The percentage of data breaches assessed to decide if it is reportable to the Information Commissioner's Office (ICO) was under target during Quarter 2 as a result of an individual case not being assessed within the defined 72-hour period. This was due to information on the breach not being reported by a department to the Information Governance (IG) team through the correct reporting channel. The breach once received by the IG team was assessed within 72 hours where it was deemed to be reportable to the ICO. Further training on the correct procedure for reporting breaches was swiftly undertaken with the department in question to ensure this error does not occur again.

3. RISK MANAGEMENT ISSUES

- 3.1 The following perceived risks are set out in the table below:

Perceived risk	Seriousness	Likelihood	Preventative action
The Council's strategic objectives are not met.	High	Medium	Monitor progress against performance indicators and take remedial action for those areas where targets and actions are unlikely to be achieved.
The key performance indicators (KPIs) do not link to the objectives of the Council's	High	Medium	Monitor progress against key performance indicators and take remedial action for those areas where targets and actions are

Corporate Action Plan.			unlikely to be achieved.
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4. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

- 4.1 **Legal Officer’s Comments (NM)** - There are no legal implications or risks arising directly out of this report. The Key Performance Indicators 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.
- 4.2 **Human Resources Comments (RB)** - There are no direct Human Resource implications emanating from this report. The council’s People Strategy has been created to support the corporate plan and achievement of associated KPIs.
- 4.3 **Finance Officer’s Comments (LK)** -There are no financial implications arising directly from this report.
- 4.4 **Climate Change (AT)** – No direct implications arising from this report. The report provides an update on the Council’s performance covering 1st July 2022 – 30th September 2022. The report does not propose new projects, policies or strategies but provides an update on actions that are already in progress. Some of the environmental projects that the council is currently undertaking are summarised in the report in Section 2.2 ‘A Thriving Environment’ and in Appendix 1, Section 02 ‘A Thriving Environment’.
- 4.5 **Diversities and Equalities Implications (GE)** - Equality Impact Assessments (EIAs) are systematically carried out for 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, along with details of the steps that will be taken to address these.
- 4.6 **Communications Comments (KA)** - The communications team will use these KPIs as appropriate in their promotion of council services.

5. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

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

Gavin Edwards – Performance and Improvement Specialist

Tel: 01303 85 3436

Email: gavin.edwards@folkestone-hythe.gov.uk

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

Appendices:

Appendix 1: Quarter 2 2022/23 Key Performance Indicators Report

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Folkestone & Hythe District Council

Quarter 2 Performance Report (July- September 2022)



Your Cabinet Members



Cllr David Monk
Leader of the Council



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



Cllr John Collier
Cabinet Member for
Property Management &
Grounds Maintenance



Cllr David Godfrey
Cabinet Member
for Housing and Special
Projects



Cllr Stuart Peall
Cabinet Member for
Enforcement, Regulatory
Services, Waste &
Building Control



Cllr Lesley Whybrow
Cabinet Member for the
Environment



Cllr Tim Prater
Cabinet Member for
Revenues, Benefits,
Anti-Fraud and Corruption



Cllr David Wimble
Cabinet Member for the
District Economy



Cllr Ray Field
Cabinet Member for
Transport and
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 113,300 of which 57.4% (32,900) of female residents and 59.1% (33,100) 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.



The Old High Street, Folkestone



Royal Military Canal, Hythe



Dungeness, Romney Marsh

Introduction

In February 2021, 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 first three years from 2021 to 2024.

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 have been further developed into a corporate 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](#)

The following sections set out our performance against the four Corporate Plan service ambitions for quarter 2 of 2022/23 (July to September 2022), using a simple ‘red’, ‘amber’, ‘green’ rating. They also show the detailed performance figures behind the rating. For comparison, the figures for last year, and for the first quarter of the 2022/23 monitoring year, are also provided.



Creating Tomorrow Together: Corporate Plan 2021-30

Service ambition 1: Positive community leadership	Service ambition 2: A thriving environment	Service ambition 3: A vibrant economy	Service ambition 4: Quality homes and infrastructure						
Priorities in the next three years	Priorities in the next three years	Priorities in the next three years	Priorities in the next three years						
<ul style="list-style-type: none"> Improve physical and mental health & wellbeing Safer communities Supporting & empowering our communities 	<ul style="list-style-type: none"> Ensure an excellent environment for everyone Grow the circular economy & reduce waste Increase our resilience to climate change 	<ul style="list-style-type: none"> Reinvigorate the high streets Support a vibrant & diverse business community Help people access jobs & opportunity Grow the skills we need for the future 	<ul style="list-style-type: none"> Improve outcomes & support for homeless people Deliver sustainable, affordable housing Deliver a safe, accountable housing service Digital inclusion & connectivity Deliver a sustainable new development at Otterpool Park 						
<p>In everything we do we will follow these guiding principles:</p> <table border="1"> <tr> <td> Sustainable recovery We will do all we can to ensure a strong recovery for the district from the effects of COVID. </td> <td> Locally distinctive We will protect the special distinctive and diverse nature of our district - working with our key partners to enhance it. </td> <td> Greener Folkestone & Hythe We will encourage and create a more sustainable district consuming fewer natural resources. </td> <td> Transparent, stable, accountable and accessible We will be financially sustainable and communicate effectively with our communities in an accessible way. </td> <td> Working effectively with partners We will engage with partners to understand the vital role they play and work collaboratively with them to ensure the best outcomes for our residents. </td> <td> Continuous improvement We will embed a culture of continuous improvement, seeking feedback and being innovative and creative to find new ways to deliver services. </td> </tr> </table>				Sustainable recovery We will do all we can to ensure a strong recovery for the district from the effects of COVID.	Locally distinctive We will protect the special distinctive and diverse nature of our district - working with our key partners to enhance it.	Greener Folkestone & Hythe We will encourage and create a more sustainable district consuming fewer natural resources.	Transparent, stable, accountable and accessible We will be financially sustainable and communicate effectively with our communities in an accessible way.	Working effectively with partners We will engage with partners to understand the vital role they play and work collaboratively with them to ensure the best outcomes for our residents.	Continuous improvement We will embed a culture of continuous improvement, seeking feedback and being innovative and creative to find new ways to deliver services.
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Above: Corporate Plan - Service Ambitions and Guiding Principles

01 Positive Community Leadership

Description	Q2 2021-22 Comparison	Q1 Actual 2022-23	Q2 Actual 2022-23	Q3 Actual 2022-23	Q4 Actual 2022-23	Target	On Target
Number of new priority play areas improved by the Council	0	3	0			1 site per year	✓
Average number of days to process new claims for Housing Benefit from the date complete evidence is received.	3.4	4.5	4.9			7 Days (Monthly)	✓
Average number of days taken to process new claims for Housing Benefit	12.2	13.2	12.7			17 Days (Monthly)	✓
% food premises broadly compliant (equivalent to 3 rating)	Figure unavailable	97.8%	97.53%			95% (Quarterly)	✓
Page 27	<p><i>In Quarter 2, 97.53% of food premises in the business were found to be broadly compliant in the district, the percentage achieved is based on a total of 81 premises being inspected in the period.</i></p>						
Number of community safety events held and projects delivered	0	3	9			10 (Annual)	✓
	<p><i>In Quarter 2, a total of 9 community safety events or projects were delivered by the Community Safety Unit:</i></p> <ul style="list-style-type: none"> • Folkestone Pride– A public engagement stall was hosted by members of the Community Safety team on The Leas in Folkestone in July where information was given out to members of the public on how to keep safe whilst out and about, report community issues and crimes anonymously. The team also handed out Spikey Bottle Stoppers that help prevent peoples’ drinks from being spiked in bars, pubs and at parties. • Op Sunshine– Community safety partners took part in a joint high visibility community engagement patrol. Engaging with members of the public, promoting safety schemes, encouraging reporting and signposting. The Ops are an opportunity for the Community Safety Unit, Enforcement team, Youth Engagement, Porchlight and Police, to have group walkabouts in parts of the district. These walkabouts allow them to highlight hotspot areas, share information and interact with residents and visitors listening to any concerns they may have. 						

01 Positive Community Leadership

Description	Q2 2021-22 Comparison	Q1 Actual 2022-23	Q2 Actual 2022-23	Q3 Actual 2022-23	Q4 Actual 2022-23	Target	On Target

- **Violence against Women and Girls (VAWG) walk and talk** - meet up with members of the community to understand areas of concern and look to design these out. On 20th July a walk and talk took place with representatives from Folkestone & Hythe District Council, Police and Home-Start Shepway. The representatives walked through Folkestone town between 4.00pm to 6.00pm handing out information about personal safety and safer socialising. The group also promoted various safety apps and handed out personal safety equipment. This engagement activity was designed to target those working and socialising in the evening.
- **Gaming Bus** – The bus hosted by the Kent & Medway Prevent team provided a fun, interactive and safe space where the Community Safety partners and the Prevent team could share important messages and raise awareness to young people and their families about countering hateful extremism and spreading awareness around gaming safely online.
- **Op Henosis:** The Community Safety, Licensing and Enforcement teams patrolled the Leas and the town centre. The patrol also covered the Coastal Park where the group were able to assist with some issues members of the public were having. The team were also able to engage with members of the homeless community.
- **Folkestone Air Show** - Community Safety Team hosted a stall alongside the Environmental Enforcement team. The team handed out information about staying safe in the district when out at night. The team also promoted safety apps such as: live 360, holly guard and shared information about adult and child mental health services available to residents. The team also covered how and where members of the public can report issues.
- **Folkestone & Hythe Youth Hub Festival** – In August, the Community Safety team hosted a stand on the grounds of Mundella Primary Playing Field supporting the KCC Youth Hub. The team handed out safety information for both adults and children including information about the mental health services available to them. They also promoted the Fearless organisation and Crime Stoppers.
- **Welcome event for Ukrainians** – In September, the Community Safety team attended an event at the Folkestone Quarterhouse to meet Ukrainians and their hosts to share safety advice, guidance and signposting information.
- **Community Day for Royal Gurkha Regiment Spouses** - Around 200 families arrived from Brunei to start their 3-year posting in Shorncliffe. The Community Safety team attended with many organisations at the Community Centre on Mackenzie Drive to provide information and advice to the families.

02 A Thriving Environment

Description	Q2 2021-22 Comparison	Q1 Actual 2022-23	Q2 Actual 2022-23	Q3 Actual 2022-23	Q4 Actual 2022-23	Target	On Target
Retain Green Flags for the Coastal Park, Royal Military Canal, Kingsnorth Gardens and Radnor Park sites	-	-	-	-	-	4 (Annual)	-
	<i>This indicator is collated on an annual basis and not available quarterly. A figure will be available at the end of Quarter 4</i>						
Number of enforcement notices served (e.g. Abatement Notices, Community Protection Notices)	39	18	13			*70 (informal) (Annual)	✓
Number of Community Protection Warnings (CPWs) issued	-	15	26			15 (Annual)	✓
Fixed Penalty Notices issued for Low level Enviro-crime (littering, dog control)	-	33	52			*300(informal) (Annual)	✓
Fixed Penalty Notices issued for High level Enviro-crime (large Fly-tipping)	-	5	7			*25(informal) (Annual)	✓
Percentage of streets surveyed clear of litter within the district	Figure unavailable	98.23%	95.25%			95% (Monthly)	✓
	<i>A total of 421 inspection surveys of streets were carried out by monitoring officers in Quarter 2 in locations including Cheriton, West Hythe, Old Romney and their surrounding areas.</i>						
Number of community environmental volunteer events supported	18	17	13			15 (Quarterly)	✗
	<i>The number of environmental events supported was under target during the quarter due to the departure of one officer in Quarter 1 and the cancellation of some planned events due to the summer holidays. A number of further events are being planned by the team to take place in Quarter 3 subject to changes in the weather conditions.</i>						

02 A Thriving Environment

Description	Q2 2021-22 Comparison	Q1 Actual 2022-23	Q2 Actual 2022-23	Q3 Actual 2022-23	Q4 Actual 2022-23	Target	On Target
Number of recorded See it, Own it, Do it (SOD It) interventions completed	3,155	1,278	1,523			1200 (Quarterly)	✓
Average time for anti-social or offensive graffiti to be removed from the time of being reported	24 hours	48 hours	48 hours			48 Hrs (Quarterly)	✓
<i>In the Quarter 2 period, the Area Officers cleared 904 pieces of graffiti across the district.</i>							
Number of new electric vehicle charging points installed within district owned car parks	-	53 (cumulative) (53 now installed out of 94 planned)	73 (cumulative) (73 now installed out of 94 planned)			2 charging points per car park (Annual)	✓
Page 30	<p><i>A further 20 new EV charging points have been installed and are now fully operational within five district owned car parks bringing the cumulative total to 73 in 19 car parks so far. The new units are operational in the following locations:</i></p> <ul style="list-style-type: none"> • <i>Twiss Fort Car Park, Hythe – 2</i> • <i>Battery Point – 4</i> • <i>Pleydell Gardens - 6</i> • <i>Lower Payers Car Park, Mill Bay – 4</i> • <i>East Cliff Pavilion - 4</i> <p><i>A further 7 sites identified will see the remaining units commissioned during this financial year.</i></p>						
Percentage of street lighting within the district converted to LED	-	27.9% (cumulative)	30% (cumulative)			100% completion by March 2023	✓
<p><i>A total of 321 (adoptable assets) out of a total of 1,063 lights have been converted to LED so far within the district. This equates to 30% of the total number of lights required to be converted by the March 2023. This now completes phase 1 of the project. Plans are underway to transfer these assets to KCC.</i></p> <p><i>Work on phase 2 (retained assets) is already underway. Visual inspections and surveys are now being carried out.</i></p>							
Number of missed bin collections per 100,000	144.5	40.77	39.84			50 (Monthly)	✓

02 A Thriving Environment

Description	Q2 2021-22 Comparison	Q1 Actual 2022-23	Q2 Actual 2022-23	Q3 Actual 2022-23	Q4 Actual 2022-23	Target	On Target
Percentage of household waste recycled	40.8%	47.7%	TBC			50% (Monthly)	X
	The recycling tonnage data for the final month of Quarter 2 (September 22) is currently unavailable - this is provided by Kent County Council and is typically supplied 1-2 months in arrears.						
Number of days to remove fly-tipped waste on public land once reported	6	1	1			3 Days (Monthly)	✓
Page 31	<p>A total of 392 incidents of fly-tipped waste were dealt with on public land within the district during Quarter 2. The breakdown is as follows:</p> <ul style="list-style-type: none"> • July – 123 • August – 125 • September – 144 						
Percentage of compliant air quality monitoring sites	100%	100%	100%			100% (Quarterly)	✓
Enforcement - Percentage of successful prosecutions (Incl Fly-tipping and Littering)	100%	100%	100%			100% (Quarterly)	✓
	<p>A total of one prosecution was secured during Quarter 2 for the following:</p> <ul style="list-style-type: none"> • A company found guilty of a dark smoke offence in September in accordance with the Clean Air Act 1993. Fine: £500, Costs: £180, Victim Surcharge: £100 						

03 A Vibrant Economy

Description	Q2 2021-22 Comparison	Q1 Actual 2022-23	Q2 Actual 2022-23	Q3 Actual 2022-23	Q4 Actual 2022-23	Target	On Target
Total Folkestone & Hythe High Streets funds allocated	59% <i>(allocated since fund inception)</i> £56,687 <i>allocated in Q2</i>	76.42% <i>(allocated since fund inception)</i> £99,998 <i>allocated in Q1</i>	85.98% <i>(allocated since fund inception)</i> £459,517 <i>allocated in Q2</i>			100% of the funds allocated	✓
	<p><i>During Quarter 2 a total of £459,517 was allocated from the High Streets Fund, £450k of this has been allocated as Levelling Up Fund (LUF) match funding should the council be successful in its bid. The remaining £9,517 was allocated to one new high street fund application for a new business to refurbish premises and kit it out as a Mexican restaurant. Other applications were received in Quarter 2, but these are carried into Quarter 3 as further information is required from the applicants. Total funds allocated since inception £2,579,283. This figure may be adjusted due to the outcome of high street fund projects older than 12 months since approval not yet fulfilled. We are currently liaising with the applicants to determine resolutions.</i></p>						
Number of engagements undertaken by the Folkestone & Hythe Place Panel on projects of scale or strategic significance.	1	4	1			3 (Annual)	✓
Total funding allocated from the Romney Marsh Business Hub grant support scheme	-	7.14% <i>(allocated since fund inception)</i> £9,981 <i>allocated in Q1</i>	12.22% <i>(allocated since fund inception)</i> £7,126 <i>allocated in Q2</i>			70% of available funds allocated in 2022-23	✓
	<p><i>An application that was carried over from the Quarter 1 period was given approval by the decision panel once further information to support the application was received from the applicant. A value of £7,126 was awarded to enable the business to purchase new I.T. equipment and towards the first 3 months rental payments. At the end of the Quarter 2 period, a total of 3 businesses occupied the Romney Marsh Business Hub. 2 of the businesses have made applications to the grant scheme to date, with both being successfully approved.</i></p>						

03 A Vibrant Economy

Description	Q2 2021-22 Comparison	Q1 Actual 2022-23	Q2 Actual 2022-23	Q3 Actual 2022-23	Q4 Actual 2022-23	Target	On Target
Number of Folkestone & Hythe businesses accessing business support and grants from public sector programmes	7	19	4			10 (Annual)	✓
	<p><i>During Quarter 2, a total of 4 applications were given approvals via our internal led grant schemes. This comprises the following: 1 x High Streets Fund application, 1 x Romney Marsh Business Hub grant scheme application, and 2 x Folkestone Community Works grant schemes. Further applications have been received during the Quarter 2 period, but these have yet to reach a decision panel, assuming that all evaluation requirements are met.</i></p>						
Number of businesses or potential entrepreneurs/new start-ups signposted to support programmes and events to facilitate growth	17	65	15			50 minimum (Annual)	✓
Page 33	<p><i>A total of 15 businesses made contact with the council to seek business advice, and other businesses within our district made contact with other organisations offering support, such as Social Enterprise Kent. Internally, communications were a mixture of in persons meetings and telephone/ teams conversations and included enquiries from businesses wishing to expand/re-locate and also from start-ups. Externally, a significant number of the enquiries were regarding grants & funding.</i></p>						
Number of businesses engaged with in the district to support growth and retention of local people	2	17	14			12 (Annual)	✓
	<p><i>During Quarter 2, 14 businesses were directly engaged with to support growth and the retention of local people. These included: The Burlington Hotel, Screen South, Folkestone Harbour & Seafront Company, Home instead, Holiday Extras, Due-tech, The Workshop, Oak Creative, Profile Architects, Alliance Livingstone, Collier Stevens, Romney Hythe & Dymchurch Railway, Stagecoach Southeast, NIC Instruments.</i></p>						
Total funds allocated from the Folkestone Community Works Programme	74% (cumulative)	90% (cumulative)	85% (cumulative)			100% of the allocated funds spent by end of 2022/23	✓

03 A Vibrant Economy

Description	Q2 2021-22 Comparison	Q1 Actual 2022-23	Q2 Actual 2022-23	Q3 Actual 2022-23	Q4 Actual 2022-23	Target	On Target

The KPI is an accumulative figure for the programme which has been running since 2018 and the figure represents the amount of European Structural Investment Funding (ESIF) allocated to the funded projects that has been spent. Funded projects have to defray allocated funds by 31 March 2023.

By the end of Quarter 2 (July - Sept) 2022, funded projects had claimed expenditure worth £1,457,006 which represents 85% of the value of the signed grant funding agreements totaling £1,716,081. There are still funds available to be allocated with several further applications in the process that will help reduce the amount of unallocated funds.

In addition to the business support that continues to be delivered by Social Enterprise Kent and Screen South, the following projects were underway, and support given during Quarter 2:

- **Passport to Success led by Prince's Trust** – A project working with 60 young adults to explore career pathways available in local business sectors and develop entrepreneurial skills.
- Three local businesses were awarded Small and Medium Enterprise (SME) Business grants in Central Folkestone to purchase items including a new phone system, photography equipment and computers with software that will help to support the growth of their businesses.

04 Quality Homes and Infrastructure

Description	Q2 2021-22 Comparison	Q1 Actual 2022-23	Q2 Actual 2022-23	Q3 Actual 2022-23	Q4 Actual 2022-23	Target	On Target
Numbers of new homes built within the district	-	-	-			622 homes (Annual)	-
	<i>This indicator is collated on an annual basis and not available quarterly. A figure will be available at the end of Quarter 4.</i>						
Percentage reduction in homelessness	-	-	-			5% based on 2020 data	-
	<i>This indicator is collated on an annual basis and not available quarterly. A figure will be available at the end of Quarter 4.</i>						
Number of homelessness approaches (includes Advice, Prevention, Relief & Decision cases)	369	408	453			No Target	-
	<i>Information only (no target). We had a greater number of approaches than the previous quarter and the trend has increased over the summer months. The increases seen can be attributed to a number of factors, including the end of Covid and the reinstatement of eviction proceedings within the courts; the ongoing cost-of-living crisis that has seen huge increase in private rents nationally and changes in statutory legislation that have increased the number of households/groups who can apply as homeless to any local authority area.</i>						
Percentage of homelessness approaches closed as 'homelessness prevented'	3.72%	9.76%	8.61%			4%	✓
	<i>Aim to maximise (on target). This measures the number of preventions as a total of all the approaches made to the Council. Performance is slightly down on Quarter 1, but overall improvement so far against last year, with 39 preventions over the quarter, and 79 for the year-to-date (9.15% and exceeding target).</i>						
Average number of rough sleepers in the period	7.4	11	12			<6	X
	<i>Aim to minimise (off target). A count is taken weekly, and an average calculated over the reported period. The number of people sleeping rough increased to an average of 12 over the last quarter. Several new cases have moved into the district and, although largely beyond our control, we are working with our partners to find suitable accommodation for them.</i>						

04 Quality Homes and Infrastructure

Description	Q2 2021-22 Comparison	Q1 Actual 2022-23	Q2 Actual 2022-23	Q3 Actual 2022-23	Q4 Actual 2022-23	Target	On Target
Average number of households in Bed and Breakfast Accommodation	1	2	3			0	X
	<p><i>Aim to minimise (off target). At the end of September, the average was three, an increase of one since Quarter 1. The Council would like to see no households placed in B&B accommodation and the Housing Options Team continues to work to enable these clients to move into suitable long-term accommodation in the district.</i></p>						
Average number of households in Temporary Accommodation	26	27	26			<35	✓
	<p><i>Aim to minimise (on target). The position has improved by one overall since Quarter 1 and is within target (35). The aim is to enable households to move into suitable long-term homes, rather than temporary accommodation, and the Housing Options Team continue to work towards this.</i></p>						
Long-term Empty Homes brought back into use	7	9	5			70 (Annual)	✓
	<p><i>Aim to maximise (year-end target). 14 homes have been completed in total since April, which currently shows us to be under target for completing 70 by year end. However, 93 'no use' empty loan units are in the pipeline, so subsequent quarters should show more progress towards the target. Progress has been slow for a number of reasons including contractor availability, landlord finances and price rises in materials.</i></p>						
Affordable homes delivered by the Council and its partners	0	33	10			80 (Annual)	✓
	<p><i>Aim to maximise (year-end target). 43 homes have been delivered in total since April. This puts us over half-way towards the year-end target of 80. Slower progress was made in Quarter 2 than Quarter 1, but overall delivery is higher than at the same point in 2021-22. The 10 homes delivered in Quarter 2 were in Sellindge, Shorncliffe and Folkestone.</i></p>						
Affordable homes for low-cost home ownership delivered by the Council and its partners	0	17	4			32 (Annual)	✓
	<p><i>Aim to maximise (year-end target). Of the 43 affordable homes delivered to date (see above), 21 are designated for 'low-cost home-ownership'. This puts us two thirds of the way towards our year-end target of 32. Delivery in this area has significantly improved since 2021-22, which saw no homes delivered within that financial year. The 4 units delivered in Quarter 2 were in Shorncliffe.</i></p>						

04 Quality Homes and Infrastructure

Description	Q2 2021-22 Comparison	Q1 Actual 2022-23	Q2 Actual 2022-23	Q3 Actual 2022-23	Q4 Actual 2022-23	Target	On Target
Private sector homes improved as a result of intervention by the Council	74	77	110			200 (Annual)	✓
Council home new builds and acquisitions started on site	0	0	0			20 (Annual)	X
	<p><i>Aim to maximise (year-end target). No progress has been made on this KPI in Quarter 2. However, 15 Council homes for rent are due to be completed by the end of 2022 at the former Royal Victoria Hospital site. These will be let through the Council's Housing Waiting List.</i></p> <p><i>A further 30 units are due to start on site at Highview, later this year, providing further high-quality Council homes for rent and shared ownership purchase.</i></p>						
Percentage of properties that meet the decent homes standard	99.97%	96.51%	96.71%			99% (Monthly)	X
	<p><i>Aim to maximise (within 5% of target). Since April 2022, a total of 25 properties have been removed from the Decent Homes failures list, with 111 failings reported at 30 September 2022 (a net improvement of 7 over the last quarter). 19 of these properties are included on the Social Housing Decarbonisation Fund carbon reduction programme to be upgraded by March 2023.</i></p>						
Properties with a valid LGSR	-	99.93%	99.58%			100% (Monthly)	X
	<p><i>Aim to maximise (off target). Landlord Gas Safety Record (LGSR). Undertaking annual gas safety checks is a mandatory requirement. At the time of writing a total of 12 outstanding properties are being reviewed by the legal team to gain access to undertake the safety checks and renew the LGSR certificates. Until these are completed, this presents a significant risk to tenant safety.</i></p>						
Blocks with a valid Fire Risk Assessment	-	100%	100%			100% (Monthly)	✓
	<p><i>Aim to maximise (on target). Ensuring all applicable communal blocks have a valid Fire Risk Assessment in place is a mandatory requirement. 180/180 in place as at 30 September 2022.</i></p>						

04 Quality Homes and Infrastructure

Description	Q2 2021-22 Comparison	Q1 Actual 2022-23	Q2 Actual 2022-23	Q3 Actual 2022-23	Q4 Actual 2022-23	Target	On Target
Blocks with a valid Legionella Risk Assessment	-	100%	100%			100% (Monthly)	✓
	<i>Aim to maximise (on target). Ensuring all communal blocks requiring a Legionella (i.e. Water Safety) Risk Assessment have one in place is a mandatory requirement. 23/23 in place as at 30 September 2022.</i>						
Blocks with valid (in date) Electrical Certificate (EICR)	-	95.17%	97.2%			100% (Monthly)	X
	<i>Aim to maximise (off target). Electrical Installation Condition Report (EICR). The target is ensuring all applicable communal blocks have a valid, in date, EICR is a mandatory requirement. 139/143 are in place as at 30 September 2022 (4 non-compliant). Improvement of 3 since Quarter 1. Certification is being awaited on the remaining properties.</i>						
Domestic properties with a valid (in date) EICR	-	92.14%	92.96%			100% (Monthly)	X
	<i>Aim to maximise (off target). Electrical Installation Condition Report (EICR). It is a mandatory requirement that social housing landlords complete a new EICR on all applicable domestic (i.e. tenanted) properties at least every 5 years. 3,145/3,383 completed as at 30 September 2022 (238 non-compliant). Improvement of 28 since Quarter 1. A new contractor is being worked with to review the best approach to completing these outstanding properties, where we have not been able to gain access.</i>						
Properties Asbestos compliant (Communal)	-	100%	100%			100% (Monthly)	✓
	<i>Aim to maximise (on target). Ensuring all communal blocks requiring an Asbestos check have a valid one in place is a mandatory requirement. 104/104 in place as at 30 September 2022.</i>						
Insurance visits completed on communal lifts (LOLER)		100%	100%			100% (Monthly)	✓
	<i>Aim to maximise (on target). Lifting Operations and Lifting Equipment Regulations (LOLER). Ensuring all communal lifts in our blocks have had an inspection, and been certified safe, is a mandatory requirement. 14/14 in place as at 30 Sep 2022.</i>						

04 Quality Homes and Infrastructure

Description	Q2 2021-22 Comparison	Q1 Actual 2022-23	Q2 Actual 2022-23	Q3 Actual 2022-23	Q4 Actual 2022-23	Target	On Target
% of major planning applications to be determined within statutory period <i>(including any agreed extension of time)</i>	85.7%	83.33%	100%			60% (Quarterly)	✓
Page 39	<p><i>'Major' Applications in Q2:</i> Total Decisions 8 Determined in agreed time 8</p> <p>The percentage figures (Major, Minor, Other) represent all decisions which have been made either within the original target time period specified by statute or an extended time period agreed/requested by an applicant.</p> <p>In some cases the agreed time period is requested for a number of reasons such as:</p> <ul style="list-style-type: none"> • to manage workloads caused by a need to seek further information • delays caused by awaiting consultee responses • seeking amendments to improve the scheme to make it acceptable and/or raise the quality of the built environment <p>In some instances, applicants ask for an extension of time to allow them an opportunity to amend a proposal to overcome officer and consultee concerns.</p>						
% of minor applications to be determined within the statutory period <i>(including any agreed extension of time)</i>	89.71%	84%	84.7%			70% (Quarterly)	✓
	<p><i>'Minor' Applications in Q2:</i> Total Decisions 72 Determined in agreed time 61</p> <p>Please see comment above</p>						
% of other planning applications to be determined within statutory period <i>(including any agreed extension of time)</i>	91.92%	88.45%	87%			85% (Quarterly)	✓
	<p><i>'Other' Applications in Q2:</i> Total Decisions 155 Determined in agreed time 135</p> <p>Please see comment under 'Major' applications</p>						

Transparent, Stable, Accountable and Accessible

Description	Q2 2021-22 Comparison	Q1 Actual 2022-23	Q2 Actual 2022-23	Q3 Actual 2022-23	Q4 Actual 2022-23	Target	On Target
Council tax collection	54.81% (Cumulative)	28.39% (Cumulative)	56.01% (Cumulative)			97.3% (Annual)	✓
Business Rates collection rate	52.03% (Cumulative)	36.65% (Cumulative)	63.33% (Cumulative)			97.5% (Annual)	✓
Increased take-up of My Account and online transactions	7.09%	6.69%	2.92%			10% (Annual)	✓
	<p><i>In Quarter 2, a total of 1,514 customers have registered for My Account an increase of 2.92%. Since the launch of the service in August 2020, a total of 34,495 customers have registered for the service equating to 66.42% take up so far.</i></p>						
Perf Lifeline - Number of calls answered within 60 seconds	-	98.4%	98.4%			97.5% (Monthly)	✓
Lifeline - Number of calls answered within 180 seconds	-	99.8%	99.7%			99% (Monthly)	✓
All Freedom of Information / Environmental information Requests to be responded to within the statutory period of (20 working days or lawful extension).	70.56%	85.54%	91.79%			90% (Monthly)	✓
	<p><i>Performance has shown continued improvement when compared with the same quarter of last year. Additional resource employed by the team at the beginning of the financial year and ongoing training is continuing to have a positive impact both on the overall performance of the team and case response times. Continued corporate expectations on all service areas will significantly positively impact response times.</i></p>						
All Subject Access Request responses to be provided within the statutory period (1 calendar month or lawful extension).	0%	70.59%	100%			90% (Monthly)	✓

Transparent, Stable, Accountable and Accessible

Description	Q2 2021-22 Comparison	Q1 Actual 2022-23	Q2 Actual 2022-23	Q3 Actual 2022-23	Q4 Actual 2022-23	Target	On Target
	<p><i>The number of subject access requests (SARs) responded to has shown significant improvement when compared with the same quarter of last year. Additional resource employed by the team at the beginning of the financial year and ongoing training is having a positive impact both on the overall performance of the team and case response times. Continued corporate expectations on all service areas will continue to positively impact response times.</i></p>						
Percentage of data breaches assessed within 72 hours to decide if it is reportable to the ICO.	100%	88.89%	83.3%			100% (Monthly)	X
	<p><i>The percentage of data breaches assessed in time was under target during Quarter 2 as a result of an individual case not being assessed within the defined 72-hour period. This was due to the breach not being reported to the IG Specialist through the correct channels. The breach once received by the IG Specialist was assessed within 72 hours. This breach was deemed to be reportable to the Information Commissioners Office (ICO). Further training on the correct procedure for reporting breaches was swiftly undertaken to reduce the risk of any future reporting errors.</i></p>						
Percentage of reportable data breaches that were submitted to the ICO within 72 hours.	100%	-	50%			100% (Monthly)	X
	<p><i>In Quarter 2, there were two breaches that were required to be submitted to the Information Commissioner's Office (ICO). One of these was passed to the Information Governance Specialist later than the 72-hour period to be assessed. Further training on the correct procedure for reporting breaches was swiftly undertaken to reduce the risk of any future reporting errors.</i></p>						

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 a 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 go 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 and mobile.

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This Report will be
made public on 6
December 2022

Report Number **C/22/70**

To: Cabinet
Date: 14 December 2022
Status: Key Decision
Head of Service: Charlotte Spendley, Director of Corporate Services
Cabinet Member: Councillor David Monk, Leader

SUBJECT: FEES AND CHARGES 2023/24

SUMMARY: This report focuses on the proposed fees and charges for 2023/24 which will contribute towards meeting the council's 2023/24 budget objectives and Medium-Term Financial Strategy.

The Council's Fees and Charges Policy was revised and agreed by Cabinet on 15 November 2017 (Report C/17/54).

REASONS FOR RECOMMENDATIONS:

Cabinet agreed the recommendations set out below because the fees and charges are essential to support the delivery of the MTFs and Budget Strategy.

RECOMMENDATIONS:

1. To receive and note report C/22/70.
2. To approve:
 - (i) The 2023/24 fees and charges which are set at the discretion of the Council for the General Fund and Housing Revenue Account, as outlined in Appendix 2;
 - (ii) The parking charges in Appendix 3;
 - (iii) The statutory charges subject to discretionary fees in Appendix 4.

1. INTRODUCTION AND BACKGROUND

- 1.1 The Fees and Charges Policy sets out the Council's charging framework. The Policy is outlined within Appendix 1 in full. It is felt that the policy remains relevant and no changes to the policy are proposed at this time.
- 1.2 The proposal for 2023/24 is to apply the June 2022 CPI rate at (9.4%) as the benchmark for price increases. There are exceptions to this principle where an inflationary increase is anticipated to have an adverse impact on demand or where it would place the charge out of line with comparable services in neighbouring councils.
- 1.3 The proposed discretionary fees and charges for 2023/24 are detailed at Appendices 2 to 4.

2. DISCRETIONARY FEES AND CHARGES – APPENDIX 2

2.1 Corporate Services

- 2.1.1 Court Costs – no increase proposed as it is an exception to the Fees & Charges policy.
- 2.1.2 Legal Fees – proposed increases are broadly in line with inflation, however some fees have been increased by more than 9.4% to recover costs and the proposed charges are still reasonable minimum charges.
- 2.1.3 Fees can be varied depending on value of transaction by the Monitoring Officer as sometimes the legal fee is more than the transaction.

2.2 Housing & Operations

- 2.2.1 Housing – Non-statutory inspection fee increased from £153 to £161 based on officer time spent on inspection and letter generation.
- 2.2.2 Leaseholder Services – No increase in proposed, fees have been benchmarked industry standard fee and cost of service.
- 2.2.3 All HRA resident charges to be increased by inflation rate in line with the agreed policy. Rent setting will be considered separately through the January HRA Cabinet paper and is not subject to these inflationary increases.

2.3 Operations

- 2.3.1 Small Commercial Events (per day) – New charge proposed for processing of applications.
- 2.3.2 Exercise class/event (per event) – New charge proposed for processing of applications and issuing of a permit.
- 2.3.3 Outdoor Sports and Recreation – New charges for football pitches with no net provided to allow teams to pay a lower charge; this will also reduce the demands on the Groundskeeper's time.
- 2.3.4 Beach Huts – New charges added for replacement padlock and keys with related admin charge. All other charges have been removed as they are subject to separate process linked to the lease agreements.
- 2.3.5 Memorial Benches & Trees – proposed increase of 5% due to a 7.5% increase seen in 22/23 charges.
- 2.3.6 Private Lifeline – there are small increases proposed for some equipment due to an increase in costs, however it is recommended that there are no increases for the majority of charges so that the service remains competitive when compared with other providers.

2.4 Place

- 2.4.1 Planning Pre-Application Charging Schedule – All fees have been revised. This is to reflect true costs of services and to also bring fees in line with other Councils.
- 2.4.2 Places and Policies Local Plan 2020; Core Strategy Review 2022 – New charge for sale of documents at full cost recovery.
- 2.4.3 Self-Build and Custom Build Housing Projects Register – no increase proposed on first time applicants and annual renewal fees based on Cabinet decision taken on 21 July 2021, please note at our neighbouring council's charge £30 & £15 respectively for this.
- 2.4.4 Waste & Recycling – it is proposed to add inflation to all waste charges except Bulky household collection, increase is more than inflation from £30 to £35, however the charge is still less than Veolia flat rate collection charge of £43.20.
- 2.4.5 Hythe Swimming Pool – most charges are proposed to increase by inflation apart from Spectator Admission where no increase is proposed and voucher book fees have been aligned to pay as you go prices.
- 2.4.6 Taxi Licensing – most fees are proposed to increase but by less than inflation due to benchmarking with other Local Authorities.

- 2.4.7 Miscellaneous Licensing – it is proposed that Street Trading Licences are increased by inflation but that charges for Market Stalls remain at 2022/23 rates and are a set fee all year round to encourage more usage. It is proposed that the charge for an Local Authority inspector per hour charge is increased by more than inflation based on full cost recovery.
- 2.4.8 Pavement Licenses –no increase is proposed as this is the statutory maximum.
- 2.4.9 Dog Control – All fees have increased by more than inflation due to higher increases being seen from suppliers.

3. PARKING CHARGES 2022/23 – APPENDIX 3

- 3.1 The majority of these charges have been increased by inflation and or uplifts as proposed by the service manager, with full details provided in the appendix attached to fully detail the proposed changes.

4. STATUTORY CHARGES SUBJECT TO DISCRETIONARY FEES – APPENDIX 4

- 4.1 Housing – proposed increases for Licensing Application for Houses in Multiple Occupation (HMO) Fees have increased by less than inflation but have been benchmarked against other East Kent authorities and proposed fees are middle of the range. The fee for Renewals is proposed to increase from £796 to £835 and the fee for New Applications is proposed to increase from £937 to £983. The fees are based on officer time spent on processing applications.
- 4.2 Local Land charges – The majority of fees have been increased by inflation apart from the individual questions fees for planning and building regulations which have been based on usage and work input.

5. 2022/23 GENERAL FUND BUDGET IMPLICATIONS

- 5.1 The following budget changes have been proposed though the Budget Strategy document also being considered at this meeting in respect of income budgets. Additionally there are a few smaller income adjustments reflected in the Budget Strategy position through the base budget review. Several of these adjustments however are reflective of current trends rather than proposed changes to the fees & charges schedules.

The increase comprises:

	Increased Income
Parking (Off-Street)	£126,100
Parking (On-Street)	£38,052
Garden Waste collection	£11,000
Bulky waste collection	£10,518
Small commercial event	£300
Exercise classes	£100
Total	£186,070

6. PROPOSED AMENDMENTS TO HOUSING REVENUE ACCOUNT FEES AND CHARGES

Charges for Wastewater Treatment Works and Pumping Stations

- 6.1 The 2022/23 Fees and Charges report highlighted that the HRA subsidises the cost of this service. As in previous years, Cabinet agreed to limit increases on the charge for this service for existing users to annual increases of 8% in 2022/23 where users of the service were already paying the maximum charge of £1,180 per property. Users whose charge was lower than this would continue to pay the actual cost of the service up to the capped maximum amount. Cabinet has also previously agreed that new purchasers of properties, who buy under the 'Right to Buy' scheme, pay the actual cost of wastewater treatment works and cesspools.

The increase to the capped charge takes it from £1,180 in 2022/23 to £1,270 in 2023/24.

Cesspools

- 6.2 In 2022/23 the same principle of the council recovering its costs up to a maximum of £1,180 for each household has previously been approved for the 7 council-owned properties which drain to cesspools. This produces annual income of £8,260. The cost of the service in 2021/22 was £10,125 and if the cost is about the same in 2022/23 the HRA would be subsidising the service by approximately £1,865. In line with the above, it is recommended that the cap remains at the already approved figure of 8% per annum for 2023/24 taking the annual charge to £1,270.

- 6.3 Garage Rental deposit – no increase proposed, this is a returnable deposit to encourage the return of garages in good condition.

- 6.4 The budget implications of these changes will be reflected in the Housing Revenue Account and Capital Original Budget 2023/24 report to Cabinet in February 2022.

7. RISK MANAGEMENT ISSUES

- 7.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
Income targets are not achieved resulting in a budget deficit	High	Medium	All fees and charges and income budgets are reviewed in detail each year to ensure that they are reasonable and achievable.

8.

LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

8.1 Legal Officer's Comments (NM)

As a general rule, the Council is under a duty to act fairly in its decision-making, including exercising its discretion to increase relevant fees and charges. The Localism Act 2011 gives the Council a wide ambit of power to charge for its services and section 93 of the Local Government Act 2003 gives the Council capacity to charge for relevant services; on the basis it is doing so without 'trading' (or making a profit).

8.2 Finance Officer's Comments (JS)

The financial implications are set out in the report.

8.3 Diversities and Equalities Implications (GE)

The budget report to Full Council in February 2023 will include an Equality Impact Assessment of the budget recommendations for 2023/24.

8.4 Climate Change Implications

As this report only presents the proposed fees and charges for 2023/24 there are no climate change implications arising from 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.

Jonathan Smith – Senior Accountant

Tel: 01303 853780

E-mail: jonathan.smith@folkestone-hythe.gov.uk

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

Budget working papers

Appendices:

Appendix 1 - Fees and Charges Policy

Appendix 2 - Discretionary Fees and Charges Schedule

Appendix 3 – Parking Schedule

Appendix 4 - Statutory Fees Subject to Discretionary Charges Schedule

General Fees and Charges Policy

All fees and charges are subject to the following general policy.

1. There shall be full cost recovery so that general council taxpayers are not subsidising the costs of an optional service. Any exceptions to this rule can only be agreed by cabinet. Where there is a substantial change between the current charge and the full cost recovery amount, the increase can be staggered over a period of up to three financial years.

In addition:

2. Fees and charges are increased by the current rate of inflation (generally rounded up to the nearest 10p).

The main exceptions to this rule are:

- Court fees
- Room bookings at the civic centre – voluntary organisations
- Car parking – as subject to review in the Car Park Strategy
- Building control – subject to full cost recovery of building control chargeable element.
- Contract charges with other organisations which are subject to separate negotiations
- Commercial activities - where fees and charges need to respond to market conditions or their ability to compete effectively for tenders. These will be discussed with the relevant portfolio holder at the appropriate time but will be on the basis of covering all costs at a minimum.
- Statutory charges - over which the council has no control and will be introduced as per the respective guidance and will not be subject to this policy

Discretionary Fees and Charges 2023/24

VAT KEY OS Outside the scope of VAT
S Standard Rated
E Exempt

APPENDIX 2

Service	Further Information	VAT Category	Charges for 2022/23 Net of VAT if applicable £	Charges for 2022/23 with VAT if applicable £	Proposed charges for 2023/24 Net of VAT if applicable £	Proposed charges for 2023/24 with VAT if applicable £
CORPORATE SERVICES						
General sale of documents / photocopying						
Photocopying	per A4 sheet (black & white)	S	0.12	0.14	0.13	0.16
Photocopying	per A4 sheet (colour)	S	0.16	0.19	0.17	0.20
Photocopying	per A3 sheet (black & white)	S	0.30	0.36	0.33	0.40
Photocopying	per A3 sheet (colour)	S	0.34	0.41	0.37	0.44
Photocopying	per A1 sheet (black & white)	S	3.08	3.69	3.36	4.03
Photocopying	per A1 sheet (colour)	S	3.42	4.10	3.74	4.49
Photocopying	per A2 sheet (black & white)	S	3.08	3.69	3.36	4.03
Photocopying	per A2 sheet (colour)	S	3.42	4.10	3.74	4.49
Providing electronic copies (PDF or equivalent)	per sheet	S	0.85	1.03	0.93	1.12
Court Costs						
Summons & Liability Order - council tax		E	100.00	100.00	100.00	100.00
Summons & Liability Order - business rates		E	174.00	174.00	174.00	174.00
Failure to submit Completion of Means Enquiry Form		E	70.00	70.00	70.00	70.00
Legal Fees						
<i>Fees can be varied depending on value by the Monitoring Officer</i>						
<i>Commercial legal fees subject to VAT</i>						
Development/planning agreements	First 10 hours	OS	720 to 4,110	720 to 4,110	720 to 4,110	720 to 4,110
Hourly rate thereafter		OS	111.00	111.00	121.43	121.43
Commercial property / lease		OS	475 to 900	475 to 900	530 to 990	530 to 990
Transfer of miscellaneous land		OS	579 to 800	579 to 800	600 to 900	600 to 900
Lease renewals		OS	300 to 550	300 to 550	380 to 700	380 to 700
License to assign		OS	450 to 900	450 to 900	500 to 1000	500 to 1000
Licences for alterations		OS	450 to 900	450 to 900	500 to 1000	500 to 1000
Licenses for land		OS	300 to 900	300 to 900	500 to 1000	500 to 1000
Easements		OS	372 to 850	372 to 850	500 to 1000	500 to 1000
Deed of surrender		OS	450 to 900	450 to 900	450 to 900	450 to 900
Deed of novation		OS	450 to 900	450 to 900	500 to 1000	500 to 1000
Discharge of mortgages		OS	129.15	129.15	141.29	141.29
Rent reviews		OS	159.90	159.90	174.93	174.93
Supplying copies of deed/misc land documents per A4 photocopying charge		OS	0.10	0.10	0.11	0.11
Hourly rate for providing services to external organisations or hourly rate to be applied in complex property/development transactions		S	113.78	136.53	124.47	149.36

Discretionary Fees and Charges 2023/24

VAT KEY OS Outside the scope of VAT
S Standard Rated
E Exempt

APPENDIX 2

Service	Further Information	VAT Category	Charges for 2022/23 Net of VAT if applicable £	Charges for 2022/23 with VAT if applicable £	Proposed charges for 2023/24 Net of VAT if applicable £	Proposed charges for 2023/24 with VAT if applicable £
<i>Leasehold administration fees (post Right To Buy matters)</i>						
Standard management information for pre-assignments		OS	205.00	205.00	224.27	224.27
Additional pre-assignment enquiries (questions outside of the standard pack)		OS	51.25	51.25	56.07	56.07
Notice of transfer / charge		OS	153.75	153.75	168.20	168.20
Notice of re-mortgage		OS	61.50	61.50	67.28	67.28
Deed of covenant		OS	102.50	102.50	112.14	112.14
Alteration/ improvements request		OS	153.75	153.75	168.20	168.20
Retrospective alteration/improvement consent		OS	256.25	256.25	280.34	280.34
Deed of Variation or Rectification		OS	153.75	153.75	168.20	168.20
Notice of Subletting			50.00	50.00	54.70	54.70
COMMUNICATIONS						
<i>Below are the advertised rates, but discretionary discounts could be considered.</i>						
Advertising space in Your District Today	1/4 Page	S	304.50	365.40	333.33	400.00
Advertising space in Your District Today	1/2 Page	S	512.50	615.00	560.83	673.00
Advertising space in Your District Today	Full Page	S	878.33	1054.00	960.83	1153.00
Advertising space in Your District Today	Back Page	S	1028.33	1234.00	1125.00	1350.00
Advertising space in Your District Today	Inside Front/Back cover	S	930.00	1116.00	1017.50	1221.00
Street Naming and Numbering						
Changing a property address		OS	82.00	82.00	89.70	89.70
Registering a new property		OS	139.40	139.40	152.50	152.50
New Street/Building (2-10 units)		OS	289.00	289.00	316.00	316.00
New Street/Building (11-19 units)		OS	399.75	399.75	437.00	437.00
New Street/Building (>20 units)		OS	402.80	402.80	441.00	441.00
Additional unit		OS	30.75	30.75	33.60	33.60
Changing a street name		OS	753.40	753.40	824.00	824.00
Provision of historical information		OS	253.20	253.20	277.00	277.00
HOUSING & OPERATIONS						
HOUSING						
Housing Revenue Account						
Garage rental deposit	On commencement of agreement	OS	100.00	100.00	100.00	100.00
Garages let to SDC tenants	Per week	OS	12.30	12.30	13.45	13.45
Garages let privately	Per week	S	12.29	14.75	13.42	16.10
Parking spaces let to SDC tenants	Per week	E	3.60	3.60	4.00	4.00
Parking spaces let privately	Per week	S	3.58	4.30	3.92	4.70
Stores	Per week	E	18.45	18.45	20.20	20.20
Hire of scooter store	Per week	E	2.65	2.65	2.90	2.90
Lounge hire - sheltered accommodation	Per hour	E	15.00	15.00	16.40	16.40
Guest rooms - sheltered accommodation	Per night	E	20.00	20.00	21.90	21.90
Lifeline for Council tenants (VAT is zero rated for clients with disabilities)	Per week	S	1.00	1.20	1.08	1.30
Item collection fee	Per instance	S	62.50	75.00	68.33	82.00
Long lease renewals						
Administrative fee		S	187.50	225.00	205.00	246.00
Valuation fee		S	450.00	540.00	492.50	591.00
Plan fee		S	150.00	180.00	164.17	197.00

Discretionary Fees and Charges 2023/24

VAT KEY OS Outside the scope of VAT
S Standard Rated
E Exempt

APPENDIX 2

Service	Further Information	VAT Category	Charges for 2022/23 Net of VAT if applicable £	Charges for 2022/23 with VAT if applicable £	Proposed charges for 2023/24 Net of VAT if applicable £	Proposed charges for 2023/24 with VAT if applicable £
Supporting People						
- Full Sheltered	Per week	E	11.50	11.50	12.58	12.58
Shed	Per week	E	4.01	4.01	4.39	4.39
Sale of land, including ah hoc land disposals - administration fee		S	279.17	335.00	305.00	366.00
Housing						
Non-Statutory Inspection fee	Per inspection	S	127.50	153.00	134.17	161.00
Leasehold services						
Arrears administration fee	Stage 3 arrears cases	E	75.00	75.00	75.00	75.00
Major works service charge management fee	Per major works	E	10.00	10.00	10.00	10.00
Lease enfranchisement	Per case	E	225.00	225.00	225.00	225.00
Sewage/pump station management fee	per property	E	110.00	110.00	110.00	110.00
Leasehold management fee (leasehold/shared ownership/HRA commercial)	per property	E	220.00	220.00	220.00	220.00
OPERATIONS						
Parking Services						
Provision of white 'access' road markings (outside premises or private drive):						
Analysis and survey work	per application	E	122.00	122.00	133.50	133.50
Installation and maintenance (10 years)	per application	E	159.00	159.00	174.00	174.00
Hire of Land						
Refundable deposit - non-commercial events(minimum of £100) - sliding scale		OS	up to £500.00	up to £500.00	up to £500.00	up to £500.00
Small non-commercial events (excluding Boot Fairs) - hire charge		OS	147.00	147.00	150.00	150.00
Charitable/Community events - hire charge		OS	42.00	42.00	45.00	45.00
Boot Fairs		OS	287.00	287.00	290.00	290.00
Commercial events hire charge (per day)		OS	1241.00	1241.00	1250.00	1250.00
Refundable deposit - commercial events (minimum of £500) - sliding scale		OS	up to £1,000.00	up to £1,000.00	up to £1,000.00	up to £1,000.00
Arranging TPC road closure (admin fee)		OS	31.00	31.00	35.00	35.00
Small Commercial Events (per day)		OS			50.00	50.00
Exercise class/event (per event)		OS			10.00	10.00
Cleaning & restocking charge for use of WCs used by event organiser (some exemptions available on request)		S	118.00	141.60	129.17	155.00
Public Toilets						
Radar keys		S	2.25	2.70	2.46	2.95

Discretionary Fees and Charges 2023/24

VAT KEY	OS	Outside the scope of VAT
	S	Standard Rated
	E	Exempt

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Service	Further Information	VAT Category	Charges for 2022/23 Net of VAT if applicable £	Charges for 2022/23 with VAT if applicable £	Proposed charges for 2023/24 Net of VAT if applicable £	Proposed charges for 2023/24 with VAT if applicable £
Outdoor Sports and Recreation						
These activities are subjected to standard VAT unless there is a block booking of 10 or more sessions by schools, clubs or associations, then it is treated as an exempt activity.						
Football with Changing Facilities (11vs11)		S	70.83	85.00	77.50	93.00
Football with Changing Facilities (11vs11) Concession		S	53.33	64.00	58.33	70.00
Football with Changing Facilities (11vs11) - no net provided		S	n/a	n/a	66.67	80.00
Football with Changing Facilities (11vs11) Concession - no net provided		S	n/a	n/a	49.17	59.00
Football with Changing Facilities (9vs9)		S	53.33	64.00	58.33	70.00
Football with Changing Facilities (9vs9) Concession		S	40.00	48.00	43.75	52.50
Football with Toilet Facilities Only (11vs11)		S	60.00	72.00	65.67	78.80
Football with Toilet Facilities Only (11vs11) Concession		S	45.00	54.00	49.17	59.00
Football with Toilet Facilities Only (11vs11) - no net provided		S	n/a	n/a	55.83	67.00
Football with Toilet Facilities Only (11vs11) Concession - no net provided		S	n/a	n/a	40.83	49.00
Football with Toilet Facilities Only (9vs9)		S	45.00	54.00	49.25	59.10
Football with Toilet Facilities Only (9vs9) Concession		S	33.33	40.00	36.50	43.80
Royal Military Canal:						
Allotments (Green Lane) Full Plot		OS	44.00	44.00	48.10	48.10
Allotments (Green Lane) Half Plot		OS	22.50	22.50	24.60	24.60
Shingle Extraction						
Annual Fee up to 120,000 cubic metres		OS	n/a	n/a		
Fee per cubic metre over 120,000 cubic metres		OS	1.06	1.06	1.16	1.16
Beach Huts						
Abus Diskus padlock and admin		S			66.99	80.39
Pair of keys and admin		S			19.50	23.40
Postage of new keys		E			0.95	0.95
Corporate Transactions						
Disposition of land and property - administration fee		S	279.17	335.00	305.00	366.00
Memorial benches & trees						
Standard cost of a donated memorial bench, new plaque and 10 years mtce		OS	1724.00	1724.00	1886.00	1886.00
Standard cost of a refurbished donated memorial bench, new plaque and 10 years mtce		OS	1013.00	1013.00	1108.00	1108.00
Standard cost of a refurbished donated memorial bench, existing plaque and 10 years mtce		OS	891.00	891.00	975.00	975.00
Cost of planted Memorial Tree		OS	755.00	755.00	826.00	826.00

Discretionary Fees and Charges 2023/24

VAT KEY OS Outside the scope of VAT
S Standard Rated
E Exempt

APPENDIX 2

Service	Further Information	VAT Category	Charges for 2022/23 Net of VAT if applicable £	Charges for 2022/23 with VAT if applicable £	Proposed charges for 2023/24 Net of VAT if applicable £	Proposed charges for 2023/24 with VAT if applicable £
Private Lifeline Charges						
<i>Equipment subject to VAT but client has option to complete VAT exemption form.</i>						
Smart Hub (lifeline unit with GSM)	per week	S	4.50	5.40	4.50	5.40
Lifeline unit (per week)	per week	S	3.58	4.30	3.58	4.30
Bogus caller alarm		S	n/a	n/a	n/a	n/a
CO2 fall & flood detector	Quarterly charge	S	34.83	41.80	34.83	41.80
Neo falls detector	per week	S	0.00		0.00	
GPS Footprint	per week	S	5.33	6.40	5.33	6.40
Universal sensor	Quarterly charge	S	17.75	21.30	17.75	21.30
Epilepsy sensor	per week	S	6.75	8.10	6.75	8.10
Pull cord		S	n/a	n/a	n/a	n/a
Property exit sensor		S	2.17	2.60	2.17	2.60
Bed occupancy sensor	Quarterly	S	83.25	99.90	83.25	99.90
Bed sensory pad	per week	S	1.50	1.80	1.50	1.80
PR / fault visits		S	40.00	48.00	40.00	48.00
Safe socket		S	31.00	37.20	31.00	37.20
Smoke detectors	per week	S	2.33	2.80	2.33	2.80
Telephone extension lead		S	6.17	7.40	6.17	7.40
Electrical extension lead		S	9.25	11.10	11.00	13.20
Pendant		S	72.50	87.00	72.50	87.00
Pendant rental	per week	S	n/a	n/a	n/a	n/a
Replacement pendant (used)		S	40.00	48.00	40.00	48.00
Lost units (replacements)		S	139.00	166.80	139.00	166.80
GSM (mobile phone lifeline)	per week	S	n/a	n/a	n/a	n/a
Care assist	per week	S	3.33	4.00	3.33	4.00
Care assist for existing clients with faulty line		S	44.42	53.30	44.42	53.30
Replacement power supply	per unit	S	n/a	n/a	n/a	n/a
Big button phone	per unit	S	20.00	24.00	20.00	24.00
Minuet pendants	per unit	S	85.00	102.00	85.00	102.00
ADSL filters	Unit price +10%	S	5.17	6.20	5.17	6.20
Installation charge		S	40.00	48.00	40.00	48.00
Out of area installation charge		S	69.50	83.40	69.50	83.40
RSL monitoring income shown as an hourly rate		S	n/a	n/a	n/a	n/a
Wristband set up charge		S	35.00	42.00	35.00	42.00
Wristbands (per annum)		S	20.00	24.00	20.00	24.00
Telehealth monitoring		S	n/a	n/a	n/a	n/a
Warm Homes		S	n/a	n/a	n/a	n/a
Lone Worker scheme set-up	per person	S	5.50	6.60	5.50	6.60
Lone Worker scheme part-time	per week	S	0.92	1.10	0.92	1.10
Lone Worker scheme full-time	per week	S	1.17	1.40	1.17	1.40
Data holding and contract holding	per week	S	n/a	n/a	n/a	n/a
Donated Units (per week)	As per supporting people grant	S	2.25	2.70	2.25	2.70
Daily Check Calls	per quarter	S	14.75	17.70	14.75	17.70
Daily Check Calls	per annum	S	58.92	70.70	58.92	70.70

Discretionary Fees and Charges 2023/24

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PLACE						
PLANNING						
Planning Pre-Application Charging Schedule						
Householder application - written advice only		S	46.67	56.00	125.00	150.00
1 - 4 Dwellings (written)		S			333.33	400.00
1-4 Dwellings (meeting and written)		S			541.67	650.00
1-4 Dwellings Follow up (written)		S			166.67	200.00
1-4 Dwellings Follow up (meeting and written)		S			291.67	350.00
5-9 Dwellings (written)		S			583.33	700.00
5 - 9 Dwellings (meeting and written)		S			833.33	1000.00
5-9 Dwellings Follow up (written)		S			291.67	350.00
5-9 Dwellings Follow up (meeting and written)		S			500.00	600.00
10-49 Dwellings (meeting and written)		S			2500.00	3000.00
10-49 Dwellings Follow up (written)		S			416.67	500.00
10-49 Dwellings Follow up (meeting and written)		S			1000.00	1200.00
50+ Dwellings (meeting and written)		S			4166.67	5000.00
50+ Dwellings follow up (written)		S			833.33	1000.00
50+ Dwellings follow up (meeting and written)		S			2083.33	2500.00
Planning Performance Agreement		S				Bespoke
Non-Domestic External alterations requiring planning permission - all uses		S			333.33	400.00
Listed Buildings where no associated planning permission required (written)		S			183.33	220.00
Listed Buildings where no associated planning permission required (written & meeting)		S			291.67	350.00
Trees with a Tree Preservation Order or in a Conservation Area		S			0.00	
Works to trees (meeting on site)		S			291.67	350.00
Businesses generating new/additional employment - free initial meeting up to 2 hours with written advice		S	0.00	0.00	0.00	
Commercial Initial 30min Meeting no written advice		S			0.00	0.00
Commercial up to 250m ² (inc advertisements) Written		S			145.83	175.00
Commercial up to 250m ² (inc advertisements) Written & Meeting		S			266.67	320.00
Commercial up to 500m ² (written)		S			250.00	300.00
Commercial up to 500m ² (meeting & written)		S			416.67	500.00
Commercial up to 1000m ²		S			1000.00	1200.00
Commercial over 1000m ²		S			1000+416.67 per 500m ²	1200+500 per 500m ²
Commercial over 1000m ² Follow up (written)		S			333.33	400.00
Commercial over 1000m ² Follow up (written & meeting)		S			500.00	600.00
All Other operations and developments including changes of use		S	464.17	557.00	583.33	700.00
Charities and Parish Councils					TBC	TBC
Sale of Documents						
Charging for monitoring legal agreements		S			Variable	Variable
Places and Policies Local Plan 2020	Hard Copy	S			20.83	25.00
Core Strategy Review 2022	Hard Copy	S			20.83	25.00
Sale of Documents						
Sale of miscellaneous documents - Building Control. Actual charge based on staff time		S	Variable	Variable	Variable	Variable

Discretionary Fees and Charges 2023/24

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Service	Further Information	VAT Category	Charges for 2022/23	Charges for 2022/23	Proposed charges for	Proposed charges for
			Net of VAT if applicable £	with VAT if applicable £	2023/24 Net of VAT if applicable £	2023/24 with VAT if applicable £
Waste & Recycling						
Bulky household collection (1 item)		OS	30.00	30.00	35.00	35.00
Bulky waste additional items (collected on the same visit)		OS	8.00	8.00	9.00	9.00
Abortive visits (including scheduled collections not cancelled 1 working day in advance)		OS	25.20	25.20	27.60	27.60
Cancelled visits - (including scheduled collections not cancelled 1 working day in advance)		OS	5.00	5.00	5.50	5.50
Garden waste sacks individual		OS				
Garden waste sacks (roll of 10 sacks)		OS				
Purple sacks (restrictions apply) - individual		OS	2.60	2.60	2.80	2.80
Purple sacks (restrictions apply) - roll of 13 sacks		OS	31.50	31.50	34.50	34.50
Supply & delivery of 140 litre wheeled bin		OS	37.60	37.60	41.10	41.10
Supply & delivery of 180 litre wheeled bin		OS	52.70	52.70	57.60	57.60
Supply & delivery of 240 litre wheeled bin		OS	50.50	50.50	55.30	55.30
Supply & delivery of 360 litre wheeled bin		OS	80.00	80.00	87.50	87.50
Supply & delivery of 660 litre wheeled bin		OS	258.30	258.30	282.50	285.50
Supply & delivery of 660 litre wheeled bin (recyclables)		OS			282.50	285.50
Supply & delivery of 1100 litre wheeled bin		OS	265.50	265.50	290.50	290.50
Supply & delivery of 1100 litre wheeled bin (recyclables)		OS			6.75	6.75
Bin authorisation fee (2 wheeled bin)		OS	6.15	6.15	13.50	13.50
Bin authorisation fee (4wheeled bin)		OS	12.30	12.30	16.80	16.80
Food waste collections, kerbside container		OS	15.40	15.40	11.25	11.25
Food waste collections, kitchen caddy		OS	10.25	10.25	112.15	112.15
New property container offer (Up to 2WB, 2 Food + Box) Price capped at		OS	102.50	102.50	16.85	16.85
Black box recycling container		OS	15.40	15.40	16.85	16.85
Purple box recycling container		OS	15.40	15.40	34.50	34.50
Green waste collection - contribute towards purchase		OS	31.50	31.50	53.00	53.00
Green waste collection - annual charge for new subscription		OS	48.40	48.40	53.00	53.00
Green waste collection - direct debit charge for new subscription		OS	48.40	48.40	53.00	53.00

Discretionary Fees and Charges 2023/24

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Service	Further Information	VAT Category	Charges for 2022/23 Net of VAT if applicable £	Charges for 2022/23 with VAT if applicable £	Proposed charges for 2023/24 Net of VAT if applicable £	Proposed charges for 2023/24 with VAT if applicable £
Hythe Swimming Pool						
<i>These activities are subjected to standard VAT unless there is a block booking of 10 or more sessions by schools, clubs or associations, then it is treated as an exempt activity.</i>						
Swimming – Adult		S	3.75	4.50	4.17	5.00
Swimming – Junior		S	2.42	2.90	2.67	3.20
Swimming – Senior		S	2.42	2.90	2.67	3.20
Swimming – Off Peak		S	n/a	n/a	n/a	n/a
Swimming – Disabled		S	1.92	2.30	2.08	2.50
Swimming – Carer		S	1.92	2.30	2.08	2.50
Organised Groups – Adults		S	3.08	3.70	3.33	4.00
Organised Groups – Junior		S	2.00	2.40	2.17	2.60
Family ticket (2 adults & 2 juniors or 1 adult & 3 juniors)		S	9.83	11.80	10.83	13.00
Aqua Aerobics/Fit		S	4.67	5.60	5.08	6.10
Aqua Zumba		S	4.67	5.60	5.08	6.10
Spectator Admission		S	0.83	1.00	0.83	1.00
Gym		S	4.75	5.70	5.17	6.20
Adult lessons – course of 10 (45 minute lessons)		E	83.50	83.50	91.35	91.35
Adult (front crawl) training - per session		E	5.60	5.60	6.10	6.10
Junior lessons – course of 10 (30 minute lessons)		E	57.40	57.40	62.80	62.80
Pool hire per hour (includes 1 lifeguard and up to 30 people)		S	98.33	118.00	107.58	129.10
Teaching Pool hire per hour		S	35.83	43.00	39.17	47.00
Club hire (Monday-Saturday)		E	71.75	71.75	78.50	78.50
Club hire (Sunday)		E	65.40	65.40	71.55	71.55
Lifeguard for clubs		E	12.40	12.40	13.60	13.60
Adult blue voucher book (12 tickets)		S	37.50	45.00	41.67	50.00
Senior voucher book (12 tickets)		S	24.17	29.00	26.67	32.00
Junior voucher book (12 tickets)		S	24.17	29.00	26.67	32.00
Early Riser Voucher Book (12 tickets)		S	0.00		0.00	
Disabled Voucher book (12 tickets)		S	19.17	23.00	20.83	25.00
Aqua Aerobics yellow voucher books (12 tickets)		S	46.67	56.00	50.83	61.00
School swimming teacher - per half hour		S	7.58	9.10	8.33	10.00
Schools non exclusive – per child per half hour		S	2.00	2.40	2.21	2.65
School exclusive pool hire – per half hour (maximum 20 children)		S	30.83	37.00	33.75	40.50
School exclusive pool hire – additional children		S	1.42	1.70	1.58	1.90
Private lessons per half hour – 1 child		E	14.00	14.00	15.30	15.30
Direct debit - annual advance payment		S	175.00	210.00	191.67	230.00
Direct debit - monthly payment on a minimum 12 month contract		S	15.33	18.40	16.83	20.20
Direct debit monthly payment - open contract (no minimum term can be cancelled at any time) subject to a joining fee see next line		S	19.67	23.60	21.50	25.80
Joining fee for open contract direct debit		S	13.67	16.40	15.00	18.00

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Taxi Licensing						
Private Hire Driver		OS	320.00	320.00	340.00	340.00
Dual Driver		OS	320.00	320.00	340.00	340.00
Knowledge Test		OS	64.00	64.00	66.00	66.00
Vehicle Licence – Annual		OS	275.00	275.00	300.00	300.00
Vehicle Licence – Transfer		OS	99.00	99.00	100.00	100.00
Vehicle Licence - Change of Ownership (no plates)		OS	46.00	46.00	50.00	50.00
Vehicle Plate replacement		OS	22.00	22.00	23.00	23.00
Driver Badge replacement		OS	22.00	22.00	23.00	23.00
Single Vehicle Operator	5 years renewal	OS	123.00	123.00	130.00	130.00
Multiple Vehicle Operator	5 years renewal	OS	966.00	966.00	1050.00	1050.00
Refund Processing Fee (surrendered Licence)		OS	25.00	25.00	25.00	25.00
Copy of Paper Licence		OS	10.50	10.50	11.00	11.00
Amend Paper Licence (change of address details)		OS	10.50	10.50	11.00	11.00
Miscellaneous Licensing						
Dangerous Wild Animals Act 1964 & 1970	Every Two years	OS	430.00	430.00	470.00	470.00
Boarding in Kennels for Dogs Boarding For Cats (Part A)		OS	189.00	189.00	207.00	207.00
Selling Animals As Pets (Part A)		OS	189.00	189.00	207.00	207.00
Home boarding for Dogs (6 or more animals), Dog Day Care, Home boarding Agent (Part A)		OS	171.00	171.00	187.00	187.00
Home boarding for Dogs (5 or less animals) (Part A)		OS	152.00	152.00	166.00	166.00
Breeding of Dogs (Part A)		OS	171.00	171.00	187.00	187.00
Keeping/Training Animals for Exhibition (5 or less animals) (Part A)		OS	152.00	152.00	166.00	166.00
Keeping/Training Animals for Exhibition (6 or more animals) (Part A)		OS	189.00	189.00	207.00	207.00
1 year Licence (Part B)		OS	116.00	116.00	127.00	127.00
2 year Licence (Part B)		OS	181.00	181.00	198.00	198.00
3 year Licence (Part B)		OS	235.00	235.00	257.00	257.00
Hiring of Horses (Part A)		OS	171.00	171.00	187.00	187.00
Other Charges:						
Request for Variations		OS				
- administrative amendment only		OS	21.00	21.00	23.00	23.00
- inspector visit (if required)		OS	82.00	82.00	89.70	89.70
Request for re-inspection (for all licences) plus vet fees if applicable		OS	82.00	82.00	89.70	89.70
Zoo Licence Act 1982						
Application Fee		OS	604.20	604.20	661.00	661.00
LA Inspector per hour		OS	26.30	26.30	35.00	35.00
Veterinary fees (all animal licences) - recharged at cost.			N/A	N/A		
Street Trading Consent/Licence (Annual)		OS	304.00	304.00	333.00	333.00
Street Trading Consent (3 month)		OS	124.00	124.00	136.00	136.00
Non mobiles > 25 feet in length		OS	829.00	829.00	907.00	907.00
Stall per foot per day - Sandgate Road and Guildhall Street - regular stall holders		OS	1.00	1.00	1.00	1.00
Stall per foot per day - Sandgate Road and Guildhall Street - casual stall holders		OS	2.00	2.00	2.00	2.00
Street Trading Licence (Lanterns) - per stall per day	per foot	OS	5.00	5.00	5.00	5.00

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New Markets:						
Number of stalls 5 -20	Max of 14 days	OS	144.00	144.00	158.00	158.00
	15 - 52 days	OS	533.00	533.00	583.00	583.00
	53 + days	OS	1066.00	1066.00	1166.00	1166.00
Number of stalls 21 +	Max of 14 days	OS	215.00	215.00	235.00	235.00
	15 - 52 days	OS	800.00	800.00	875.00	875.00
	53 + days	OS	1599.00	1599.00	1749.00	1749.00
Town Centre Commercial Bookings Thurs-Sat Only (No bookings Sun-Wed)	Per day	OS	180.00	180.00	197.00	197.00
Pavement Licenses	Licences issued up to Sept 2022	OS	100.00	100.00	100.00	100.00
Canoe and paddle boards - annual		OS	30.00	30.00	32.80	32.80
Canoe and paddle boards - seasonal		OS	20.00	20.00	21.90	21.90
Boat - annual		OS	49.00	49.00	53.60	53.60
Boat - seasonal		OS	31.00	31.00	34.00	34.00
Scrap Metal Licensing						
Grant of site licence		OS	530.00	530.00	580.00	580.00
Renewal of site licence		OS	497.00	497.00	544.00	544.00
Collectors licence		OS	310.00	310.00	339.00	339.00
Variation of licence		OS	68.00	68.00	74.00	74.00
Change of details		OS	56.00	56.00	61.00	61.00
Personal & Premises Licences						
Personal - Acupuncture, ear piercing, electrolysis & semi-permanent ink		OS	198.00	198.00	217.00	217.00
Personal - Tattooing Registration		OS	316.00	316.00	346.00	346.00
Personal - Sex Shop Consent		OS	2119.00	2119.00	2318.00	3218.00
Personal - Change to Registration		OS	110.00	110.00	120.00	120.00
Personal - change of detail to licence that does not require an officer visit		OS	10.50	10.50	11.50	11.50
Premise Licence Pre-Application Schedule						
Premises Licence Pre-application Advice Meeting 90 mins		S	82.00	98.40	90.00	108.00
Dog Control						
Kennelling per night		OS	21.00	21.00	24.00	24.00
Out of hours dog collection		OS	54.00	54.00	60.00	60.00
Veterinary fees at cost		OS	Variable	Variable	Variable	Variable
Microchip fee		OS	5.00	5.00	7.5 to 35.00	7.5 to 35.00
Flea treatment (dependant on size of the dog)		OS	8.00 to 12.00	8.00 to 12.00	10.00 to 14.00	10.00 to 14.00
Worming (dependant on size of the dog)		OS	8.00 to 12.00	8.00 to 12.00	10.00 to 14.00	10.00 to 14.00
Vaccination charge		OS	26.00	26.00	32.00	32.00

Discretionary Fees and Charges 2023/24

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Service	Further Information	VAT Category	Charges for 2022/23 Net of VAT if applicable £	Charges for 2022/23 with VAT if applicable £	Proposed charges for 2023/24 Net of VAT if applicable £	Proposed charges for 2023/24 with VAT if applicable £
Pollution Environmental Health						
Contaminated land search fee		OS	157.90	157.90	172.70	172.70
Hourly fee for works in default (returning seized goods and removal of fly posting)		OS	15.80	15.80	17.30	17.30
Food and Safety						
Certificate for voluntary surrender of unfit food (Including 1 hour officer time)		OS	96.50	96.50	106.00	106.00
Plus officer time per additional hour		OS	44.00	44.00	48.10	48.10
Food export certificate		OS	46.00	46.00	50.30	50.30
Plus additional charge per consignment where inspection is required		OS	92.00	92.00	101.00	101.00
Food Hygiene course - fee per person		E	61.50	61.50	67.30	67.30
Food Hygiene Scheme - re-rating	per application	E	133.00	133.00	146.00	146.00
Private Water Supply Sampling						
Risk assessments(If carried out by contractor)	per hour	OS	55.20	55.20	60.40	60.40
Risk assessments(If carried out by SDC staff)	per hour	OS	27.20	27.20	29.80	29.80
Mileage	per mile	OS	0.70	0.70	0.80	0.80
Sampling	per visit	OS	58.20	58.20	63.70	63.70
Analysis and courier (first sample)	first sample	OS	16.80	16.80	18.40	18.40
Additional sample	each	OS	5.60	5.60	6.10	6.10
Caravan Site Licensing						
New application	Band A (single pitch)	E	0.00	0.00	0.00	0.00
New application	Band B (2 - 10 pitches)	E	551.00	551.00	603.00	603.00
New application	Band C (11 - 25 pitches)	E	642.00	642.00	702.00	702.00
New application	Band D (26 - 50 pitches)	E	791.00	791.00	865.00	865.00
New application	Band E (51 - 100 pitches)	E	1067.00	1067.00	1167.00	1167.00
New application	Band F (101 - 200 pitches)	E	1636.00	1636.00	1790.00	1790.00
New application	Band G (201 - 400 pitches)	E	2757.00	2757.00	3016.00	3016.00
New application	Band H (401 - 800 pitches)	E	5000.00	5000.00	5470.00	5470.00
Annual fee	Band A	E	0.00	0.00	0.00	0.00
Annual fee	Band B	E	327.00	327.00	358.00	358.00
Annual fee	Band C	E	417.00	417.00	456.00	456.00
Annual fee	Band D	E	567.00	567.00	620.00	620.00
Annual fee	Band E	E	844.00	844.00	923.00	923.00
Annual fee	Band F	E	1411.00	1411.00	1544.00	1544.00
Annual fee	Band G	E	2533.00	2533.00	2771.00	2771.00
Annual fee	Band H	E	4777.00	4777.00	5226.00	5226.00
Transfer	Band A	E	0.00	0.00	0.00	0.00
Transfer	Band B to Band H	E	60.00	60.00	65.60	65.60
Amendment	Band A (single pitch)	E	0.00	0.00	0.00	0.00
Amendment	Band B to Band H	E	85.00	85.00	93.00	93.00
Site rules	Band A (single pitch)	E	0.00	0.00	0.00	0.00
Site rules	Band B to Band H	E	40.00	40.00	43.80	43.80
Application for Fit & Proper Person Register - Mobile Homes (Requirement for Manager of Site to be Fit and Proper Person) (England) Regulations 2020		E	203.00	203.00	222.00	222.00
Cemeteries						
Purchase fees						
Children not exceeding 12		OS	256.00	256.00	280.00	280.00
Person over 12 –purchase fee		OS	586.00	586.00	640.00	640.00
Green Burials (Hawkinge Only)		OS	1035.00	1035.00	1132.00	1132.00

Discretionary Fees and Charges 2023/24

VAT KEY OS Outside the scope of VAT
S Standard Rated
E Exempt

APPENDIX 2

Service	Further Information	VAT Category	Charges for 2022/23 Net of VAT if applicable £	Charges for 2022/23 with VAT if applicable £	Proposed charges for 2023/24 Net of VAT if applicable £	Proposed charges for 2023/24 with VAT if applicable £
Plot purchase, first internment & right to erect						
Garden of remembrance (Lydd, Double Plot)		OS	625.00	625.00	684.00	684.00
Garden of remembrance (New Romney, Double Plot)		OS	625.00	625.00	684.00	684.00
Garden of remembrance (New Romney, Single Plot)		OS	391.00	391.00	428.00	428.00
Digging Fees						
Children stillborn - No charge		E				
Children -between 5-12		E	207.00	207.00	226.00	226.00
Person over 12 – single depth digging		OS	604.00	604.00	661.00	661.00
Person over 12 – double depth		OS	895.00	895.00	979.00	979.00
Person over 12 – triple depth		OS	1199.00	1199.00	1312.00	1312.00
Other Fees						
Exhumation Fee (at cost)		E				
Internment of ashes		OS	153.00	153.00	167.00	167.00
Late internment		OS	146.00	146.00	160.00	160.00
Spreading of ashes		OS	56.00	56.00	61.30	61.30
Scattering of ashes under turf		OS	153.00	153.00	167.00	167.00
Re-open fee		OS	92.00	92.00	100.00	100.00
Add. inscription		S	65.83	79.00	72.00	86.40
Use of chapel		OS	151.00	151.00	165.00	165.00
Memorials – 6 X 3		OS	259.00	259.00	283.00	283.00
Vases		OS	100.00	100.00	109.00	109.00
Kerbs		OS	459.00	459.00	502.00	502.00
Laying down unsafe memorial		OS	130.00	130.00	142.00	142.00
Deed of grant		E	43.00	43.00	47.00	47.00
Transfer of Deed of Grant		E	108.00	108.00	118.00	118.00
Maintenance		E	101.00	101.00	110.00	110.00
Reserved plot surcharge on use		OS	84.00	84.00	91.90	91.90
Reservation fee		OS	84.00	84.00	91.90	91.90
Family History Request - per request up to 3 names		E	33.00	33.00	36.10	36.10
Family History Request - per request more than 3 names		E	65.00	65.00	71.10	71.10
Replacement headstones - administration fee		E	53.00	53.00	58.00	58.00
Burial where ashes are added - administration fee		E	53.00	53.00	58.00	58.00
Mixing of two ashes - administration fee		E	53.00	53.00	58.00	58.00
Public Health Funerals		E	310.00	310.00	339.10	339.10

Discretionary Fees and Charges 2023/24

VAT KEY OS Outside the scope of VAT
S Standard Rated
E Exempt

APPENDIX 2

Service	Further Information	VAT Category	Charges for 2022/23 Net of VAT if applicable £	Charges for 2022/23 with VAT if applicable £	Proposed charges for 2023/24 Net of VAT if applicable £	Proposed charges for 2023/24 with VAT if applicable £
Hiring of council meeting rooms for all non Folkestone & Hythe District Council meetings/functions						
<i>KALC (Kent Association of Local Councils) and relevant voluntary/Charity organisations</i>						
<i>100% discount</i>						
Council Chamber	Basic Hourly rate	E	37.00	37.00	40.48	40.48
Council Chamber	Hourly rate after 9pm week day evenings & Saturday (including Civic Warden fee)	E	63.00	63.00	68.92	68.92
Council Chamber	Hourly rate for Sundays & Bank Holidays (including Civic Warden fee)	E	70.00	70.00	76.58	76.58
Boulogne and Middleburg Room	Basic Hourly rate	E	28.00	28.00	30.63	30.63
Boulogne and Middleburg Room	Hourly rate after 9pm week day evenings & Saturday (including Civic Warden fee)	E	53.61	53.61	58.65	58.65
Boulogne and Middleburg Room	Hourly rate for Sundays & Bank Holidays (including Civic Warden fee)	E	61.00	61.00	66.73	66.73
Other meeting rooms	Basic Hourly rate	E	16.00	16.00	17.50	17.50
Other meeting rooms	Hourly rate after 9pm week day evenings & Saturday (including Civic Warden fee)	E	42.00	42.00	45.95	45.95
Other meeting rooms	Hourly rate for Sundays & Bank Holidays (including Civic Warden fee)	E	49.00	49.00	53.61	53.61
Use of drinks machine for non Folkestone & Hythe District Council meetings/functions						
Per drink - Up to 30 persons		S	1.00	1.20	1.09	1.31
30 Persons or more		S	30.00	36.00	32.82	39.38
Lost/Unreturned ID cards						
Charge to staff		E	8.00	8.00	8.75	8.75
Charge to contractors		E	8.00	8.00	8.75	8.75

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Car Parking Fees and Charges 2023/24

VAT KEY	OS	Outside the scope of VAT
	S	Standard Rated
	E	Exempt

Service	Further Information	VAT Category	Charges for	Charges for 2022/23	Charges for 2023/24 Net	Charges for 2023/24
			2022/23 Net of VAT if applicable	with VAT if applicable	of VAT if applicable	with VAT if applicable
			£	£	£	£
<i>Charges apply 8am - 6pm unless otherwise indicated</i>						
FOLKESTONE						
SHORT STAY Upper Payers Park, Shellons St., Foresters Way, Playdell Gardens						
Hourly charge with linear per minute charging.	30 mins	S	0.58	0.70	0.67	0.80
Minimum stay 30mins and maximum stay 3 hours	1 hour	S	1.17	1.40	1.33	1.60
	3 hour	S	3.50	4.20	3.83	4.60
LONG STAY Tram Road and Harbourside						
Hourly charge with linear per minute charging	1 hour	S	1.17	1.40	1.33	1.60
	All day	S	7.00	8.40	7.67	9.20
LONG STAY Sandgate Road Car Park (formerly Leas Cliff Hall)						
	Up to 2 hours	S	1.67	2.00	1.83	2.20
	Up to 4 hours	S	2.50	3.00	2.75	3.30
	Up to 5 hours	S	3.33	4.00	3.67	4.40
	All day	S	4.17	5.00	4.58	5.50
OTHER FOLKESTONE & HYTHE AREAS						
SHORT TERM						
Hythe:						
Mount Street:	Up to 30 mins	S				
Hourly charge with linear per minute charging	Up to 1 hour	S	1.17	1.40	1.33	1.60
Minimum stay 1 hour and maximum stay 3 hours	Up to 2 hours	S	Linear per minute charging	Linear per minute charging	Linear per minute charging	Linear per minute charging
	Up to 3 hours	S	3.50	4.20	3.83	4.60
New Romney:						
Church Road:	Up to 1 hour	S	0.83	1.00	0.92	1.10
Hourly charge with linear per minute charging.	Up to 2 hours	S	Linear per minute charging	Linear per minute charging	Linear per minute charging	Linear per minute charging
Minimum stay 1 hour and maximum stay 3 hours	Up to 3 hours	S	2.50	3.00	2.75	3.30

Service	Further Information	VAT Category	Charges for 2022/23 Net of VAT if applicable	Charges for 2022/23 with VAT if applicable	Charges for 2023/24 Net of VAT if applicable	Charges for 2023/24 with VAT if applicable
LONG TERM						
Sandgate: Lower Sandgate Road West (Seasonal - 1st April-30th September) 8am-8pm	Up to 1 hour	S	2.50	3.00	2.75	3.30
	Up to 4 hours	S	10.00	12.00	11.00	13.20
	Up to 12 hours	S	16.67	20.00	18.25	21.90
Sandgate: Lower Sandgate Road West (Seasonal - 1st October-31st March) 8am-6pm	Up to 1 hour*	S	1.17	1.40	1.33	1.60
Hythe: Military Road, The Paddocks	Up to 2 hours **	S	Linear per minute charging	Linear per minute charging	Linear per minute charging	Linear per minute charging
Dymchurch: Martello, High Knocke, Central	Up to 3 hours	S	Linear per minute charging	Linear per minute charging	Linear per minute charging	Linear per minute charging
Greatstone: Jolly Fisherman	Up to 4 hours	S	Linear per minute charging	Linear per minute charging	Linear per minute charging	Linear per minute charging
Littlestone: Coast Drive	Up to 5 hours	S	Linear per minute charging	Linear per minute charging	Linear per minute charging	Linear per minute charging
New Romney: West Street	Up to 6 hours	S	Linear per minute charging	Linear per minute charging	Linear per minute charging	Linear per minute charging
	Up to 12 hours	S	7.00	8.40	7.67	9.20
Hythe: Battery Point, Twiss Fort, Seapoint	Up to 1 hour	S	1.17	1.40	1.33	1.60
		S	Linear per minute charging			
	All day	S	7.00	8.40	7.67	9.20
Sandgate, Castle Road; Wilberforce Road	Up to 2 hours	S	1.25	1.50	1.42	1.70
	Up to 4 hours	S	2.92	3.50	3.25	3.90
	Up to 5 hours	S	n/a	n/a	n/a	n/a
	All day	S	4.58	5.50	5.08	6.10
Cheriton: Broomfield Road, Elham: Pound Lane; Lyminge: Station Road	ALL DAY - Free	S				
Hythe: West Hythe	Up to 1 hour	S	1.17	1.40	1.33	1.60
		S	Linear per minute charging			
	All day	S	7.00	8.40	7.67	9.20
Folkestone: East Cliff Pavilion; The Coastal Park	1 hour	S	1.17	1.40	1.33	1.60
		S	Linear per minute charging			
	All day	S	7.00	8.40	7.67	9.20
Folkestone: Golden Valley; Sports Grounds,	ALL DAY - Free		0.00	0.00	0.00	0.00
Lydd: The Lade, Coast Drive (east of), Lydd on Sea	Per hour	S	1.17	1.40	1.33	1.60
	All day (6hrs+)	S	7.00	8.40	7.67	9.20
Sandgate: Gough Road	ALL DAY - Free	S	0.00	0.00	0.00	0.00
COACH PARKING						
Littlestone: Coast Drive	Up to 5 hours	S	6.33	7.60	7.00	8.40
	Up to 10 hours	S	11.67	14.00	12.83	15.40
Dymchurch: Central	ALL DAY - Free		0.00	0.00	0.00	0.00

Service	Further Information	VAT Category	Charges for 2022/23 Net of VAT if applicable	Charges for 2022/23 with VAT if applicable	Charges for 2023/24 Net of VAT if applicable	Charges for 2023/24 with VAT if applicable
CAR PARK SEASON TICKETS						
All Long Stay Car Parks						
Valid 7 days per week	Annual	S	547.50	657.00	599.00	718.80
	6 month	S	274.17	329.00	300.00	360.00
	3 months	S	137.50	165.00	150.50	180.60
Valid 6 days per week	Annual	S	466.67	560.00	510.58	612.70
	6 month	S	233.33	280.00	255.33	306.40
	3 months	S	116.67	140.00	127.67	153.20
Valid 5 days per week	Annual	S	390.00	468.00	426.67	512.00
	6 month	S	195.00	234.00	213.33	256.00
	3 months	S	97.50	117.00	106.67	128.00
Valid 4 days per week	Annual	S	311.67	374.00	341.00	409.20
	6 month	S	155.83	187.00	170.50	204.60
	3 months	S	78.33	94.00	85.75	102.90
Valid 3 days per week	Annual	S	233.33	280.00	255.33	306.40
	6 month	S	116.67	140.00	127.67	153.20
	3 months	S	58.33	70.00	63.83	76.60
Valid 2 days per week	Annual	S	155.83	187.00	170.50	204.60
	6 month	S	78.33	94.00	85.75	102.90
	3 months	S	39.17	47.00	42.92	51.50
Valid 1 days per week	Annual	S	78.33	94.00	85.75	102.90
	6 month	S	39.17	47.00	42.92	51.50
	3 months	S	20.00	24.00	21.92	26.30
HOTEL GUEST PERMITS (per 24 hours)		OS	3.00	3.00	3.30	3.30
RESIDENT PERMITS						
Folkestone & Hythe District Car Park Resident Permits	12 months	S	54.17	65.00	59.33	71.20
On Street Parking Waiver	Daily	E	10.00	10.00	11.00	11.00
On Street Parking Waiver	Weekly	E	30.00	30.00	32.90	32.90
Parking permissions for Window Cleaners, pharmacists,	Annual	E	65.00	65.00	71.20	71.20
FOLKESTONE CONTROLLED PARKING ZONES						
1st Resident Permit		E	35.00	35.00	38.30	38.30
2nd Resident Permit		E	35.00	35.00	38.30	38.30
Resident Visitor Permit (5 sessions)		E	6.00	6.00	6.60	6.60
Business Permit		E	65.00	65.00	71.20	71.20
Replacement Permit		E	5.20	5.20	5.70	5.70
Special Permit - Free Health & Care Workers and Emergency services		E	0.00	0.00	0.00	0.00
Trade Permits (All Zones) (Yearly)		E	416.00	416.00	455.20	455.20
Trade Permits (All Zones) (6 monthly)		E	208.00	208.00	227.60	227.60
ON STREET CAR PARKING						
Linear per minute						
Folkestone Town Centre CPZ A1 and A2	Min 30mins	E	0.75	0.75	0.90	0.90
Folkestone Town Centre CPZ A1 and A2	1 Hour- Max 3 hours	E	1.50	1.50	1.70	1.70
Folkestone Seafront Zone C2	Min 1 hour	E	1.50	1.50	1.70	1.70
	Max 5 hours				1.70	1.70
The Leas Bandstand- Zone H	Min 1 hour	E	1.50	1.50	1.70	1.70
	Max 5 hours				1.70	1.70
Princes Parade, Hythe	Minimum 30 minutes	E	0.75	0.75	0.90	0.90
	1 hour	E	1.50	1.50	1.70	1.70
	6 hours + (all day)	E	9.00	9.00	9.90	9.90
Parking Suspensions		E	£100 admin charge plus £12 per day per 6 metres	£100 admin charge plus £12 per day per 6 metres	£100 admin charge plus £12 per day per 6 metres	£100 admin charge plus £12 per day per 6 metres

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Statutory Charges Subject to Discretionary Fees 2023/24

VAT KEY	OS	Outside the scope of VAT
	S	Standard Rated
	E	Exempt

Appendix 4

Service	Further Information	VAT category	Charges for 2022/23	Charges for 2022/23	Proposed charges for	Proposed charges for
			Net of VAT if applicable	with VAT if applicable	2023/24 Net of VAT if applicable	2023/24 with VAT if applicable
			£	£	£	£
HOUSING						
Licensing Application for Houses in Multiple Occupation Fees(renewals)	All properties	OS	796.00	796.00	835.00	835.00
	Additional fee per unit over 8 units	OS	0.00	0.00	0.00	0.00
Licensing Application for Houses in Multiple Occupation Fees(new applications)	All properties	OS	937.00	937.00	983.00	983.00
	Additional fee per unit over 8 units	OS	0.00	0.00	0.00	0.00
PLANNING						
High Hedge Complaints	level of fee discretionary	OS	400.00	400.00	437.60	437.60
PLACE						
Local Land Charges						
Official search of the Local Land Charges Register (LLC1)		OS	23.00	23.00	25.20	25.20
Basic Research Fee (CON29)		S	99.17	119.00	108.33	130.00
Optional questions (CON29 Part II optional enquiries of local authority)		S	10.00	12.00	10.83	13.00
Search of Building Control database		S	0.00	0.00		
Search of Planning database		S	0.00	0.00		
Additional parcels (An extra parcel of land in separate occupation or separately rated at the time of the search)		S	14.17	17.00	15.50	18.60
Additional parcels where submitted as part of an LLC1 only		OS	3.00	3.00	3.30	3.30
Submitted via NLIS						
Official search of the Local Land Charges Register (LLC1)		OS	23.00	23.00	25.20	25.20
Basic Research Fee (CON29)		S	89.17	107.00	97.50	117.00
Optional questions (CON29 Part II optional enquiries of local authority)		S	10.00	12.00	10.83	13.00
Additional parcels (An extra parcel of land in separate occupation or separately rated at the time of the search)		S	14.17	17.00	15.50	18.60
Additional parcels where submitted as part of an LLC1 only		OS	3.00	3.00	3.30	3.30
CON29 Individual Questions						
1.1 a-i Planning		S	9.25	11.10	8.33	10.00
1.1 j-l Building Regulations		S	6.92	8.30	8.33	10.00
1.2 Planning Designations & Proposals		S	4.08	4.90	4.50	5.40
2.1 a-d, 3.4 & 3.6 Roadways, Footways & Footpaths		S	26.67	32.00	29.17	35.00
3.1 Land Required for Public Purposes		S			1.25	1.50
3.3 Drainage matters		S			3.33	4.00
3.5 Nearby Railway Schemes		S	2.08	2.50	2.08	2.50
3.7 Outstanding Notices		S	5.12	6.14	5.42	6.50
3.8 Contravention of Building Regulations		S	6.75	8.10	7.42	8.90
3.9 Notices, Orders, Directions and Proceedings under Planning Acts		S	3.42	4.10	3.75	4.50
3.10 Community Infrastructure Levy		S	5.12	6.14	5.58	6.70
3.11 Conservation Area		S	2.92	3.50	3.17	3.80
3.12 Compulsory Purchase		S	5.12	6.14	5.58	6.70
3.13 Contaminated Land		S	6.75	8.10	7.42	8.90
3.14 Radon Gas		S	6.75	8.10	7.42	8.90
3.15 Assets of Community Value		S	5.12	6.14	5.58	6.70

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This Report will be made public on 6 December 2022



Report Number **C/22/69**

To: Cabinet
Date: 14 December 2022
Status: Key Decision
Head of Service: Charlotte Spendley, Director of Corporate Services
Cabinet Member: Councillor David Monk, Leader of the Council

SUBJECT: BUDGET STRATEGY 2023/24

SUMMARY:

This Budget Strategy sets out the guidelines for preparing the 2023/24 Budget. It supports the Corporate Plan and aligns with the direction and objectives of the Medium Term Financial Strategy (MTFS).

In terms of financial planning, the Budget Strategy takes account of current and future financial and economic conditions including the outcome of the Government's recent Autumn Statement announced on 17 November 2022.

The Budget Strategy also sets out the underlying assumptions and initial budget-setting proposals and provides a timetable for delivering a balanced budget for approval and final Council Tax setting by Full Council on 22 February 2023.

REASONS FOR RECOMMENDATIONS:

Cabinet is asked to agree the recommendations set out below as:

- (i) The Budget Strategy provides the framework for compiling the detailed 2023/24 budgets;
- (ii) The Budget Strategy will support the delivery of the MTFS; and
- (iii) The Budget Strategy enables the publication of initial proposals, timescales and provides details of the arrangements for consultation as required by the constitution

RECOMMENDATIONS:

1. To receive and note report C/22/69.
2. To agree the Budget Strategy for 2023/24 set out in this report.
3. To approve the General Fund revenue growth & savings proposals for 2023/24 (Appendix 2).
4. To approve the General Fund capital growth proposals for 2023/24 (Appendix 3).

5. To agree the proposed timetable for preparing 2023/24 budgets (Appendix 4).
6. To agree the proposed arrangements for consultation

1. INTRODUCTION

- 1.1 The Cabinet are required to publish initial budget proposals and a timetable, as well as provide details on the arrangements for consultation ahead of the budget framework itself being considered and finalised. The Council has a statutory requirement to set a balanced budget and Council Tax annually under the Local Government Finance Act 1992 and Council Tax (Administration and Enforcement) Regulations 1992.
- 1.2 This report covers those requirements, setting out the initial proposals and a timetable that will be used to inform the setting of the budget for 2023/24. The Budget Strategy is consistent with the direction and objectives of the updated MTFS which was approved by Council at its meeting on 30 November 2022 (Report A/22/22). This report also outlines the current economic and financial difficulties facing the Council which have to be considered in setting its Budget for 2023/24.
- 1.3 The MTFS and Budget Strategy are aligned with the Council's strategic financial objectives, which are as follows:

- To maintain a balanced Budget such that expenditure matches income from Council Tax, fees and charges, and government and other grants and to maintain that position.
- To maximise the Council's income by setting fees and charges, where it has the discretion and need to do so, at a level to ensure at least full cost recovery, promptly raising all monies due and minimising the levels of arrears and debt write offs.
- To ensure a long term sustainable view is taken of any investments and the appropriate risk analysis is provided in considering those.
- To set a rate for Council Tax which maximises income necessary for the Council to deliver its strategic objectives but ensures that government referendum limits are not exceeded. The percentage increase will be reviewed annually.
- To ensure resources are aligned with the Council's strategic vision and corporate priorities.
- To safeguard public money and ensure financial resilience.
- To maintain an adequate and prudent level of reserves.

2. CONTEXT FOR THE BUDGET STRATEGY 2023/24

- 2.1 The Council's financial recovery from the COVID-19 pandemic in 2021 and 2022 has been strong with income and collection rates recovering at a steady rate and this has continued into the current financial year 2022/23. The grants received from Central Government to provide essential support to businesses have also been fully utilised and accounted for and no further grant funding is expected.

- 2.2 For the Budget Strategy for financial year 2023/24, a range of entirely different economic and financial factors have had to be considered for the MTFs. This is in light of the war in Ukraine, the rapid rise in Consumer Price Inflation (CPI), the increases in utility costs and the resulting cost of living crisis that residents of this District now face. The United Kingdom is also forecast to enter a period of recession which could last for a considerable period of time as advised by the Bank of England. Coupled to this has been turbulence at the political level in Westminster and volatility in the financial markets which has had a marked impact on the cost of borrowing for Local Government with rates increasing due to the above factors.
- 2.3 Many of the factors outlined above had not previously been expected by Councils and so Medium-Term Financial plans have had to be re-cast to allow for these changes; many of these factors are still variable due to the uncertainty of the economic and financial environment. District Councils find themselves in a position where they have to remain flexible and adaptable to constant changes with limited new, financial resources likely on the horizon.
- 2.4 As many leading economic commentators have stated, Councils face a future of “known–unknowns” and this makes for a period of great uncertainty in terms of cohesive financial planning. As such, this Budget Strategy (and the MTFs) are based on a continuation of service levels with reasoned assumptions in relation to pay and price inflation, borrowing costs, technical factors, plus income pressures known at this time.
- 2.5 The financial forecasts used in this Budget Strategy report are based on a mid-range scenario (as part of extensive MTFs stress-testing exercises by Finance Officers) and will be updated in line with Government announcements as and when, new information comes to light. The recent Autumn Statement introduced new budget implications for the Council and these are outlined below in section 5 of this report. The Council is also due to receive its Provisional Local Government Settlement on 21 December 2022, which may change some of the funding numbers (either positively or negatively) as a result of the settlement.
- 2.6 The position is thus fluid and the Council’s Section 151 Officer and the Finance Team will keep Members fully apprised of these budget changes as and when they arise. The timetable for the budget reporting process through to Full Council in February 2023, and final budget setting, is shown at Appendix 4 of this report. It is anticipated that this timetable will remain on track despite the fluidity of the Government decisions.
- 2.7 The forthcoming financial year and the Council’s medium term financial position remains highly pressured, and is likely to require challenging decisions to be taken by Members and Corporate Leadership Team (CLT) to achieve a balanced budget position for both the Council’s General Fund and Housing Revenue Account Budget.

3. CURRENT FINANCIAL POSITION - UPDATE

- 3.1 This section of the report provides a summary update of how the Council is spending against budget in the current financial year (2022/23) and highlights the final outturn position for the last full financial year of 2021/22. It should be noted that any General Fund revenue underspends that can be generated in financial year 2022/23 could be transferred to reserves to assist with the budget pressures forecast for the 2023/24 financial year. Section 6 of this report below, highlights the current budget gap for 2023/24.

2021/22 General Fund Budget Outturn (last full financial year)

- 3.2 Whilst the Council's Statement of Accounts for 2021/22 are still in the final stages of external audit, the final General Fund position is unlikely to change and delivered an underspend of £1.6m for the financial year. A significant element of this underspend related to grant funding received (for Covid 19 pressures) and lower than expected borrowing costs also contributed to the underspend. As at the 31 March 2022, the Council's General Fund Balance stood at £3.112m with earmarked set-aside reserves available at £21.25m. It should be noted that a significant proportion of these reserves are "set-aside" for specific Council commitments as outlined in the Statement of Accounts for 2021/22.
- 3.3 Over recent years, Folkestone & Hythe has established a good track record of maintaining a healthy reserves position. This enables the Council to have greater stability and resilience for dealing with current and future financial challenges and uncertainties.
- 3.4 A full breakdown of revenue reserves currently available to the Council in financial year 2022/23 (as at Quarter 2 and reported to Cabinet) is shown in Section 7 of this report for information. It should be noted that the reserves totals in this table will differ from the reserves balance in paragraph 3.2 above, as some reserves will have been utilised (or added to) in 2022/23 as approved in update reports to Cabinet.

2022/23 Forecast General Fund Budget Outturn (for the current year to Q2)

- 3.5 The Quarter 2 (Q2) General Fund Revenue Budget monitoring for 2022/23 was reported to Cabinet at its meeting on 20 October 2022. There is a projected favourable variance of £19k for the year against the latest approved budget. One of the main reasons for the variance is business rate reliefs awarded and Section 31 grants paid from Government. Due to Budget Managers being asked to reduce non-essential spending for the remainder of the financial year (given the Budget pressures anticipated for 2023/24), it is anticipated that the position at Q3 through to Q4 may improve further and could result in higher level of underspend than anticipated at Q2.
- 3.6 The Quarter 2 HRA Monitoring for 2022/23 was also reported to Cabinet at its meeting on 20 October 2022 and sets out the projected outturn for HRA revenue and capital expenditure for 2021/22. The projections, based on actual expenditure and income to 31 August 2022, show there is a projected

decrease in net expenditure of £1.405m on the HRA and an underspend of £1.989m on the capital programme against the £14.7m latest budget.

- 3.7 In terms of the General Fund capital programme for 2022/23, the latest projection was also reported to Cabinet at its meeting on 20 October 2022 and it shows a reduction in planned capital expenditure of £14.06m against the latest budget. The main reason for the reduction is the re-profiling of Princes Parade Leisure Centre, Otterpool Park and Biggins Wood Development until 2023/24 and capital budgets will be slipped between years where appropriate.

4. GOVERNMENT SPENDING PLANS – UPDATES

4.1 Government Spending Reviews – SR21

The last Government Spending Review 2021 (known as SR21) was announced on 27 October 2021. It was a three year spending review for the financial years 2022/23 through to 2024/25.

- 4.2 The review set out the Government's spending priorities, resource and capital budgets and devolved administrations' block grants for the three years from 2022/23 to 2024/25. Key measures announced in the Spending Review for local government included:

- Council tax thresholds will remain at similar levels to recent years, with the threshold for "core" council tax increases remaining at 1.99% (and the adult social care precept by a further 1%). Confirmation of the thresholds will be in the provisional settlement.
- Local government in England will receive an additional £4.8bn increase in grant funding over the next 3 years (£1.6bn in each year).
- There was also smaller allocations within the core funding announcement, including £200m for the "cross-government Supporting Families programme", £37.8m for cyber security, and £34.5m to "strengthen local delivery and transparency".

- 4.3 Whilst the three-year review was welcomed, it should be noted that the Local Government grant increase of £4.8bn was £1.6bn per year. This means that after adding £1.6bn to the base budget in year one (2022/23), the following years of 2023/24 and 2024/25 are effectively flat cash with no further growth funding for inflation pressures or pay award.

- 4.4 Furthermore, there were no announcements in the review about Local Government funding reforms (Fair Funding Review or Business Rates Retention changes) and it is anticipated that these have now been pushed back to at least 2025/26, if not later. Latest updates (as at November 2022) suggest that the Fair Funding Review is being modelled for 2025/26 with a view to implementation in 2026/27, therefore the longer term funding picture for Local Government continues to remain unknown and is uncertain. Again, this makes financial planning in the long term more of a challenge.

- 4.5 The points made above are important, as Councils have been waiting for these funding reforms since 2016 to urgently reset the Government's formula (which is now around 10-year-old) and deliver a new set of formulae to assess the relative spending needs of each Council and provide a fairer level of settlement funding assessment (SFA).
- 4.6 It was anticipated that the Fair Funding Review would address these needs, especially as most Councils have not received any direct Revenue Support Grant (RSG) since 2016/17 and are thus entirely reliant on their own core funding sources, namely Council Tax funding and Business Rate income, plus any one off grants such as New Homes Bonus or Lower Tier Services Grants which are relatively small amounts.
- 4.7 In terms of changes to the current Business Rates Retention scheme, there is (again) no news on when this review will take place. Many Councils would welcome an increase in the level of business rates they can retain – as this would be a fairer reflection of the Business Rates generated (grown) in their own area or District.
- 4.8 Under current Business Rate rules, this Council collects approximately £22m of Business Rates per year. It then gives 50% back to Central Government, 19% to Kent County Council and 1% to Kent Fire Authority. This finally leaves 40% for this Council (approximately £9m). However, the Council then has to pay a further tariff to Government of £6m (under current rules) leaving a retained amount of Business Rate income for the Council of just over £3m. This tariff charge is announced annually as part of the Provisional Local Government Settlement which is received in late December (it is due on the 21/12/22 this year) with other key financial settlement data. Some Councils pay a tariff and some Councils receive a top-up, depending on the Government's determination of need across the UK.
- 4.9 In summary, the factors outlined above put an added layer of difficulty on this Council's finances at a time when world-wide economic pressures are putting even more pressure on costs, specifically borrowing costs and the rise in energy prices, costs exacerbated by rising inflation levels.

5. The Autumn Statement – impact on the Council's financial position

- 5.1 On 17 November 2022, the Autumn Statement was delivered by the Chancellor of the Exchequer, the Rt Hon Jeremy Hunt MP. The Office for Budget Responsibility's ('OBR') Economic and Fiscal Outlook forecasts were also delivered alongside the Statement.
- 5.2 The Autumn Statement delivered public finance measures related to tax and spending worth £55 billion by 2027/28 (of which £30 billion is related to spending policy decisions and £24 billion through tax policy decisions). The purpose of the Autumn Statement was also to bridge a significant Government funding gap identified after the previous Mini-Budget was announced in September.

5.3 A separate Briefing Note has already been provided to all Council Members outlining the full content of the Autumn Statement, however for the purposes of this Budget Strategy report, the following paragraphs summarise the key implications that are relevant to the Council's Budget Strategy for 2023/24.

5.4 Local Government impact specifically – from the Autumn Statement

5.5 The Autumn Statement advised that there will be no cuts to the funding allocations announced in the SR21 spending review for Local Government. However, as part of the SR21 review, government departments were provided with funding to cover employer costs of the Health and Social Care Levy (NI increase at 1.25%). As the Levy is no longer being introduced as a separate tax from April 2023 and departments will not face these additional costs, budgets will be adjusted to remove this compensation. This reduction could mean less funding for our settlement for 2023/24. The Council will only know the final numbers when the Provisional Local Government settlement is announced on 21 Dec 2022.

5.6 It was also announced that after the SR21 Spending Review period, departmental resource spending will grow at just 1% a year in real terms, which is essentially a reduction in spend. Departmental capital spending will continue at the same level in cash terms. The Government announced it is also launching an Efficiency and Savings Review (ESR) for all government departments. The review will target increased efficiency, reprioritise spending away from lower-value programmes and review the effectiveness of public bodies. Savings will be reinvested in public services, and the government will report on progress in the spring. This Council awaits news of the outcome of this review.

5.7 Cost of living crisis, pensions and benefits – implications for residents of this District – from the Autumn Statement

From April 2023, the Government will adjust the Energy Price Guarantee (EPG), which places a limit on the price households pay per unit of gas and electricity. This means that a typical household in Great Britain will pay £3,000 per annum (up from the current £2,500 per annum) from April 2023 to April 2024.

5.8 The Government will provide households on means-tested benefits with an additional £900 cost of living payment in 2023/24. Pensioner households will receive an additional £300 cost of living payment, and individuals on disability benefits will receive an additional £150 Disability Cost of Living payment in 2023/24. These payments will be made on a UK-wide basis.

5.9 The Government is increasing benefits in line with inflation, measured by September CPI, which is 10.1% this year. This includes increasing the State Pension by inflation, in line with the commitment to the Triple Lock. The standard minimum income guarantee in Pension Credit will also increase in line with inflation from April 2023 (rather than in line with average earnings growth).

5.10 The benefit cap will be raised by 10.1%, in line with September CPI, so that more households will see their payments increase as a result of uprating from April 2023.

5.11 Implications for Folkestone & Hythe – the Council will passport on the support benefits outlined above - the impact on the general fund budget is likely to be neutral as grant funding will be received to cover costs.

5.12 Council Tax implications for this District – Autumn Statement

The Government will provide local authorities in England with additional flexibility in setting council tax, by increasing the referendum limit for increases in council tax to 3% per year from April 2023 (above the current 1.99% maximum). In addition, local authorities with social care responsibilities will be able to increase the adult social care precept by up to 2% per year. The previous policy, set at the 2021 Spending Review, was for a general limit of 2%, with an extra 1% for adult social care.

Implication for Folkestone & Hythe MTFs – a 1% extra increase in Council Tax (above the current 1.99% in the MTFs) will generate an additional £104,000 of income.

5.13 Business Rates – revaluation of property values from the Autumn Statement

From 1 April 2023, business rates bills in England will be updated to reflect changes in property values since the last revaluation in 2017. A package of transitional relief support worth £13.6 billion over the next five years is intended to support businesses as they transition to their new bills. It is stated that local authorities will be fully compensated for the loss of income as a result of these business rates measures and will also receive New Burdens funding for administrative and IT costs.

Implication for Folkestone & Hythe MTFs – the transitional relief package will be cost neutral as additional funding simply covers the cost of reliefs paid – significant new burdens funding will be welcomed to pay for systems and internal administrative costs.

5.14 Business Rates – multiplier rates from the Autumn Statement

The Government has determined that business rates multipliers for calculation of business rates will be frozen in 2023-24 at 49.9p and 51.2p, preventing them from increasing to 52.9p and 54.2p. This is now the third year in a row that the multiplier has been frozen.

Implications for Folkestone & Hythe MTFs – this represents a significant loss of business rates yield, however the Government will compensate Councils for the loss of income as a result of this freeze. It is still unclear if the compensation will be payable based on RPI or CPI. This could however be

worth over £320,000 of additional support to the Council but this Council awaits the Provisional Local Government settlement for further details.

5.15 Social Housing – rent increases from the Autumn Statement

The Government is limiting the increase in social housing rents for Housing Revenue Accounts (HRA). Under current rules, rents could have risen by up to 11.1% – but now they will only be able to rise by a maximum of 7% in 2023/24.

The Government has not committed to funding Councils' losses due to the changes in social housing rent policy. The costings show a saving to the public purse (presumably through lower housing benefit costs) – for this to be the case, Councils will have to absorb the impact on their HRAs.

Implications for Folkestone & Hythe HRA Budget – the Council will NOT be fully compensated for the loss of rental income up to full CPI level. This may put additional pressure on the HRA revenue budget for 2023/24 in terms of affordability and spending plans if ringfenced expenditure is to rise at CPI levels. However, the 7% rise is welcomed subject to Member and tenant consultation.

5.16 Whilst the key Autumn Statement announcements are described above, other key funding release decisions were not announced in the Autumn Statement and remain unclear and are summarised below:-

- It is unclear if the New Homes Bonus will continue for a further year.
- No details provided on Lower Tier Services grant for 2023/24.
- No further updates on the fair funding review
- A business rates reset can technically be implemented without a fair funding review but the government's position on any possible reset remains unclear.

In summary, the main beneficiary from the Autumn Statement was Adult Social Care with over £7bn of funding likely over the next two financial years which will help larger Councils with social care responsibilities. The Business Rate support (outlined above) was welcomed by District Councils and clarification of the Social Housing rent cap was helpful. Benefit and pension support plus continuation of the energy price guarantee will help residents of this District who face hardship. Council referendum changes give Councils some flexibility to increase Council Tax to 2.99% subject to Member decision, other key settlement adjustment details will be awaited in the Provisional Local Government Settlement due on 21 December 2022.

6.0 **2023/24 FINANCIAL FORECAST – LATEST POSITION**

Medium Term Financial Strategy (MTFS)

6.1 The MTFS is the Council's key financial planning document. It links the council's strategic priorities with the financial resources required to deliver

them. The MTFS covers a four-year period (as required by best practice - from the Chartered Institute of Public Finance), providing the context and framework within which the Budget Strategy is prepared, and considers the implications of the Council's approved priorities. It also takes in to account the uncertainty surrounding the financial climate that the Council is working within. The MTFS is updated each year, most recently it was updated and approved by Council on 30 November 2022 (report A/22/22).

- 6.2 The MTFS has been updated to include all the financial and economic pressures outlined in this report so far including, latest CPI increases, additional borrowing costs, energy costs, service pressures and changes to funding as best known. There are some changes that cannot be fully factored into the MTFS as the Provisional Local Government Settlement on 21 December 2022 is awaited. A Council Tax rise of 1.99% has been assumed so far as the referendum limit change will be confirmed in December Settlement.
- 6.3 Due to all of the financial and economic pressures outlined above, the current MTFS forecast shows a cumulative funding gap of £18.5m over the lifetime of this MTFS. The table below shows the cumulative deficit over the period of the MTFS.

Medium Term Financial Strategy Forecast (2023/24 to 2026/27)

Financial Forecast	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
Deficit / (Surplus)	4,286	4,501	4,961	4,751
Cumulative Deficit	4,286	8,787	13,478	18,499

- 6.4 The MTFS forecasts a deficit of £4.286m for the forthcoming financial year 2023/4. The following section of this Budget Strategy report explains the assumptions underlying this forecast and also provides an update on the latest reserves position for the Council. Proposals for addressing next year's funding gap are then detailed in Section 8.

7.0 BUDGET ASSUMPTIONS

- 7.1 Appendix 1 explains the detailed changes between the 2022/23 approved base budget and 2023/24 budget forecast in the MTFS. However, these changes have been summarised as follows for ease of explanation :-

	£'000
Inflationary pressures	1,601
Net interest payable	386
Collection fund adjustments	(1,599)
Energy cost increases	211
Revenue contribution to capital	(1,622)
Other service / technical changes	385
Net Movement in Reserves used last year (removal from base budget)	4,924
MTFS Budget Deficit Before Growth and Savings Proposals	4,286

MTFS Inflation and Funding Assumptions 2023/24

- 7.2 The MTFS has provided inflation of between 10.1% and 7% in its pricing assumptions. Some Council contracts have embedded inflation and will require the full 10.1% rate to be added. In terms of the Council's price inflation assumption, this does fall into line with latest projections from the OBR who forecast price inflation to be 9.1% by the end of 2022 and 7.4% for 2023. In terms of pay inflation, this is the subject of on-going pay negotiations at the Council under local pay agreements. An approximate estimate has been added to the MTFS to cover the increase.
- 7.3 Income from Business Rates is based on last year's business rates baseline number as there will be no update on this until the Council receives the Provisional Local Government Settlement on 21 December 2021. There is a business rates revaluation in progress which will be effective from 1 April 2023, however the Government will be providing transitional relief and so in effect, any adjustment to the baseline figure is likely to be minimal. The Business Rates rateable value (RV) numbers have been adjusted for any changes in business numbers in the District or movements between bands that attract reliefs.
- 7.4 A Council Tax increase of 1.99% has been assumed pending the final decision by Full Council in February 2023. The outcome of the Provisional (and Final) Local Government Finance Settlement is awaited to confirm the maximum increase for 2023/24 without requiring a referendum. A council tax base increase of circa 0.5% is anticipated and a balanced Collection Fund (for Council Tax) has been assumed for 2022/23 after adjustments as set out below.
- 7.5 Collection Fund adjustments have been made totalling £1.599m of income, this covers not only the Council Tax increase (2%) as outlined above, but also any surplus balance brought forward on the Collection Fund last year.

Adjustments for Business Rates (also in the Collection Fund) are also as detailed in paragraph 5.13 above.

- 7.6 Continuation of any New Homes Bonus payments remains uncertain and the Council awaits the Provisional Local Government Settlement on 21 December 2022. The MTFs assumes no new payments are likely in the forecast.

MTFS Expenditure and Income Assumptions 2022/23

- 7.7 Service budgets have been uplifted for inflation and this has added to costs for 2023/24. This includes the estimated costs of an assumed salary pay award and any salary increments plus the impacts of the local government pension fund valuation. Service expenditure has also been updated for any known or one-off changes to services, i.e. the local election costs next year which will be removed from the base for 2024/25.
- 7.8 The budgets for energy costs for the Council are forecast to rise by £211k for 2023/24 compared to the previous year and the MTFs has been uplifted for this. A HM Treasury led review of the Energy Bill Relief Scheme will determine support for non-domestic energy consumers, excluding public sector organisations, beyond 31 March 2023. The Government has published terms of reference for the review, with the findings to be published by 31 December 2022. The Government states that whilst it recognises that some businesses may continue to require support beyond March 2023, the overall scale of support the Government can offer will be significantly lower and targeted at those most affected. The Council can assume limited support from this scheme and MTFs has been updated to assume a worst case scenario.
- 7.9 An increase of 4% has been assumed in relation to the Internal Drainage Board levy.
- 7.10 Net Interest forecasts an increase of £386k compared to the 2022/23 estimate due to increases in interest rates (note this is a net figure after allowing for interest earned on cashflow and treasury investments).
- 7.11 Fees and charges income assumptions are based on current budgets and existing policies, adjusted for proposed changes as detailed in the Fees & Charges 2023/24 report also being considered at this Cabinet meeting.

Reserves update – latest information for update

- 7.12 Total General Fund reserves at 1 April 2022 amounted to £24.08m, of which £3.112m was held within the General Reserve. The table below shows projected reserves at 31 March 2023 before any application towards new budget growth or spending initiatives. The projection is forecast to be £20.97m as at 31/3/2023.
- 7.13 It should be noted that reserves do offer an option to finance a MTFs deficit, however, use of reserves is only a one-off (one year option) as it only reduces the shortfall for the year it is applied. The only way to introduce a

permanent reduction in the financial gap (over the life of the MTFs) is to reduce the baseline budget itself, i.e. reduce expenditure or introduce a source income source that provides a permanent, year on year level of funding.

Reserves available at Q2 – 2022/23 as reported to Cabinet in October 2022

Reserve	Balance at 1/4/2022 £'000	Latest Budget £'000	Projection £'000	Change £'000	Balance at 31/3/2023 £'000
Earmarked					
Business Rates	2,662	(803)	(1,021)	(218)	1,641
Leisure Reserve	447	50	50	0	497
Carry Forwards	1,356	(144)	(144)	0	1,212
VET Reserve	287	(217)	(214)	3	73
Maintenance of Graves	12	0	0	0	12
New Homes Bonus (NHB)	1,997	(1,589)	(1,589)	0	408
Corporate Initiatives	960	(18)	26	44	986
IFRS Reserve	5	0	0	0	5
Economic Development	1,985	(1,546)	(915)	631	1,070
Community Led Housing	310	(55)	(55)	0	255
Lydd Airport	9	0	0	0	9
Homelessness Prevention	958	(21)	(21)	0	937
High Street Regeneration	1,575	(543)	(418)	125	1,157
Climate Change	4,880	(854)	(880)	(26)	4,000
Covid Recovery	3,526	0	(874)	(874)	2,652
Total Earmarked Reserves	20,969	(5,740)	(6,055)	(315)	14,914
Total General Fund Reserve	3,112	2,911	6,058	3,147	6,058

8.0 2023/24 BUDGET PROPOSALS TO REDUCE THE GAP

8.1 The Council will continue to use a range of approaches to address the deficit in the short and medium term, including:

- Reviewing the level of council tax
- An annual review of fees and charges
- Pursuing alternative income streams
- Continuing the use of digital technologies to transform services
- Exploring appropriate commercial opportunities
- Growing the local economy
- Reviewing all services to generate efficiencies
- Containing new budget pressures within allocated resources, and
- Considering the use of reserves to help manage year on year variations in income and expenditure.

8.2 The MTF5 outlined the Council's strategy in reducing the MTF5 gap as being:

In-year savings:

- 2022/23 savings to be identified to ease pressures in future financial years.

Re-focusing of Priorities:

- The Council needs to prioritise and rephrase the work it is undertaking to recognise the financial & capacity challenges it faces.
- A holistic review of services will be performed to identify opportunities to improve the efficiency and effectiveness of service delivery and improve ways of working.

Strategic Investments:

- The Council is looking to take advantage of its position with a number of developments to produce financial returns whilst at the same time supporting the delivery of housing, regeneration and sustainable growth across the district.

Reserves:

- Using reserves in a sustainable and prudent manner to support the Council's strategies and priorities. These are informed by the reserves strategies approved annually by the Council.

Maximise Opportunities:

- Review of available underutilised assets to deploy funds for investment in capital schemes and through flexible capital receipts policy for efficiency improvements.
- Using opportunities as they arise including government initiatives or incentives. In particular, the Council will seek to participate in the Business Rates Pooling scheme to maximise the financial benefit from this area.

8.3 Furthermore, in respect of the plans to address the budget gap in the coming financial year it is proposed that the following areas form the focus of work for management.

Review of Corporate Action Plan

- Identification of items that could be paused, slipped or stopped

Review of 'Lessons Learnt' from Transformation

Review of Strategic Projects

- Prioritise and explore rephrasing to recognise the financial & capacity challenges faced

Review of Earmarked Reserves

Identification of potential asset disposals

- Assess underutilised assets for potential sale (future funds to be deployed into capital schemes or through flexible capital receipts scheme)

Re-evaluation of service demands and structures

Identification of alternative opportunities

Revenue Budget Growth required for 2023/24

- 8.4 Service heads and budget managers have been asked to identify any unavoidable budget growth items that were necessary to ensure future service sustainability and address unavoidable budget pressures. These total £853k and are detailed at Appendix 2 with appropriate descriptions outlined for Members information.

Budget Savings and Efficiencies 2023/24

- 8.5 Service heads and budget managers have also been asked to identify any savings items and a rigorous review of the 2022/23 base budget and previous years' outturns is being undertaken by departments in liaison with Corporate Leadership Team (CLT). This review process also identified net potential savings and efficiencies of £599k for 2023/24. These 2023/24 savings are detailed in Appendix 2 of this report for Members information.

Fees and Charges 2023/24

- 8.6 A review of fees and charges has been undertaken and the outcome has been included in a separate Fees & Charges report to this Cabinet meeting. The proposed changes to fees and charges are anticipated to increase net income receipts by £186,070.

The increases in summary comprise of:

	Increased Income
Parking (Off-Street)	£126,100
Parking (On-Street)	£38,052
Garden Waste collection	£11,000
Bulky waste collection	£10,518
Small commercial event	£300
Exercise classes	£100
Total	£186,070

Forecast Budget Deficit 2023/24 – updated for growth/savings/income

- 8.7 Based on the work undertaken to date and the factors outlined above, the latest forecast deficit is set out below. Members should note that this position may change as more detail becomes available, especially as a result of the Provisional Local Government Settlement on 21 December 2022.

	£'000
Forecast deficit – November 2022 MTFS (Council 30/11/22)	4,286
Add: budget growth proposals	853
Less: further savings and efficiencies	(599)
Less: increase in income generated	(186)
	<hr/>
Revised Forecast Budget Gap / Deficit 2023/24	4,354

8.8 As outlined above, options for addressing the forecast deficit for 2023/24 are now being considered in preparation for the detailed budget report to Cabinet in January and will take into consideration:

- Any new factors affecting local government funding arising from the Government funding settlement announcement in late December
- Collection Fund surplus/deficit assumptions, with reference to the latest in-year collection performance
- The outcome of ongoing work to review the revenue budget savings and growth proposals at Appendix 2
- Exploration of alternative funding options, and
- The action that is being taken to address the residual budget gap as detailed above.

9.0 HOUSING REVENUE ACCOUNT (HRA)

- 9.1 This Budget Strategy does not explore the Housing Revenue Account further as the Council approved on 19 February 2020 a revised HRA business plan for the period 2020 to 2050. This included the impact of the new rent guidance announced in February 2019 allowing rents to increase by CPI + 1% for 5 years from 2020/21 as well as the continuation of the new build capital programme which was updated to deliver new homes over the ten-year period from 2025/26 to 2034/35 and a capital investment of £10m into existing housing stock.
- 9.2 Since the HRA Business Plan was approved the COVID-19 pandemic hit in March 2020 which will have an unforeseen impact on the delivery of the new build programme. In addition, the Housing Service was brought back in-house in October 2020. A thorough stock condition survey has been programmed for existing HRA housing stock to inform the Asset Management Strategy and capital programme. The HRA Business Plan is currently being updated to provide the appropriate funding plan.
- 9.3 The detailed 2023/24 HRA revenue and capital budgets that will be submitted to Cabinet in January 2023 will be based on the latest review of the revenue and capital position taking into account known factors from the stock condition surveys.
- 9.4 The government is limiting the increase in social housing rents for Housing Revenue Accounts (HRA). Under current rules, rents could have risen by up to 11.1% – but now they will only be able to rise by a maximum of 7% in

2023/24. The Government has not committed to funding Councils' losses due to the changes in social housing rent policy. The costings show a saving to the public purse (presumably through lower housing benefit costs) – for this to be the case, councils will have to absorb the impact on their HRAs. This will add to the existing pressures on HRA revenue funding if costs rise at full CPI levels and rents only increase at 7%.

10.0 CAPITAL PROGRAMME

- 10.1 As part of the Budget Strategy, Cabinet is asked to consider the proposals for new capital schemes to be included in the council's General Fund Capital Programme for 2023/24. Any new capital scheme to be included in the programme will need to contribute to the objectives set out in section 1.3 of this report. New General Fund capital scheme proposals of £1,716k for 2023/24 are shown in Appendix 3 to this report. In summary, £1,071k of the proposed capital growth is funded from government grant meaning £645k is required to be met from other resources. Additionally, the council's General Fund Medium Term Capital Programme (MTCP) will need to be updated to include recurring schemes planned to continue over the 5 year period to 2027/28.
- 10.2 Capital Receipts – the existing MTFs states that a minimum of £500k in capital receipts must be retained as a contingency to meet urgent or unforeseen capital expenditure. The council's general policy is that only capital receipts received should be earmarked to fund capital projects. The only departure from this is ring-fencing the use of future repaid decent homes loans and home safe loans receipts to be reinvested in further private sector housing improvement loans. The latest position regarding the council's available capital receipts to fund capital expenditure is shown in the following table:

Capital Receipts Position Statement	£'000
Receipts in hand at 30 September 2022	(10,078)
Less:	
Committed towards General Fund capital expenditure	2,927
Committed towards HRA capital expenditure	5,617
Ring-fenced for specific purposes	78
Contingency for urgent or unforeseen capital expenditure	500
Balance available to support new capital expenditure	(956)

- 10.3 As the table above shows, the Council has sufficient capital receipts available to meet the cost of the General Fund capital growth proposals not met from government grant. Over the term of the MTFs the council expects to receive further capital receipts which it could choose to use to fund its future General Fund capital expenditure plans or retain for investment purposes. This excludes 'Right to Buy' disposals of council dwellings where the retained element of capital receipts are required to be reinvested directly in local social housing initiatives. This also currently excludes any potential future capital receipts that may be generated through the council's current 'invest to save' initiatives. The Government's Flexible Use of Capital Receipts Guidance allows local authorities to use capital receipts from the

disposal of surplus non-HRA property assets to be used towards certain one-off revenue costs that will lead to on-going revenue savings or operating efficiencies. Local authorities are required to approve an annual Flexible Use of Capital Receipts Strategy as part of the budget process. The Council's strategy for 2023/24 will be included as part of the 2023/24 General Fund Budget report to Cabinet and Full Council in February 2023.

- 10.4 Other Capital Funding Sources - in addition to the available capital receipts, the council can choose to use its revenue resources (earmarked revenue reserves and balances) or consider prudential borrowing to fund its General Fund capital expenditure plans. Prudential borrowing will incur a revenue cost to the General Fund in terms of interest and a minimum revenue provision charge (MRP). Therefore, prudential borrowing is best suited to capital 'invest to save' projects, such as Otterpool Park, Oportunitas Ltd and Coast Drive Seafront Development at New Romney that will provide a net long term financial return to the council allowing for these costs. The current approved MTCP requires about £84m of prudential borrowing to support it, some of which will be offset in time by external funding.
- 10.5 Any capital scheme included in the approved capital programme requiring external grant funding to support it will only be allowed to commence once a formal funding agreement has been established between the council and the relevant funding body.
- 10.6 The proposed growth for the Capital programme does not at this stage include provision for the Council's Levelling Up Fund bid of £19.8m submitted to the Government to support its plans for the regeneration of Folkestone town centre. The bid builds upon the Council's Place Plan for the centre of Folkestone and seeks funds for three key strands of work which aim to improve the appearance and use of the town centre including key links to it. At this stage the outcome of the bid is not known and no provision has been made within the existing Medium Term Capital Programme or the capital growth proposals for this scheme.

11.0 THE BUDGET TIMETABLE

- 11.1 By early March each year the Council is required by statute to approve its budget (revenue, capital and HRA) and council tax levels for the forthcoming year. The Full Council meets in February to do this. Advance notice is given in the publication of key decisions to be made.
- 11.2 Detailed guidance on the annual budget preparation process was circulated to Officers in September 2022. This guidance covered roles and responsibilities; the links between finance and service planning; expected standards and approach; and the timetable for preparing the 2023/24 Budget.
- 11.3 The 2023/24 Budget timetable is attached at Appendix 4.

12.0 BUDGET CONSULTATION

- 12.1 There is a duty under section 65 of the Local Government Finance Act 1992 to consult ratepayers (or bodies appearing to represent ratepayers) about proposed expenditure, including capital expenditure, prior to calculating the council tax requirement under S31a (England) of the Act.
- 12.2 The objectives for consultation on the 2023/24 budget proposals are to:
- Engage with key stakeholder groups and local residents;
 - Seek feedback on specific budget proposals for 2023/24; and
 - Seek feedback on general spending and income generation priorities.
- 12.3 This will be achieved through making budget information available to the public, inviting feedback, sharing information with representatives from the business community and attending the Joint Parish Council Committee meeting in January.
- 12.4 Following the November meeting of the Cabinet it is proposed that in addition to the publication of a survey to seek stakeholder views which will be available on the website, promoted through social media channels, that we will also seek to promote the survey through noticeboards in libraries and community hubs to engage those who do not have access to social media. The Council will also re-publicise the short videos developed last year which seek to further explain Council Tax and the services provided that it supports. Furthermore, we will be ensuring all Councillors have the relevant information to directly engage with their constituents and provide a route for feedback to be provided.

13.0 RISK MANAGEMENT ISSUES

- 13.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
MTFS becomes out of date.	High	Low	The MTFS is reviewed annually through the budget process and was most recently refreshed in November 22.
Assumptions may be inaccurate.	High	Medium	Budget monitoring is undertaken regularly and financial developments nationally are tracked. Assumptions are regularly reviewed.
Budget strategy not achieved.	High	Low	The budget making process is controlled closely with regular reconciliations and updates made.
Incorrect assessment of	High	Low	The Local Government Finance Settlement will

Perceived risk	Seriousness	Likelihood	Preventative action
Local Government Finance Settlement impact.			inform latest forecasts. The finance team have attended briefings on the Autumn Statement.
Failure to take action to address forecast medium term financial pressures as well as focusing on the 2023/24 budget position.	High	Medium	Ensure that MTFS forecasts are monitored and timely interventions identified and implemented to address future deficits.

14.0 LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

14.1 Legal Officer's Comments (NM)

There are no legal implications arising directly out of this report, subject to the Council ensuring its general fiduciary duties are met, including those of consulting with rate payers and ensuring best value. The Council is required to follow a professional code of practice published by CIPFA and regulations set out by the government, including the Local Government Finance Act 1992.

14.2 Finance Officer's Comments (CS)

The Budget for 2023/24 will be submitted to council in February 2023. This Budget Strategy is the first stage in the detailed budget process and will be used to inform the preparation of budget estimates.

14.3 Diversities and Equalities Implications (GE)

The budget report to Full Council in February 2023 will include an Equality Impact Assessment of the budget recommendations for 2023/24.

14.4 Climate Change Implications (OF)

As this report only sets out the guidelines for preparing the 2023/24 budget, there is no climate change implications arising from this report.

15.0 CONTACT OFFICERS AND BACKGROUND DOCUMENTS

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

Charlotte Spendley, Director of Corporate Services
 Tel: 07935 517986
 E-mail: charlotte.spendley@folkestone-hythe.gov.uk

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

Fees & Charges Report 2023/24 (also included this Cabinet Agenda pack)
Medium Term Financial Strategy 2023/24 – 2026/27

Appendices:

Appendix 1 – Movement from 2022/23 Approved Budget to 2023/24 Base

Appendix 2 – General Fund Revenue Growth & Savings Proposals

Appendix 3 – Capital Programme Growth Proposals

Appendix 4 – Budget Timetable

MTFS - Movement from 2022/23 to 2023/24 Base

APPENDIX 1

£000

Inflationary Pressures

Net Pay Increase (increment, pay award, pension contributions)	854	
Price and contract Inflation (p.a.)	747	
		<u>1,601</u>

Corporate Funding / Technical Changes

Internal Drainage Board uplift (4%)	40	
N.I. decrease (assuming no reversal in the fiscal plan)	(130)	
Reduced New Homes Bonus (subject to settlement)	745	
Net Interest payable (assumes latest forecast)	386	
Council Tax income (increase @ 1.99% + base increase)	(328)	
Business Rates (base calculation uplift)	(562)	
s.31 Grant Funding (compensation for reliefs paid)	(420)	
MRP (technical changes from the CFR)	51	
Bad debt provision (reset to 22/23 levels)	(50)	
Actuarial valuation change (contribution to pension fund)	50	
Financing assets from reserves (revenue contribution to capital)	(1,622)	
Collection Fund Surplus B/Fwd	(289)	
		<u>(2,129)</u>

Service Changes

Local Elections	140	
Director of Transformation (removal of post from budget)	(115)	
Postage	35	
Strategic delivery team - phased budget reduction	(35)	
Economic Development (release of funding from reserve)	(417)	
Operations - loss of Beach Hut income	46	
Temp accomodation (Homelessness Prevention Grant)	24	
Energy costs increases / new contract	211	
		<u>(111)</u>

Net Movement in Reserves (removal from base budget) 4,924

Forecast MTFS Budget Deficit Before Growth and Savings Proposals **4,286**

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Growth Proposals

Portfolio	Description of Proposal	Comments
Recurring items		
Leader		
1	Case Management staffing funded from New Burdens	172,446 Additional fixed contract staff costs (Revenues and Recovery), however fully grant funded through New Burdens
2	Increase in external audit fees	111,000
3	Otterpool LPA consultant	100,000 Planning consultant costs for Otterpool Park
4	New Chief Accountant post	80,000 Additional finance post
5	Increase in Members allowances	61,000 CPI increase in Members' allowances
6	Treasury management fees	40,000 Brokerage / loan arrangement fees related to maturing loans
7	Local Plan software	20,000 Software required to produce Local Plan to new requirements
8	Otterpool (Developer) operating expenses	10,000 Funding to meet statutory administrative costs for company
9	Apprenticeship levy (charge to HR budget)	10,000 Fees related to mandatory costs for apprenticeships
10	Increase in subscription costs	5,440 Key Local Government subscriptions cost increases
11	Electoral Management Supplier software	3,000
12	HR licenses	2,420 License costs for Copyright Licensing Agreement
13	Staff health care	1,000
Communities		
14	Reduction in Lifeline income	103,560 Reductions across Lifeline due to lower subscriptions plus budget adjustments as now funded through HRA
15	Increase in Hythe Swimming Pool credit card fees	4,500
Housing & Special Projects		
16	Footprint personal safety devices	3,400 Personal safety devices for lone workers out in the field
Property Management and Grounds Maintenance		
17	Grounds Maintenance inflationary pressures	25,000 Fuel and consumables
18	Grounds Maintenance vehicle service/repairs/parts	20,000
19	Decreasing KCC loan for coast protection schemes	6,800
Enforcement Regulatory Services, Waste and Building Control		
20	Increase in Waste Contract Management partnership working Dover DC	20,000 Increased staff costs of partnership
21	Reduction in licensing income	13,120
22	Green sack income scheme discontinued	5,120
23	Increase in vet fees	5,000 Increase in vet fees covering licensing applications, renewals and enforcement work
Transport & Digital Transformation		
25	ICT software subscription costs	82,700 New website support costs and contract support costs following contract term renewal
26	Microsoft licences	56,600 i) Increased licenses ii) modified subscription to improve cyber security
27	Additional resource for the ICT team	45,616 1 additional FTE post
28	Digital print equipment leasing	12,300
29	Increase in parking related court costs	5,330 Additional court costs following increase in non-payment of PCNs
30	Increase in Traffic Regulation Order costs	550
	Total Recurring Revenue Growth Proposals 2023/24	1,025,902
	Less: New Burdens funding for item 1	(172,446)
	Revised Total Recurring Revenue Growth Proposals 2023/24	853,456

2023/24 General Fund Revenue Growth & Savings Proposals

Appendix 2

Savings Proposals

Portfolio	Description of Proposal	£	Comments
Recurring items			
Leader			
1	Decrease in temporary staffing costs	(17,000)	Removal of unutilised budget for temporary staffing costs
2	Decrease in Civic Wardens staffing costs	(11,453)	Reduce 1 FTE post to part time
3	Decrease in ICT costs	(10,000)	Removal of underutilised budget for new software costs
4	Decrease in corporate training costs	(3,200)	Reduction in miscellaneous training expenses
5	Increase in legal fee income	(2,900)	Increased income due to beach hut rental fees
6	Decrease in street name plates costs	(2,000)	Reduction in budget to align to expected utilisation
7	Decrease in Member's professional advice and fees costs	(1,800)	
8	Decrease in passenger shelters costs	(1,500)	Reduction in budget to align to expected utilisation
9	Decrease in Civic Ceremonials costs	(1,500)	
10	Decrease in Members refreshments costs	(1,000)	
11	Decrease in interview expenses	(500)	
12	Decrease in court costs	(500)	
13	Decrease in stationery costs	(250)	
14	Decrease in Members hospitality costs	(200)	
15	Decrease in publicity and advertising costs	(200)	
16	Decrease in refreshments costs	(50)	
Communities			
17	Increase in Hythe Swimming Pool income	(106,510)	Post COVID-19 normalisation of income budget
18	Decrease in Lifeline contract costs	(19,000)	Budget adjustment as now paid directly via HRA
19	Decrease in professional advice and fees	(4,500)	Reduction in budget to align to expected utilisation (Hythe Pool)
20	Decrease in catering provisions	(4,000)	Removal of budget line item as vending machines no longer utilised
21	Decrease in cash in transit fees	(1,660)	Reduction in budget to align to expected utilisation (Hythe Pool)
Housing & Special Projects			
22	Decrease in staffing costs	(77,900)	Removal of 1 FTE post, downward grade adjustment for another FTE post.
23	Increase in temporary accommodation income (benefit payments)	(30,000)	Based on increased projections, factoring client numbers and subsequent benefit payments
24	Increase in discretionary HB payments income	(20,000)	Adjusted to reflect increasing income over past 2 years (increasing placement numbers and benefit payments)
25	Increase contributions and reimbursements	(15,000)	Adjusted to reflect increasing income over past 2 years (increasing placement numbers and benefit payments)
26	Decrease in subscription costs	(5,800)	Removal of unutilised budget
Enforcement Regulatory Services, Waste and Building Control			
27	Decrease in professional advice and fees	(4,000)	Reduction in budget to align to expected utilisation (environmental protection)
28	Decrease in contract payments	(3,000)	Reduction in budget to align to expected utilisation (pest control)
Property Management and Grounds Maintenance			
29	Increase in rental income	(81,350)	Increased rental income from corporate estates
30	Decrease in planned maintenance	(20,600)	Targeted reduction in planned maintenance work across Operations
31	Decrease in buildings/maintenance costs	(17,000)	
32	Decrease in consumables costs	(16,000)	
33	Increase in toilet cleaning income from Town Council	(6,500)	
District Economy			
34	Decrease business start up costs	(3,000)	
Transport & Digital Transformation			
35	Decrease in ICT software costs	(66,700)	Rationalisation of software licensing costs as part of the ICT strategy
36	Increase in parking visitor permit income	(13,100)	Adjusted to reflect general increased income from visitor permits
37	Increase in parking waivers income	(10,680)	Adjusted to reflect general increased income from parking waivers
38	Decrease in staffing costs	(9,200)	Removal of post from structure
39	Decrease in printing services costs	(9,100)	Savings linked to changes in print room services and outsourcing
Total Recurring Revenue Savings Proposals 2023/24		(598,653)	

2023/24 General Fund Capital Programme Growth Proposals

Portfolio	Description of Proposal	2023/24 Capital Growth £	2023/24 Capital Growth £
Property Management and Grounds Maintenance			
1	Folkestone Coastal Park Accesible Play Area - Capital contribution towards the full redesign and refurbishment of the existing play area (FPPG Charity)	40,000 *	
2	Replacement HI-AB Crane required to provide lifting capabilities to support the Council's operations and grounds maintenance activities (18-24 month lead-in time)	75,000	
3	Grounds Maintenance Hawkinge Depot Upgrade - increase budget from £75k to £150k to meet a change in specification for the steel frame for the scheme and a rise material costs.	75,000	
4	Grounds Maintenance Staff Welfare Facilities New Romney Depot - Standalone container	7,000	
5	Leas Cliff Hall Car Park - CCTV Provision (future revenue cost to be met by Folkestone Town Council)	13,000	
6	New Lifeline Equipment - Increase in ongoing annual budget for new Lifeline units from £50k to £70k	20,000	
7	Replacement Tractor - existing tractor unable to be repaired and the service is relying on a hired vehicle costing the equivalent of £23k per year	85,000	
8	Replacement Cherry Picker Vehicle and Trailer for Tree Works Team - Existing vehicle is 17 years old and a new vehicle is required to ensure compliance with health and safety legislation	100,000	
9	Replacement Weed Barge for Royal Military Canal - Existing barge no longer servicable and is essential to prevent the spread of invasive species on the waterway to comply with environmental regulations	85,000	
10	Replacement Sports Mower (East Cliff Area) - Essential to ensure sports pitches are maintained to the required standard for the fee earning service	9,000	
11	Replacement Transit Van (Housing Estates) - Existing vehicle is 14 years old and is uneconomical to maintain	28,000	
	Total Property Management and Grounds Maintenance		537,000
Transport and Digital Transformation			
12	Migrate IKEN legal system to cloud hosted service	18,000	
13	Upgrade eFinancials financial ledger system to cloud hosted service	70,000	
14	Provision of Members ICT equipment	20,000	
15	Increase of £20k in annual provision for staff laptops to be met from saving on capital server replacements budget	-	
	Total Transport and Digital Transformation		108,000
Communities			
16	Rural England Prosperity Fund Capital Grants Scheme - Capital grants scheme funded by Government as part of their Levelling Up agenda supporting local businesses and communities (all externally funded)	571,000	
17	UK Shared Prosperity Fund Capital Grants Scheme - Capital grants scheme spread over 2022/23 to 2023/24 funded by Government as part of their Levelling Up agenda targeted for community and place, supporting local business and people and skills (all externally funded)	500,000	
	Total Communities		1,071,000
	Council General Fund Capital Growth Proposals		1,716,000

* This scheme will form part of the FPPG Charity budget if agreed

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2023/24 Budget Timetable

Date	Details
23 November 2022	Cabinet <ul style="list-style-type: none"> • Medium Term Financial Strategy 2023/24 to 2026/27
30 November 2022	Full Council <ul style="list-style-type: none"> • Medium Term Financial Strategy 2023/24 to 2026/2730 November 2022
6 December 2022	Finance & Performance Scrutiny Sub-Committee <ul style="list-style-type: none"> • Budget Strategy 2023/24 • Fees and Charges / Growth & Savings 2023/24.
14 December 2022	Cabinet <ul style="list-style-type: none"> • Budget Strategy 2023/24 • Fees and Charges / Growth & Savings 2023/24.
	Budget consultation begins
21 December 2022(TBC)	Provisional local government finance settlement 2023/24 announced by Department for Levelling up, Housing & Communities
10 January 2023	Finance & Performance Scrutiny Sub-Committee <ul style="list-style-type: none"> • General Fund draft Revenue Budget 2023/24 • HRA revenue and draft Capital Budget 2023/24 • General Fund Draft Medium Term Capital Programme 2023/24 to 2026/27
25 January 2023	Cabinet <ul style="list-style-type: none"> • General Fund draft Revenue Budget 2023/24 • HRA revenue and Capital draft Budget 2023/24 • General Fund Draft Medium Term Capital Programme 2023/24 to 2026/27
Early 2023 (TBC)	Final Local Government Finance Settlement confirmed.
January 2023	Budget consultation with Folkestone & Hythe Parish Councils Joint Committee
1 February 2023	Budget consultation ends
22 February 2023	Cabinet: <ul style="list-style-type: none"> • General Fund Budget & Council Tax 2023/24 • HRA Budgets and Rents 2023/24 • General Fund Medium Term Capital Programme 2023/24 to 2026/27.
22 February 2023	Full Council : <ul style="list-style-type: none"> • General Fund Budget & Council Tax 2023/24 • HRA Budgets and Rents 2023/24 • General Fund Medium Term Capital Programme 2023/24 to 2026/27.

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This report will be made public on 6 December 2022

Report Number **C/22/62**

To: Cabinet
Date: 14 December 2022
Status: Key Decision
Responsible Officer: Charlotte Spendley, Director of Corporate Services
Cabinet Member: Councillor Tim Prater, Cabinet Member for Revenues, Benefits, Anti-Fraud and Corruption

SUBJECT: EMPTY HOME PREMIUMS

SUMMARY:

From 1 April 2024, billing authorities will be given the ability to add a Council Tax premium to second homes and to amend existing long term empty home Council Tax premiums. This report reviews these proposals and recommends that some changes are introduced from the financial year 2024/25.

REASONS FOR RECOMMENDATIONS:

Cabinet is asked to agree the recommendations set out below to ensure income to the Council is maximised whilst giving consideration to the district's Council Tax charge payers, ensuring they are treated in a reasonable and consistent manner.

RECOMMENDATIONS:

1. To receive and note report C/22/62.
2. To recommend to Full Council to introduce a Council Tax premium to second homes from the 2024/25 financial year onwards subject to the bill being enacted and guidance being published by Central Government.
3. To recommend to Full Council to adopt the amendments to Council Tax empty home premiums from the 2024/25 financial year onwards as demonstrated in Table 2 subject to the bill being enacted and guidance being published by Central Government.

1. BACKGROUND

- 1.1 On 20 February 2019 Council resolved 'to adopt new Council Tax empty home premiums in accordance with changes in legislation from the 2019/20 financial year onwards.'
- 1.2 These premiums were introduced as agreed at the rates and introduction dates listed in Table 1.

Table 1

Introduction date	Premiums that can be applied
1 April 2019	100% premium for properties empty 2 years +
1 April 2020	100% premium for properties empty 2 – 5 years 200% premium for properties empty 5 years +
1 April 2021	100% premium for properties empty 2 – 5 years 200% premium for properties empty 5 – 10 years 300% premium for properties empty 10 years +

- 1.3 Latest figures shows that there are currently 134 properties attracting a 100% premium, 37 properties attracting a 200% premium and 17 properties attracting a 300% premium.
- 1.4 In the Levelling-up and regeneration bill dated May 2022 Government announced an amendment to the Long Term empty dwellings (England) legislation providing Councils discretion to apply a premium of up to 100% of the Council Tax charge on those properties that have been empty for more than two years to be amended to apply to properties that have been empty for one year plus rather than two. This provision was introduced by Central Government as a tool to assist local authorities in the drive to bring empty properties back into use.
- 1.5 This bill is still awaiting Royal Assent. All recommendations are subject to the bill being enacted and guidance being published by Central Government.
- 1.6 The Levelling-up and regeneration bill also introduced new legislation relating to dwellings occupied periodically (England). This relates to properties that are classed as 'second homes'. This provides Councils discretion to apply a premium of no more than 100% to qualifying properties.

The conditions of this criteria are:

- a) There is no resident of the dwelling, and
- b) The dwelling is substantially furnished.

- 1.7 The Council will also explore using any additional income generated to consider increasing the support offered to low-income households via the Council Tax Reduction Scheme. Any decision will be subject to further consultation and agreement with Kent County Council as the major preceptor.

2. EMPTY HOMES AMENDMENTS

- 2.1 Amendments will allow Councils to introduce the premium for empty homes a year earlier than existing agreements.

Table 2

Introduction date	Existing premiums	Premiums that can be applied
1 April 2024	100% premium for properties empty 2 years +	100% premium for properties empty 1 years +

- 2.2. The amendments have an impact for financial years beginning on or after 1 April 2024 and it does not matter if the start date of the property being empty is before this comes into force.
- 2.3 It is expected that by reducing the time a property in empty the premium will allow local authorities to strengthen the incentive for owners of empty homes to bring them back into use.
- 2.4 No public consultation is required to introduce this change.
- 2.5 Liable parties will be able to appeal via standard Council Tax appeal routes if they disagree with the applying of a premium on an account based upon facts of an individual case, for example, they state that the property is not empty. The principle of a premium will not be open to appeal.

3. SECOND HOMES AMENDMENTS

- 3.1 Under existing legislation properties classed as second homes have a full charge (100%) and there are no discounts or premiums in place.
- 3.2 By introducing a premium on these properties it is expected that properties that are not in constant use may be encouraged to be brought back into use for local residents. It would also remove potential loopholes regarding empty homes where an owner could furnish a property to remove it from the list as being classed as an empty home to avoid the premiums that this can attract.
- 3.3 There is no minimum timeframe on this premium and if the premium is agreed any property classed as a second home would attract the premium with effect from 1 April 2024.
- 3.4 Taxpayers affected by the changes will be notified prior to the 1 April 2024 so they may make changes to the property before they are impacted by the changes.
- 3.5 It is recognised that some tax payers may consider moving properties in Non Domestic rating due to letting legislation to avoid a premium. This will be monitored by the Council and cases investigated as appropriate.
- 3.5 All recommendations are subject to the bill being enacted and guidance being published by Central Government. Final policy decisions will follow Government

guidance and be approved by Folkestone & Hythe District Council's Corporate Services Director in consultation with the Cabinet Member responsible for Revenues, Benefits, Anti-Fraud and Corruption.

4. FINANCIAL IMPLICATIONS

4.1 Table 3 illustrates the estimated financial impact the additional properties that would be impacted if introduced in April 2023; it is too early to provide details for April 2024 at this current time and these figures are for illustration purposes. Please note these figures are based on 2022/23 Council Tax rates.

Table 3: Projection of empty homes premium changes

	Accounts	CTax Base value	100% premium charge value	Total chargeable	FHDC Benefit (13%)
2023/24 projection	266	£227,530	£227,530	£455,060	£59,158

4.2 Table 4 demonstrates the potential impact of introducing the second homes premium. The figures below are provided based upon the Council Tax base for 2022/23 as provided by Central Government.

Table 4: 100% Council Tax Premium yield on second homes based on latest figures

Accounts (Tax base)	Billing Authority	County Council	Fire Authority	Police	Town & Parish Councils	Total
1,049	£289,021	£1,534,033	£88,929	£244,556	£66,697	£2,223,236

4.3 Indicative rates above are based on 100% collection. The Council is aware that not all cases will yield 100% collection in year. Based upon latest figures the collection rates for each category impacted by this report are listed below. These are figures based on in year collection at the end of August 2022. Council targets for in year collection at the end of August 2022 is currently 47.00%. The end of year target for overall collection of Council Tax is 97.3%.

- Accounts with Empty Home Premiums currently in place: 45.08%
- Accounts listed as Second Homes: 59.06%

Second Home collection is higher than average collection, but this does not include an additional 100% charge which is being proposed.

5 MANDATORY PROCESS

- 5.1 A full Council resolution is required to introduce the amendments detailing exemptions and agreements of introduction dates and premium amounts.
- 5.2 Final decisions must be passed by 31 March 2023 to be able to introduce any changes from 1 April 2024.
- 5.3 Following any formal decision to change, publication of the change must be published in the local press within 21 days.

6. RISK MANAGEMENT

- 6.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
Additional income to FHDC is not fully realised due to the impact of the current economic climate on collection rates.	High	Medium	Collection to be closely monitored.

7. LEGAL, FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

7.1 Legal Officer’s comments (NM)

As mentioned in the report, the Levelling Up and Regeneration Bill (which is still awaiting Royal Assent) will allow councils to introduce a new discretionary council tax premium on second homes of up to 100% and amend existing long term Council Tax premiums. The Council will only be able to implement the changes once the Bill has been enacted and been published by Central Government.

7.2 Finance Officer’s comments (ST)

All necessary financial information is included within the body of this report.

7.3 Diversities and Equalities Implications (GE)

There are no equality and diversity implications directly arising from this report.

7.4 Communications

Publication of the decision must be made with 21 days of the decision as stated in the report.

7.5 Climate Change Implications

There are no climate change implications for this report.

8 CONTACT OFFICERS AND BACKGROUND DOCUMENTS

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

Report author: Andrew Hatcher
Telephone: 01303 853348
Email: andrew.hatcher@folkestone-hythe.gov.uk

Appendices:

Appendix 1 – Levelling-up and Regeneration bill (Points 72-73)
<https://bills.parliament.uk/bills/3155>

Council tax

72 Long-term empty dwellings: England

- (1) In section 11B of the Local Government Finance Act 1992 (higher amount for long-term empty dwellings: England) –
- (a) after subsection (1C) insert – 5
- “(1D) In exercising its functions under this section a billing authority must have regard to any guidance issued by the Secretary of State.”;
- (b) in subsection (8), for “2 years” substitute “1 year”.
- (2) The amendments made by subsection (1) have effect for financial years beginning on or after 1 April 2024 (and, in relation to the amendment made by subsection (1)(b), it does not matter whether the period mentioned in section 11B(8) of the Local Government Finance Act 1992 begins before this section comes into force). 10

73 Dwellings occupied periodically: England

15

- (1) The Local Government Finance Act 1992 is amended in accordance with subsections (2) and (3).
- (2) After section 11B (higher amount for long-term empty dwellings: England) insert –

“11C Higher amount for dwellings occupied periodically: England

20

- (1) For any financial year, a billing authority in England may by determination provide in relation to its area, or such part of its area as it may specify in the determination, that if on any day the conditions mentioned in subsection (2) are satisfied in respect of a dwelling –
- (a) the discount under section 11(2)(a) does not apply, and 25
- (b) the amount of council tax payable in respect of that dwelling and that day is increased by such percentage of not more than 100 as it may specify in the determination.
- (2) The conditions are –
- (a) there is no resident of the dwelling, and 30
- (b) the dwelling is substantially furnished.
- (3) A billing authority’s first determination under this section must be made at least one year before the beginning of the financial year to which it relates.
- (4) In exercising its functions under this section a billing authority must have regard to any guidance issued by the Secretary of State. 35
- (5) Where a determination under this section has effect in relation to a class of dwellings –

-
- (a) the billing authority may not make a determination under section 11A(3), (4) or (4A) in relation to that class, and
 - (b) any determination that has been made under section 11A(3), (4) or (4A) ceases to have effect in relation to that class.
- (6) A billing authority may make a determination varying or revoking a determination under this section for a financial year, but only before the beginning of the year. 5
 - (7) Where a billing authority makes a determination under this section it must publish a notice of the determination in at least one newspaper circulating in the area. 10
 - (8) The notice must be published before the end of the period of 21 days beginning with the date of the determination.
 - (9) The validity of the determination is not affected by a failure to comply with subsection (7) or (8).
- 11D Section 11C: regulations** 15
- (1) The Secretary of State may by regulations prescribe one or more classes of dwelling in relation to which a billing authority may not make a determination under section 11C.
 - (2) A class of dwellings may be prescribed under subsection (1) by reference to such factors as the Secretary of State thinks fit and may, amongst other factors, be prescribed by reference to—
 - (a) the physical characteristics of, or other matters relating to, dwellings;
 - (b) the circumstances of, or other matters relating to, any person who is liable to the amount of council tax concerned. 2520
 - (3) The Secretary of State may by regulations specify a different percentage limit for the limit which is for the time being specified in section 11C(1)(b).
 - (4) A statutory instrument containing regulations made under subsection (3) may not be made unless a draft of the instrument has been approved by resolution of the House of Commons.” 30
- (3) In consequence of the amendment made by subsection (2)—
 - (a) in section 11 (discounts), in subsection (2), after “11B” insert “, 11C”;
 - (b) in section 11A (discounts: special provision for England), in subsection (4C), at the end insert “and 11C(5)”;
 - (c) in section 13 (reduced amounts), in subsection (3), after “11B” insert “, 11C”;
 - (d) in section 66 (judicial review), in subsection (2)(b), after “11B” insert “, 11C”;35

- (e) in section 67 (functions to be discharged only by authority), in subsection (2)(a), after “11B insert “, 11C”;
 - (f) in section 113 (orders and regulations), in subsection (3), after “under section” insert “11D(3),”;
 - (g) in Schedule 2 (administration), in paragraph 4(7), after “: England),” insert “11C(1)(b) (higher amount for dwellings occupied periodically: England),”.
- (4) A determination for the purposes of section 11C of the Local Government Finance Act 1992 as inserted by subsection (2) may not relate to a financial year beginning before 1 April 2024 (but this does not affect the requirement for the determination to be made at least one year before the beginning of the financial year to which it relates).

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This Report will be made public on 6 December 2022



Report Number **C/22/64**

To: Cabinet
Date: 14 December 2022
Status: Key Decision
Responsible Officer: Ewan Green, Director of Place
Cabinet Member: Cllr Jennifer Hollingsbee, Deputy Leader and Cabinet Member for Communities

SUBJECT: FOLKESTONE SPORTS CENTRE GRANT

SUMMARY: The grant agreement with Folkestone Sport Centre Trust ends in March 2023. The current grant is for £150,000 per annum. Folkestone Sports Centre Trust have developed with the support of consultants, a business plan to assist the recovery of the business from the pandemic. To support the new business plan, the Trust have made a request to council for its continued financial support through a new grant agreement for £150,000 for five-years. The report recommendation is to agree a grant award for a shorter period of three-years.

REASONS FOR RECOMMENDATIONS:

The new grant agreement would support Folkestone Sport Centre Trust's new business plan, its recovery from the pandemic and the continued operation of the leisure centre.

RECOMMENDATIONS:

1. To receive and note report C/22/64.
2. To approve that the council enters an agreement with Folkestone Sports Centre Trust for provision of an annual grant of £150,000 for a fixed period of three-years starting from April 2023.

1. BACKGROUND

1.1. In April 2020, the council entered into a three-year grant funding agreement with Folkestone Sport Centre Trust Ltd (the Trust). The grant was for a fixed sum of £150,000 each year. The grant agreement was a successor to several previous agreements with the Trust.

1.2. The purpose of the grant was to: -

- To support the running / maintenance costs of the swimming pool.
- To ensure a well-maintained community swimming pool which is accessible to all.
- To enable public access to a community swimming pool at affordable prices.
- To facilitate school swimming sessions / lessons for children and young people in the district.
- To maintain a community facility which supports the broader public health agenda of partner agencies / the Local Health and Wellbeing Board including promoting participation in sport and physical activity.
- To provide and market opportunities for people in the local community to swim recreationally as a means of improving public health and tackling social isolation.
- To support a community facility for the purpose of competitive sport / sports development.

1.3. The funding was conditional on the Trust providing: -

- A scheduled programme of maintenance and repair works for the swimming pool being shared with the council before the start of each financial year.
- An annual inspection by a nominated council officer to ensure the works have been completed to a satisfactory standard.
- The production of a five-year business plan to reduce the financial dependency on the Council for grant funding.
- An annual report to the Council summarising the work of the Recipient to support community development, sports development and health and wellbeing in the district.
- A minimum of three keeping in touch meetings between a nominated council officer and representative of the Recipient.

1.4. The Trust has generally met the conditions of the grant agreement, although the Trust's operations during the period of the last agreement were severely impacted by the pandemic. In this period, there has been a significant drop in the Trust's incomes from its activities and participation levels have not yet fully recovered to pre-pandemic levels. The Trust made an operating loss in the last three-years (including a projected loss for 22/23) which has only mitigated through central government Covid-19 support funding, Covid-19 recovery loans and the continued FHDC grant.

- 1.5. In February 2022, the Trust asked the council if it could advance the payment of the 22/23 grant to assist their cash flow position. This was agreed. At that time, the council also offered the Trust funding for consultancy support to produce a new 5-year business plan to assist with the recovery of their business. This offer was accepted and funding of £10,500 agreed and a new business plan prepared.

2. BUSINESS PLAN AND GRANT REQUEST

- 2.1. The current funding agreement makes no commitment to future funding and the Trust has been consistently advised that this is not guaranteed. This was reiterated when the offer was made to fund consultancy support for the business plan. However, it was anticipated that the Trust would seek to make an application for a further grant, and that the new business plan would provide a basis to support any application. In October 2022, the FSCT General Manager on behalf of the FSCT board made a request for a new grant agreement.

- 2.2. The Folkestone Sport Centre Business Plan is attached as Appendix 1. It is a detailed document, and the following summarises the main points relevant to the grant request: -

- The plan lists a series of immediate, short term, medium term, and long-term actions (summarised p44) with the objective of addressing the main risks facing the business (p49). These can be described broadly as improved cost control, greater financial sustainability, and a clearer business strategy for commercial and asset management.
- The financial objective of the plan (page 43) is to return the Trust to an operating surplus Year 2 and then continue to grow. The plan projects revenues to increase from £1,381,237 in Year 1 (23/24) to £1,705,558 by the end of Year 5 of the plan. This will be achieved with plans to recover customer participation to pre-pandemic levels by Year 2 then followed by further growth in visitors. Overall, the plan projects an increase in forecasted paid visits to the leisure centre from 280,453 in 23/24 to 369,969 by the end of Year 5.
- At the same time, the Trust plans to control costs to around £1,570,000 per annum for the first three-years. This will be achieved through reducing debt, staff restructures, improved cost control and the possible outsourcing of some functions.
- The financial model (page 43) includes a continued grant from council of £150,000 per annum for a five-year period to support the business recovery of the Trust and the ongoing operations.
- An important point, the business plan predicts that from 22/23 at least until the end of Year 2 that the Trust will run with an operating deficit (excluding depreciation) projected at £286K for 22/23 and £79K for 23/24). These figures include the continuation of the £150K grant from FHDC. The losses would be met from the Trust's remaining reserves and

an anticipated overage payment from a previous land sale expected to be paid by the end of financial year 22/23.

- Details about the overage payment estimated at £800,000 are covered in Part 10 on pages 41 and 42. Around £400K of the overage payment will be used as unrestricted funds to support the operation of the Trust and cover operating deficits. Around £200k will be used to reduce debts through early repayment. A further £200K will be used to invest in new plant room equipment.
- 2.3. From the council's perspective, the business plan gives a level of assurance about the necessity of a future grant and how it would be used to support the financial recovery of the Trust. The business plan is also ambitious and to succeed depends on several internal changes being implemented and an improved business focus.
- 2.4. Externally, the Trust faces three main financial risks to its recovery. The first is if incomes from participation do not improve as expected either due to competition from other providers or general economic conditions. The second is if costs cannot be controlled as anticipated due to inflationary pressures or other factors like sustained increases in utility costs. Lastly, if uncertainty in the housing market reduces the overage payment. This would limit the ability to use of this income to mitigate operating deficits in the early years of the business plan and reduce loan repayments in the longer term. The business plan seeks to address these issues, but risks will remain.

3. OPTIONS

- 3.1. The council's medium term financial strategy includes a provisional allocation for a continued annual grant of £150K to the Trust although as previously stated no commitment has been made to any future grant award.
- 3.2. The options in response to the Trust's request for a new grant are: -
- No grant awarded.
 - Grant awarded for lower amount than requested.
 - Grant awarded on the basis requested by the Trust (£150K x 5 years).
 - Grant offered for a shorter period (£150K x 3 years).
- 3.3. **No grant award** – This would result in a financial saving to the council. It is clear from the Trust's business plan that this would negatively impact on their ability to recover the business, possibly leading to a reduction in the sport and community programmes or putting the continued operation of the leisure centre at risk. This is not recommended due to the potential community impact.
- 3.4. **Lower grant award** – There is the option of offering the Trust a reduced grant (e.g. £100,000) or a grant that reduces over the period of the agreement. This would result in a partial saving to the council but would require a revision to the Trust's business plan. It is likely this would adversely impact on the Trust's recovery particularly in the critical early years of the plan. For this reason, it is not recommended.

- 3.5. **Five-year agreement** – This option requested by the Trust as it would give them certainty over the full period of its business plan.
- 3.6. **Shorter period** – The current grant agreement was for three-years although previous agreements had been for longer periods. The current request is for a five-year agreement (£750,000 in total) and the business plan is based on that commitment continuing over the full period of plan. However, the business plan does predict the Trust returning to an operating surplus by the end of Year 2 and this surplus being more than £150K. There is therefore the option for a shorter funding agreement (e.g. three-years). Taking into consideration the council's own financial position and the pressures on revenues in MTFS period, **the recommendation is for the next funding agreement to be fixed at three-years** (£450K in total). Furthermore, no commitment can be given to any future funding agreements and the Trust must use the opportunity provided by this next agreement to place itself in the position that it no longer financially relies on the continued provision of a grant by the council.

It is recommended that the new grant agreement includes the following terms.

- The grant agreement is for a limited period and no commitment is made to future funding.
- The purpose of the grant is to support the general operations of the leisure centre. The agreement however continues to support the provision of a publicly accessible swimming pool and the teaching of swimming to young persons.
- The Trust provides written confirmation of the value and timing of the overage payment.
- The grant conditions as set out in the current agreement are continued in terms of monitoring, reporting and liaison meetings. Additionally, to mitigate the financial risk to the grant, the following requirements should be included: -
 - The Trust provides regular progress updates on the implementation of the business plan.
 - The Trust provides monthly updates of its operating revenues and costs and cash flow.
 - Whilst the intention is that that grant agreement is to be paid in full at the start of each financial year, council officers can stage payments in installments if considered expedient due to the financial risk.
 - The Trust notifies the council in advance of any additional loans or borrowing it is seeking to undertake during the period of the grant agreement.

3.7. Subject to approval of a new grant, the next steps would be for a new grant agreement is drafted by Legal Services based on the terms as set out in 3.6.

4. RISK MANAGEMENT ISSUES

4.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
Financial loss of the grant if the leisure centre ceases operations mid-year.	High	Medium	<ul style="list-style-type: none"> Regular reporting of the Trust's P&L figures. Agreement to pay grant instalments if necessary.
Participation figures do not recover or costs cannot be controlled e.g. further increases in utility costs and/or economic uncertainty.	High	Medium	<ul style="list-style-type: none"> 5-year business plan gives clear strategy to the Trust.
The Leisure Centre closes – Loss of a community facility, impact on local sports programme, loss of swimming pool, and impact on their community support programme.	High	Medium	<ul style="list-style-type: none"> 5-year business plan gives clear strategy to the Trust. Continued financial support from FHDC grant.

5. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

5.1. Legal Officer's Comments (NM)

There are no legal implications arising directly out of the supply of the grant funding by the Council on the basis that the Folkestone Sports Centre Trust enters into a Grant Agreement with the Council.

5.2 Finance Officer's Comments (RH)

Financial implications are set out in the body of the report. To confirm, an amount of £150,000 p/a is within base budget.

5.3 Diversities and Equalities Implications (AR)

There are no equalities implications arising from the report.

5.4 Climate Change Implications (OF)

There are no climate change implication arising from this report.

6. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

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

Andrew Rush
Chief Officer – Place & Regulatory Services
Telephone: 01303 853271
Email: andrew.rush@folkestone-hythe.gov.uk

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

Appendices:

Appendix 1: Folkestone Sports Centre Trust Business Plan

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FOLKESTONE SPORTS CENTRE

Folkestone Sports Centre Trust

5-Year Business Plan

(With linked Financial Plan contained in a separate excel workbook)

October 2022

Page 119

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01

INTRODUCTION & BACKGROUND

Folkestone Sports Centre (FSC) opened in July 1972 as the only sports facility serving Folkestone and the surrounding area following a period of local fundraising by the community. Now in its 50th year of operation, it remains the heartbeat of the local community and provides an excellent service to Folkestone.

The Sports Centre, the associated buildings and the surrounding land are all owned and managed directly by Folkestone Sports Centre Trust (FSCT), which is unique in today's local authority leisure marketplace.

FSCT have continued to seek ways to invest into the facility over the 50 years to maintain the facilities position as the leading local authority facility in Folkestone. The most recent significant investment was made in 2010, and included major refurbishments to key parts of the centre. This investment was secured through working with the Charity Bank with the objective of securing a long term, sustainable solution for the centre.

The Sports Centre comprises of the following facilities and the existing performance statistics highlight the current trading position.

CURRENT FACILITY MIX

- 60 Station Fitness Suite
- 3 Exercise Studios
- Toning Studio
- 25m Main Pool
- Teaching Pool
- Cafe
- Bar
- Treatments & Therapies
- Outdoor Courts
- SkyWalk Course
- Ski and Toboggan Slope
- Sensory Room
- Squash Courts
- 8 Court Sports Hall
- Changing Places Changing Rooms

EXISTING PERFORMANCE STATS

- Income £1.655m (average in past 5 years)
- Expenditure £1.542m (average in past years)
- 883 Direct Debit Fitness Members
- £4,364 Income per fitness station
- 14.7 Members per fitness station
- 350 Swimming lesson pupils
- £634 per m² swimming pool space
- 300,000 visits per year
- 50+ Employees
- 102% Salaries to turnover
- 18.9% Utility Cost to turnover
- 1.1% Marketing spend to turnover
- £13,077 per sports hall court
- £5,541 per squash court

TRUST VISION

The trust has always had a vision that the sports facilities should be 'affordable' and that activities should be 'accessible' for all. Its management of Folkestone Sports Centre is based on this vision and the continuation of this is reflected in this plan.

Folkestone Sports Centre is the only centre in the area which provides sports and leisure activities for all ages, genders, and abilities with a special regard for those with poor mental and physical health, without the need to pay if one is not able to. (These activities are funded by charitable funds and or grants) The trust is passionate about ensuring that everyone in Folkestone has access to physical activity opportunities and provides a wide range of facilities and programmes to entice regular participation.

The trust has a very proactive approach to not only delivering services towards the local community through the management of sports and leisure activity spaces within the centres, but it is also very successful in securing grants and donations from organisations who wish to support their efforts.

For example, FSCT has a positive relationship with Folkestone & Hythe District Council (FHDC) and as a consequence, the Council provide an annual grant towards the operation of the Centre. The trust has also recently secured support from the National Lottery who are providing a grant over the next three years to help the team deliver health, well-being and social outcomes for the communities in Folkestone.

More recently, the trust has taken over the management of Hawkinge Community Centre, which has allowed the trust to broaden its offer across the district. The addition of Hawkinge allows the trust to offer more activity space as the centre has a Sports Hall, a Community Hall, Meeting Rooms and a cafe/bar Area. Hawkinge Community Centre is located to the north of Folkestone (circa 3miles away from FSC).

The vision of the trust remains at the heart of this 5-year plan. The trust board and site teams will continue to seek out ways to offer a wide range of opportunities that are accessible and affordable to the whole community.



01

INTRODUCTION & BACKGROUND

This business plan and supporting financial review has been prepared for Folkestone Sports Centre Trust in response to the consultants brief circulated in June 2022. This brief was circulated to external support agencies in order to respond to the challenging trading conditions the trust finds itself in following the Covid-19 pandemic. This business plan and financial review was commissioned by FSCT in response to a number of factors which include:

- **Covid-19 Pandemic** – a change to peoples attitude to exercising and physical activity indoors, changes to social interaction within buildings and changes to peoples work/life balance that all influence exercise habits
- **Increasing Utility Costs** – an unprecedented change to utility tariffs in 2022, which has been caused by a fast changing economic climate (most noticeably the war in Ukraine), have had long lasting impact on the cost of gas and electricity for all businesses in the UK. As leisure centres are significant users of gas and electricity, the increased tariffs offer major challenges for the sector. It is noteworthy that there have already been several facility closures in the UK due to this change in utility tariffs.
- **Increasing Staffing Costs** – The rise in national minimum and living wage rates have had significant impact on the leisure sector and Folkestone is not exempt from these. It is right that people working in the centres should be paid better but the cost of doing this is not able to be passed to the paying customers (i.e. the cost of a swim cannot simply be increased to cover the increased hourly rate of a lifeguard). Consequentially, the increased staffing cost must be absorbed by the centre with little or no direct financial return.
- **Cost of Living** – In addition to the Covid-19 pandemic, the Ukraine war and a challenging political period, the cost of living has dramatically changed in 2022. The cost of a weekly food shop, fuel in cars, insurance and other essential items have all increased significantly. These increased costs are coupled with an increase in interest rates for the first time in many years, meaning that mortgage repayments are higher. All of this means that the pressure on the household disposable incomes has never been more challenging. The reality of people being able to afford to exercise is now a choice of doing so balanced against paying for food / household bills.
- **Competition** – Prior to Covid-19, there was an increase in competition for one of the core participation incomes (Health & Fitness) due to the presence of a new budget gym in Folkestone. The impact of this was seen both in the short term finances but also over the course of the past two years, as the market recovered from the pandemic. This new competition, coupled with other factors noted above, place added pressure to the performance of Folkestone Sports Centre.

This document provides an overview of the current performance of the trust as a consequence of the challenges noted above and highlights key risks for the organisation in the next 5 years. The financial plan outlines a proposed route towards a sustainable future for the trust and some advice as to the immediate, short, medium and long-term actions that are required to achieve this.

METHODOLOGY

This business plan was developed using a defined methodology that is bespoke to the Folkestone Sports Centre trust.

The methodology was set up to consider the following aspects:

- CONSIDER KEY AIMS OF THE TRUST & HOW THESE AIMS CAN BE MEASURED
- A LONG TERM & SUSTAINABLE BUSINESS PLAN
- IDENTIFICATION OF POSSIBLE FUNDING STREAMS & OPPORTUNITIES TO MAXIMISE FINANCIAL ADVANTAGE – INVEST TO SAVE
- INNOVATION, EFFICIENCY AND FLEXIBILITY OF DELIVERY
- PROVIDE OPTIONS TO REDUCE SHORT-TERM BORROWING
- IDENTIFY CLEAR METHODS OF ACHIEVING AND MEASURING VALUE FOR MONEY FOR THE COMMUNITY
- INSIGHT FROM KEY STAKEHOLDERS
- AN EVALUATION OF THE EXISTING DELIVERY
- REVIEW OF CURRENT TRENDS WITHIN THE LEISURE INDUSTRY
- IDENTIFIES SHORT & LONG-TERM MAINTENANCE REQUIREMENTS
- REVIEW OF CURRENT COSTS AND POTENTIAL SAVINGS
- LOCAL COMPETITION ANALYSIS
- HIGH-LEVEL MARKETING PLAN (Appendix 1)
- OPERATIONS PLAN
- LATENT DEMAND ASSESSMENT

Stage 1 – **Project Activation** – The initial stage of the methodology was to set up the project by agreeing the project brief and setting up the initial meeting between the organisations.

Stage 2 – **Background Research** – Once the project was activated, the first task was to conduct a detailed review of the background information, in particularly the historical financial performance of the trust in the past few years.

Stage 3 – **Stakeholder Engagement** – MLC carried out informal interviews with the team on site, trustees and customers. Formal discussions were held with Folkestone & Hythe Council and with key members of the senior team on site. MLC also carried out e-surveys for staff and clubs. The results of these surveys can be seen in Appendix 3.

Stage 4 – **Review of Existing Operations** – A key part of the process was to review and analyse the existing operation and establish a risk register. This was achieved through a number of site visits to assess the current programme and use of activity spaces. This can be seen in Appendix 2.

Stage 5 – **Indicative Business Plan and Financial Plan** – MLC produced a draft 5-year Business Plan (this document) alongside the financial workbook (Appendix 4). The draft was reviewed and revised through dialogue with the trust.

Stage 6 – **Engagement with the Trust Board** – MLC hosted several video calls to present initial findings and the SWOT analysis to the trustees.

Stage 7 – **Final Business Plan & Financial Plan** – Following feedback, the final version of the business plan (this document) and the associated financial plan was produced for the trustees to approve.

Stage 8 – **Present Report & Recommendations** – this was an interactive process throughout the stages of the project with the business plan and financial plan being presented to trustees on numerous occasions.

02

SUMMARY OF CURRENT POSITION

APPLYING BENCHMARKS

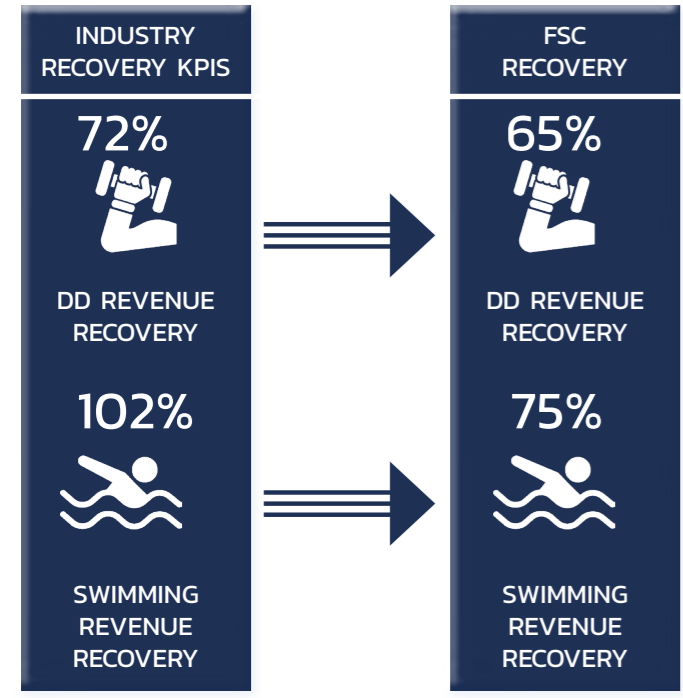
To accurately benchmark the performance of the centre versus other local authority leisure centres, all revenue relating to grants, subsidies and donations have been removed to produce an operating P&L. However, it is recognised that grants play an important role in the delivery of key services and therefore should be considered within the site analysis via the 'whole site P&L'. See the financial work book in Appendix 1.

For the purpose of benchmarking, the year prior to Covid-19 (2019-20) has been selected as a base sample, with last year's performance selected to showcase the recovery from the impact of Covid-19.

Industry benchmarks have been applied to provide an insight into how well the centre was performing prior to Covid-19 and how well the centre has recovered from the impact of Covid-19 in comparison with the industry.

COVID-19 RECOVERY

The data provided helps produce the following comparisons with leisure industry recovery data:



2019/20 & 2021/22 Operating P&L Accounts

Income	PRE COVID	COVID RECOVERY
	2019-20 £	2021-22 £
Health & Fitness (Including Toning & Therapies)	£328,259	£297,246
Swimming	£370,558	£248,808
Sports Hall	£296,355	£119,989
Squash	£16,472	£16,622
Hire	£10,797	£9,793
Outdoor Activities (Ski, Skywalk, Golf, MUGA etc)	£89,491	£166,915
Catering	£7,209	£0
Retail	£21,325	£6,403
Other	£15,265	£20,266
Total Revenue	£1,155,731	£886,042
Expenditure	PRE COVID	COVID RECOVERY
	2019-20 £	2021-22 £
Salaries & Wages	£892,575	£890,271
Utilities	£172,924	£167,468
Repairs & Maintenance	£55,737	£59,773
Cleaning & Chemicals	£19,343	£20,124
Administration Costs	£18,880	£48,458
Marketing & Design	£6,050	£150
IT & Telephone	£37,145	£36,059
Irrecoverable VAT	£63,424	£96,699
Insurance	£44,622	£98,232
COS	£8,885	£4,914
Other	£33,432	£36,604
Total Expenditure	£1,354,124	£1,469,200
Operating Surplus (Deficit)	(£198,393)	(£583,257)

INDUSTRY BENCHMARK COMPARISONS

	FSC 2019/20 PERFORMANCE	FSC 2021/22 PERFORMANCE	LEISURE INDUSTRY BENCHMARK
	£4,372 PER FITNESS STATION	£4,364 PER FITNESS STATION	£6,500 PER FITNESS STATION (MID RANGE)
	78% SALARIES TO SALES	102% SALARIES TO SALES	45-55% SALARIES TO SALES
	6.5% SPEND % SALES	9% SPEND % SALES	5.1% SPEND % SALES
	1% MARKETING SPEND TO SALES	1.1% MARKETING SPEND TO SALES	1.5% - 3% MARKETING SPEND TO SALES
	£944 SWIMMING INCOME POOL M ²	£634 SWIMMING INCOME POOL M ²	£1,496 SWIMMING INCOME POOL M ²
	15% UTILITIES TO REVENUE %	18.9% UTILITIES TO REVENUE %	10%-15% UTILITIES TO REVENUE %
	£37,044 SPORTS HALL INCOME PER COURT	£13,077 SPORTS HALL INCOME PER COURT	£23,013 SPORTS HALL INCOME PER COURT
	32% SWIMMING INCOME / TOTAL INCOME	28% SWIMMING INCOME / TOTAL INCOME	21.5% SWIMMING INCOME / TOTAL INCOME

It is important to note that the benchmarking stats above do not reflect the overall surplus or deficit position of the Trust due to grant funding that is secured to support key service delivery areas.

It should be recognised that there are elements of cost that are incurred on the basis that they will be matched by grant funding. It is not a simple (or 100% accurate) process to separate these costs out from operations, so apportionments would need to be made order to attempt to split the costs should the grant funding be removed.

02

SUMMARY OF CURRENT POSITION

WHAT HAS ALREADY BEEN ACTIONED?

As part of this business planning process, it is important to recognise that a considerable amount of work has already taken place in order to place Folkestone Sports Centre on a pathway to a sustainable future, despite the growing challenges in the sector and the economic climate.

The table below highlights the decisions and actions already taken by the trust prior to this business plan being commissioned.

Action	Purpose	Completion Date	Outcome
Review all utilities contracts	Secure best possible tariff for Gas & Electricity for the winter period, prior to price changes and supply issues	February & March 2022	3-year contracts signed for Gas & Electricity
Review & market test Insurance	Review insurance cost and risks assessments to secure best possible cover	March 2022	Best quotes obtained and activated
Review Phone Contract	Review service delivery set against the actual cost	August 2022	Change of supplier with a reduced service cost
Review Copier Contract	Review service delivery set against the actual cost	June 2022	Change of supplier with a reduced service cost
Review Staff Structure	Review structure (linked to the upcoming planned retirement of the General Manager)	October 2022	Reduce management levels, Give more responsibilities to HOD's
Review Wages	NLW increase in April 2022	April 2022	Increased by NLW only. New staff structure to improve hours available for core staff.
Review Trustee Skills	Additional skills and knowledge required on the Board of Trustees Trustees to review 'Portfolios'	July 2022	New Trustee recruited David Muggridge (Finance)

Action	Purpose	Completion Date	Outcome
Snowsports and Outdoors	Addition of new and refurbished facilities which are unique in the South East of England. Grow income - Reduce cost	July 2021	During lockdowns, outdoor facilities completed. Integrate Snowsports and Skywalk instructors for year round availability of staff and activity offer - New entrance and car park - one reception More energy efficient building Increased targeted marketing for 'seasons'
Hawkinge CC	To offer Hawkinge community the same opportunities as Folkestone community Maintain and improve current Community Centre	Total Project will be complete by Dec 2022	Taken over operation in May 2019 Gym addition to be completed by Dec 2022 Integrate with FSC bookings/sales Oct 22

The actions noted in this table have been taken into account within the revised 5-year business plan. Where possible to enhance these options, we have proposed further changes and amendments. These additional changes have been described within the roadmap of the 5-year plan in section 4 of this report.

SUMMARY OF CURRENT POSITION

OTHER IDENTIFIED ACTIONS IN THE PIPELINE

Prior to this business plan being commissioned, there is a growing list of actions that have been put forward for consideration by the site teams. These actions are pending approval either due to the fact that the actions must be taken when they can be afforded or the right solution is found.

The table below highlights these actions:

Action	Purpose	Desired Outcome
Fitness Income	Drive to return to 2000 members	Alliance Leisure partnership in place to drive membership sales
Swimming Courses	Increase numbers of enrolled, online sign up, DD payments	New Gladstone system being implement to support the growth of swimming courses
Review Marketing	To increase marketing efforts linked to participation and membership growth	Alliance Leisure partnership in place to drive membership sales
Social Media and Website	Replace Sales & Marketing Manager with part-time post	Resolve out of date website, increase social media presence and online payments
Energy Efficiency Survey	Plant Room and building efficiency to reduce energy costs	Survey (costing £2.5k) that will establish the potential savings that could be realised
Improve Energy Efficiency	Solar Panel quote for flat rooves	Reduce utility consumption levels
Review H & WB Community Needs	Community needs v cost to FSCT and external funding sources	Reviewing Community needs and options for CCG and PCN to pay for health and well-being support
Review financial viability of individual activities	Regular and constant review of all activities Income v costs v loss of membership income	Reduced number of classes. Classes and activities which are not financial viable are reviewed, changed or stopped. Potential conscious decision to continue with programme match grant funding
First Impressions	Facility appearance is constantly appraised : on-going programme of maintenance and repair	Work is constantly being undertaken in line with affordability. Reactive maintenance rather than proactive maintenance is a current issue, as funds are restricted.

OTHER IDENTIFIED ACTIONS IN THE PIPELINE

Prior to this business plan being commissioned, there is a growing list of actions that have been put forward for consideration by the site teams. These actions are pending approval either due to the fact that the actions must be taken when they can be afforded or the right solution is found.

The table below highlights these actions:

Action	Purpose	Desired Outcome
Building Condition Survey	Identify options for streamlining activities	Create a detailed plan of action for all PPM items
Tree Survey	H & S issues of all trees on site Survey and surgery required	Mitigate H&S issues with trees
Well-Being Centre	Costly to operate building. Disjointed from main operation Review of way forward and investigate options	Improved energy efficiency and reduced carbon footprint in the short term (Nov 2020)

The actions and ideas that have been highlighted as 'in the pipeline' have been incorporated into the roadmap of this business plan and are captured in section 4.

02

SUMMARY OF CURRENT POSITION

GYM & SWIM MEMBERSHIP LATENT DEMAND

Folkestone Sports Centre has a diverse facility mix, which means that competitors exist for different activities within the centre. When completing this competitor analysis the focus is on the main income lines of fitness and swimming. These are the main drivers at Folkestone Sports Centre, and success in these areas are likely to spread to other activities.

Folkestone has a population of 54,130 (2020 Estimate) and a larger fitness catchment of 82,369 when the wider region is considered. The current national penetration rate for fitness memberships is 14.6%. This suggests that on average 14.6% of the population will hold a fitness related membership. On average local authority leisure facilities take 8% of the 14.6%, with other private operators taking the remaining 6.6%.

This means that Folkestone has 6,689 potential members that have the potential of becoming a member at Folkestone Sports Centre.

As Folkestone currently has 883 direct debit members and a proportion of the catchment should be removed as people will typically use facilities close to their work, the potential latent demand is calculated at 1889 members. This plan is targeting 1,591 members which is believed to be realistic and achievable.

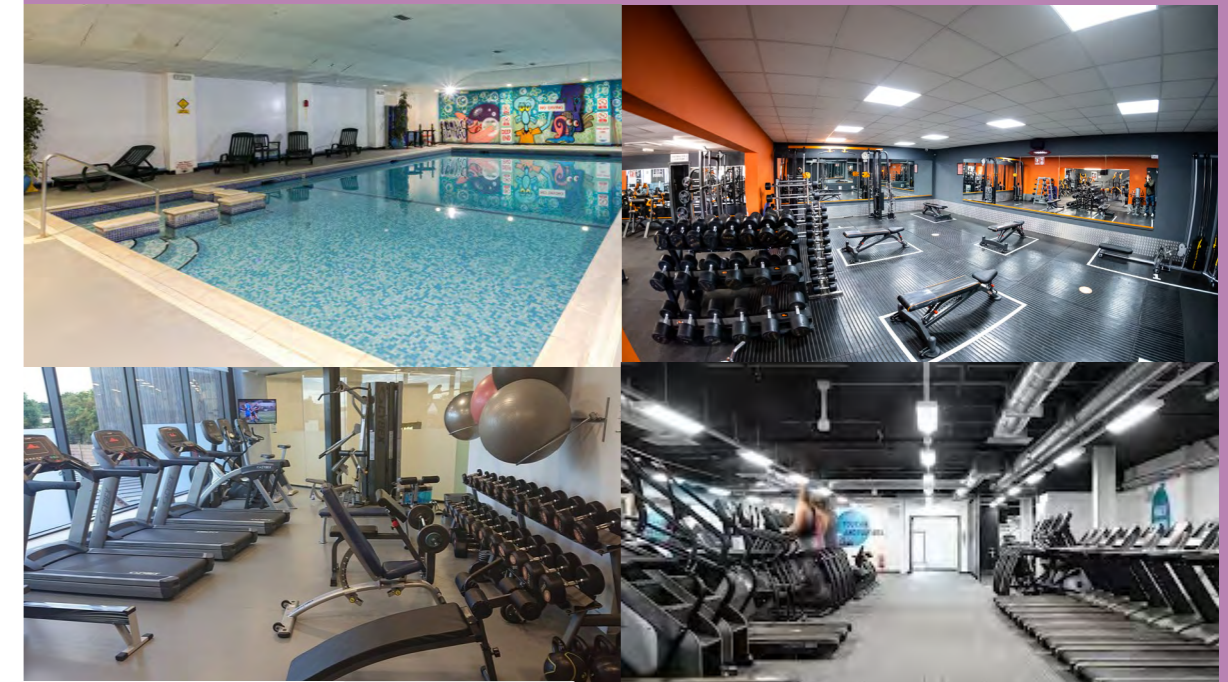
CHILDREN'S SWIM SCHOOL LATENT DEMAND

The demand for children's swimming lessons have increased as the backlog from the Covid-19 lockdown period kicks in. There is a national shortage of swimming teachers, and as such teacher wages have risen as the market competes for the best teachers.

Latent demand for swim school takes into account the number of young people within the catchment area and applies benchmark % for each group which notes the current drop off as children progress and get older.

The total demand for swimming lessons (children who are likely to take part) in Folkestone Sport Centre's catchment is: 1,500 Folkestone currently has 350 on swimming lessons, with an estimated 300 committed to other swimming programmes.

Therefore the total latent demand for swimming lessons is 850. If these children join the swim school programme, the centre will have a total of 1,000 children on the swim school programme.



LOCAL COMPETITION MAP

The following map shows the local fitness and swimming competition.

The key is colour coded to reflect facility mix:

- BLUE = facilities with swimming pools
- RED = dry side only facilities
- PURPLE = boutique studio

- 1 Bannatynes Health Club (£59.99pcm)
- 2 Spindles H&L Club (£45pcm)
- 3 Hythe Pool (£18.40pcm)
- 4 Puregym (£22.99pcm)
- 5 Three Hills Sports (£19pcm)
- 6 Sweatbox Training (£30pcm)
- 7 Dynamix Fitness (£38pcm)
- 8 White Cliffs Crossfit (£80pcm)
- 9 Tre Fitness (£34.99pcm)
- 10 Hi-Rep Gym (£22pcm)
- 11 Studio Adore Aerial Fitness
- 12 The Hub

At £38 pcm for the standard gym & swim membership, Folkestone Sports Centre is not the most affordable offer in the area. £29.99 would better reflect the local market.



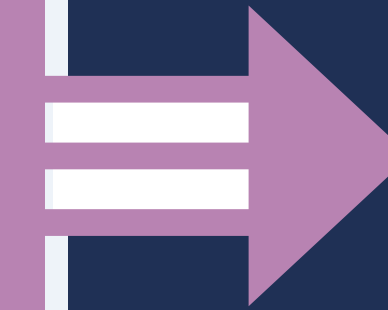
03

OPTIONS APPRAISAL

METHODOLOGY

The following long list of options have been developed to provide the Folkestone Sport Centre Trust with practical and workable solutions to address the challenges the Trust is currently experiencing. Whilst some options require up front cash investment, this has been kept to a minimum, reflecting the current financial situation.

A number of these options have been integrated into the business plan already where it was possible to do so.



A

RENEGOTIATE INSURANCE

(SEARCH THE MARKET FOR A BETTER DEAL ON INSURANCE)

POTENTIAL £30K SAVING

B

COMPLETE DEEP CLEAN OF HIGH TRAFFIC AREAS

(IMMEDIATE UPLIFT IN STANDARDS AND CUSTOMER SATISFACTION)

APPROX £5K + INTERNAL RESOURCE

C

OUTSOURCE THE OPERATION TO AN EXPERIENCED LEISURE MANAGEMENT OPERATOR

(BENEFIT FROM ECONOMIES OF SCALE, RECEIVE A MANAGEMENT FEE FROM THE OPERATOR THAT COULD BE USED TO DRIVE SOCIAL VALUE PROGRAMMES/NNDR BENEFITS)

MANAGEMENT FEE, REDUCED INCOME RISK DUE TO TRANSFER

D

OUTSOURCE THE BACK OFFICE SERVICES TO AN EXPERIENCED OPERATOR

(FINANCE, IT, MARKETING, HR & PAYROLL)
(ECONOMIES OF SCALE - CHEAPER LICENSES & PROFESSIONAL SUPPORT)

REDUCE COSTS
IMPROVE OVERALL QUALITY

E

REVIEW MEMBERSHIP PRICES

(THE COMPETITOR ANALYSIS SUGGESTS THAT FOLKESTONE SPORTS CENTRE IS NOT THE MOST AFFORDABLE OF GYMS IN THE AREA - ENSURING THE PRICE REFLECTS THE PRODUCT WILL HELP ATTRACT MORE CUSTOMERS)

REVIEW PRICE POINT OF FITNESS PRODUCT- SUGGEST £29.99

F

COMMISSION A DETAILED BUILDING CONDITION SURVEY

MAP OUT LONG TERM RISK/ LIFE CYCLE LIABILITY FOR THE TRUST TO BUILD INTO ITS FUTURE PLANNING/LIFECYCLE STRATEGY)

£5K-10K INVESTMENT & INFORM TRUST STRATEGIC PLANNING

G

RECRUIT A NEW GENERAL MANAGER WITH A SUSTAINABILITY FOCUS

(RECRUIT A NEW GENERAL MANAGER BEFORE JANUARY 2023 ALLOWING A 3-MONTH HANDOVER)

PAYING £40K-£50K SOMEONE TO LEAD THE CHANGE

H

MODERNISE DATA CAPTURE SYSTEMS AND METHODS

(ENSURING DATA IS MEASURED & CLEAR TARGETS / ACCOUNTABILITY IS INSTALLED)

COURSE PRO, CONDUIT (MONTHLY LICENCES)

I

RESTRUCTURE THE WORKFORCE TO REFLECT INDUSTRY BENCHMARKS

(STREAMLINE TARGETING 50%-60% SALARIES TO SALES MINIMUM)

TARGET 55% SALARIES TO SALES SAVING £250K+ PER YEAR

J

COMPLETE A COSMETIC FACELIFT OF CUSTOMER AREAS - PAINT (& FLOORING IF BUDGET ALLOWS)

(IMPROVE THE CUSTOMER JOURNEY)

USING EXISTING RESOURCE WHERE POSSIBLE + MATERIALS

K

OBTAIN A LEISURE ENERGY SURVEY AND EXPLORE FUNDING ROUTES

(TO REDUCE THE CURRENT UTILITIES TARIFF RISK BY REDUCING CONSUMPTION & GENERATING ENERGY)

POTENTIAL LONG-TERM SAVINGS SEEK GRANT FUNDING

L

MONITOR AND MANAGE THE PERFORMANCE OF THE CENTRE EXCLUDING GRANTS & EXTERNAL FUNDING

(FOCUS ON DELIVERING A SUSTAINABLE OPERATION. PROMOTE ACCOUNTABILITY WITH TARGETS & MONITORING)

ZERO COST - FOCUS MANAGER ON SUSTAINABLE MODEL

M

RATIONALISE SERVICES

(OPENING TIMES/ACTIVITIES SHOULD REFLECT DEMAND. FOR EXAMPLE ENSURING OUTDOOR ACTIVITIES ARE ALL BOOKED IN ADVANCE WOULD ALLOW STAFFING TO BE ORGANISED AROUND USE)

REVIEW OPENING HOURS AGAINST DEMAND

N

ENSURE ANY FUTURE DEVELOPMENTS ARE DELIVERED WITHIN THE EXISTING FOOTPRINT

(MAKE USE OF EXISTING SPACE OVER ADDING FOOTPRINT)

CULTURE CHANGE - DO NOT ADD TO FOOTPRINT (COST CONTROL)

O

ENLIST THE SUPPORT OF SPECIALISTS

(USE EXTERNAL SPECIALISTS TO SUPPORT THE TEAM THROUGH THE REQUIRED CHANGE PERIOD)

COMMISSION COMMERCIAL & MARKETING SUPPORT

P

INTEGRATE THE WELLNESS OFFER INTO THE EXISTING BUILDING

(SELL THE EXISTING WELLNESS CENTRE LAND, MOVING WELLNESS OFFER INTO THE MAIN BUILDING - USING THE MONIES FROM THE SALE TO COMPLETE THE MOVE-UPGRADE SERVICE ETC)

REDUCE STAFFING & FACILITY MANAGEMENT COSTS

Q

EXPLORE RATIONALISING THE EXISTING FOOTPRINT (CLOSING AREAS OF -LOW USE)

(DRY CHANGING ROOM SPACE IS EXTENSIVE, UNDERUTILISED AND OF POOR QUALITY)

MOTHBALLING UNDERUTILISED AREAS COULD SAVE £37+ PER M²

R

EXPLORE A LONG TERM REPLACEMENT STRATEGY FOR THE BUILDING

(THE MAIN BUILDING IS MOVING TOWARDS THE END OF ITS WORKING LIFE - AND WILL BECOME MORE OF A LIABILITY AS TIME PASSES)

START EXPLORING OPTIONS FOR A REPLACEMENT WITH PARTNERS

S

ENSURE MARKETING SPEND REFLECTS THE NEED TO GROW THE BUSINESS

(MARKETING IS KEY TO THE COMMERCIAL SUSTAINABILITY OF THE TRUST - TAP INTO £90K FREE GOOGLE CHARITY GRANTS)

ENSURE MARKETING SPEND & MARKETING PLAN IS PRIORITISED

T

CULTURE - FINANCIAL SUSTAINABILITY FIRST

(THE SOCIAL VALUE OFFER ONLY EXISTS IF THE TRUST EXISTS)

SURPLUS TO POWER DELIVERY OF SOCIAL VALUE

TRUST TO PRIORITISE BUILDING FINANCIAL SUSTAINABILITY

U

SWIMMING LESSON GROWTH

(MAKE USE OF COURSE PRO & DRIVE SWIMMING LESSON GROWTH TO MEET LOCAL DEMAND + SWITCH TO DD IMMEDIATELY)

REACH 1,000 LEARN TO SWIM MEMBERS £195K+ GROWTH

V

TACKLE DEBT

(DEBT LIABILITY IS INCREASING, AND GIVEN THE OTHER RISING FINANCIAL PRESSURES HAS THE POTENTIAL TO SINK THE TRUST, EFFORTS SHOULD BE MADE TO REDUCE THIS LIABILITY AND STOP THIS LEVEL OF DEBT BEING APPROVED IN THE FUTURE)

STRATEGY TO TACKLE DEBT, NO MORE BORROWING

W

PRIVATE SWIMMING LESSONS

(CURRENTLY THE CENTRE HAS 22+ PRIVATE SWIMMING LESSONS, AND 36 GROUP LESSONS WITH A WAITING LIST FOR GROUP LESSONS.

PRIVATE LESSONS ARE LESS PROFITABLE THAN GROUP)

MOVING TO GROUP LESSONS WILL TEACH 198 MORE KIDS TO SWIM

X

CATERING OFFER

(THE CAFE IS RUNNING AT A LOSS, IT NEEDS TO BE OUTSOURCED, OR CHANGED TO A DIFFERENT MODEL (SUCH AS GRAB AND GO) TO REDUCE OVERHEADS AND INCREASE MARGINS.

POSSIBLE TO INTEGRATE WITH RECEPTION TO SAVE COST

SWITCH TO GRAB AND GO / RECEPTION CAFE OR OUTSOURCE

Y

GRANT INCOME

(GRANT INCOME HAS THE POTENTIAL TO FUND TARGETED ACTIVITIES)

WHEN GM LEAVES, THIS ACTIVITY IS AT RISK OF STOPPING - NEED TO TRAIN SOMEONE TO WRITE GRANTS OR OUTSOURCE TO OAKS CONSULTANCY ETC)

TRAINING TO CONTINUE GRANT APPLICATIONS BEYOND APRIL 23

BUSINESS PLAN ROAD MAP

CONTEXT

The entire leisure industry has been impacted by the Covid-19 pandemic, cost of living crisis and energy crisis. Recent media reports suggest that up to a third of swimming pools are at risk of closure.

Folkestone Sports Centre has a fairly stable financial and social impact delivery record. Accounts show that the current position that the Trust is in, relates to the following timeline of factors:

- 2019- Increased budget competition (Puregym) impacted the membership base
- 2020 - Covid-19
- 2021 - Covid recovery/intermittent closures & increase in insurance due to increased claims
- 2022 - Energy & cost of living crisis

As the landowner, Folkestone Sports Centre Trust is in a relatively unique position within the Leisure Trust market. Leisure Trusts such as Places Leisure, Freedom Leisure, GLL and others have faced and are facing similar challenges to Folkestone Sports Centre Trust but they do not own their own assets and must rely on their Local Authority partners to make decisions about the buildings they manage.

Trusts operating Local Authority Leisure Centres across the country have gone to their Local Authority Council's cap in hand, in some cases asking for millions of pounds of support and even compensation for lost profit. In some cases, this has resulted in the Council taking back the operation of the centres, and/or closing facilities.

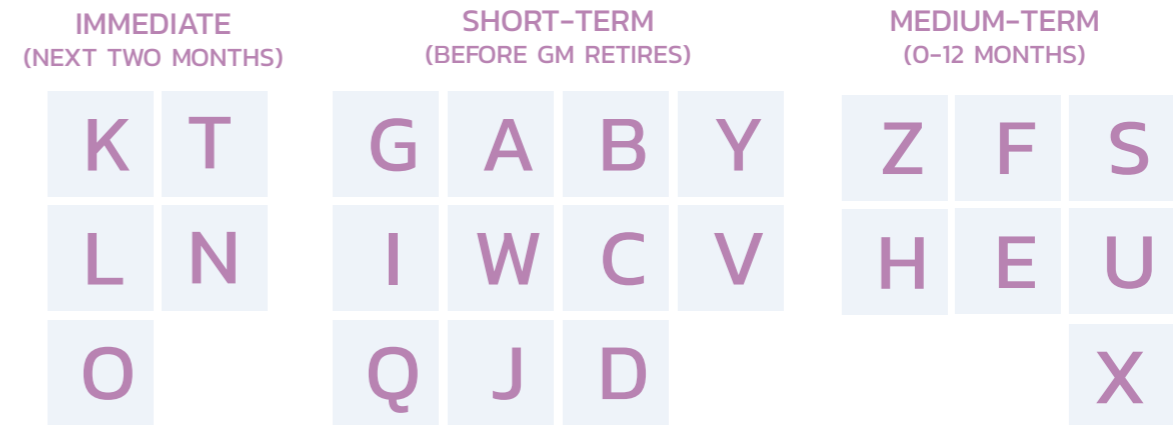
The relationship between Folkestone Sports Centre Trust and Folkestone and Hythe Council has contributed to the centre staying open during these challenging times, allowing the Trust to continue delivering social impact. This is a very positive position compared to many other partnerships in the UK.

The focus on the Trust is now on recovering from this challenging period, and ensuring measures are put in place to safeguard future delivery.

BUSINESS PLAN ASSUMPTIONS

This business plan includes an options appraisal which outlines initiatives that are recommended to address the items highlighted within the risk register for the centre.

Of the 25 options (labelled A to Y), the following have been implemented into the business and financial plan, and split into immediate actions, short-term actions, medium-term actions. The long-term actions are excluded from the financial plan, as these will be decided upon based on the outcomes of the other actions.



A full walkthrough of the detailed steps required to achieve the financial plan is outlined in sections 5,6,7 & 8 of this business plan.

04

BUSINESS PLAN ROAD MAP

METHODOLOGY

This roadmap of recommendations groups all of the potential options into four priority categories – which relate to the risk rating and upcoming key events such as the retirement of the General Manager and the utility price increases.

The purpose of this roadmap is to outline when actions should be taken. This roadmap forms the basis of the 5-year business plan.

Items within the long-term category have not been integrated into the business plan, however should be explored in detail.

STEP BY STEP GUIDE

Pages 19 – 28 provide a step by step guide to delivering the roadmap from the immediate to medium-term.

Long-term options covered on pages 29-30 should be explored based on the outcomes of the prior steps.

IMMEDIATE (WITHIN THE NEXT TWO MONTHS)

<p>K</p> <p>LEISURE ENERGY SURVEY</p> <p>£100K INVESTMENT COULD SEE 1 YEAR ROI AT CURRENT RATES</p>	<p>O</p> <p>ENLIST THE SUPPORT OF SPECIALISTS</p> <p>COMMISSION COMMERCIAL & MARKETING SUPPORT</p>
<p>L</p> <p>MONITOR PERFORMANCE EXC EXTERNAL FUNDING</p> <p>ZERO COST – FOCUS MANAGER ON SUSTAINABLE MODEL</p>	<p>N</p> <p>DEVELOPMENTS DELIVERED WITHIN EXISTING FOOTPRINT</p> <p>CULTURE CHANGE – DO NOT ADD TO FOOTPRINT (COST CONTROL)</p>
<p>T</p> <p>CULTURE – FINANCIAL SUSTAINABILITY FIRST</p> <p>TRUST TO PRIORITISE BUILDING FINANCIAL SUSTAINABILITY</p>	

SHORT-TERM (BEFORE GENERAL MANAGER RETIRES)

<p>G</p> <p>RECRUIT NEW GENERAL MANAGER</p> <p>PAYING £40K-£50K SOMEONE TO LEAD THE CHANGE</p>	<p>Q</p> <p>CLOSE AREAS OF LOW USE</p> <p>MOTHBALLING UNDERUTILISED AREAS COULD SAVE £37+ PER M²</p>	<p>Y</p> <p>GRANT INCOME</p> <p>TRAINING TO CONTINUE GRANT APPLICATIONS BEYOND APRIL 23</p>	<p>C & D</p> <p>TEST THE MARKET (OUTSOURCING)</p> <p>SOFT MARKET TEST FOR THE OUTSOURCING OF FSC</p>
<p>I</p> <p>RESTRUCTURE WORKFORCE</p> <p>TARGET 55% SALARIES TO SALES SAVING £250K+ PER YEAR</p>	<p>W</p> <p>PRIVATE SWIMMING LESSONS</p> <p>MOVING TO GROUP LESSONS WILL TEACH 178 MORE KIDS TO SWIM</p>	<p>A</p> <p>RENEGOTIATE INSURANCE</p> <p>POTENTIAL £30K SAVING</p>	<p>B</p> <p>DEEP CLEAN OF HIGH TRAFFIC AREAS</p> <p>POTENTIAL £30K SAVING</p>
<p>J</p> <p>COSMETIC FACELIFT OF THE BUILDING</p> <p>USING EXISTING RESOURCE WHERE POSSIBLE + MATERIALS</p>	<p>V</p> <p>TACKLE DEBT</p> <p>STRATEGY TO TACKLE DEBT, NOT MORE BORROWING</p>		

MEDIUM-TERM (IN THE NEXT 12 MONTHS)

<p>F</p> <p>BUILDING CONDITION SURVEY</p> <p>£5K-10K INVESTMENT & FEED INTO TRUST STRATEGIC PLANNING</p>	<p>H</p> <p>MODERNISE DATA CAPTURE SYSTEMS AND METHODS</p> <p>COURSE PRO, CONDUIT (MONTHLY LICENCES)</p>	<p>E</p> <p>REVIEW MEMBERSHIP PRICES</p> <p>REVIEW PRICE POINT OF FITNESS PRODUCT</p>
<p>Z</p> <p>RATIONALISE SERVICES</p> <p>REVIEW OPENING HOURS AGAINST DEMAND</p>	<p>S</p> <p>MARKETING SPEND TO GROW BUSINESS</p> <p>ENSURE MARKETING SPEND & MARKETING PLAN IS PRIORITISED</p>	
<p>U</p> <p>SWIMMING LESSON GROWTH</p> <p>REACH 1,000 LEARN TO SWIM MEMBERS £195K+ GROWTH</p>	<p>X</p> <p>CATERING OFFER</p> <p>SWITCH TO GRAB AND GO / RECEPTION CAFE OR OUTSOURCE</p>	

LONG-TERM (12+ MONTHS)

<p>P</p> <p>WELLNESS OFFER INTO THE EXISTING BUILDING</p> <p>REDUCE STAFFING & FACILITY MANAGEMENT COSTS</p>	<p>D</p> <p>OUTSOURCE BACK OFFICE SERVICES</p> <p>REDUCE COSTS IMPROVE OVERALL QUALITY</p>
<p>R</p> <p>REPLACEMENT STRATEGY FOR BUILDING</p> <p>START EXPLORING OPTIONS FOR A REPLACEMENT</p>	<p>C</p> <p>OUTSOURCE OPERATION TO EXTERNAL PROVIDER</p> <p>MANAGEMENT FEE, REDUCED INCOME RISK DUE TO TRANSFER</p>

05

IMMEDIATE ACTIONS

K LEISURE ENERGY SURVEY

£2,500 cost allocated in budget
Saving potentials from investment
not included in business plan.

Whilst there is a £2,500 cost attached to a survey conducted by Leisure Energy, the potential long-term benefits of progressing this far outweigh the initial cost. Prior to committing this cost, it would be worth establishing with Neil Bland at Leisure Energy if Folkestone Sports Centre meet the criteria for the Government Decarbonisation Fund, and if not, what alternative funding routes (if any) are available.

The recent case study at Easton Leisure Centre in Bristol which used a Solar Thermal installation to meet the heating demand of its 25m 8 lane pool and leisure pool this summer indicates that a similar installation at Folkestone could provide a quick return on investment.

The survey will indicate the best possible solution for Folkestone Sports Centre and provide a clear return on investment calculation which could be used to justify spend/investment.

N DO NOT PURSUE ANY DEVELOPMENT WORK THAT ADDS TO THE FOOTPRINT

As Folkestone Sports Centre Trust is navigating this challenging time, it is recommended that the Trust agree not to commit to any works that add to the existing footprint of the centre.

This includes the sales of the existing wellness centre and building of an extension to the centre, and any additional facilities that may be explored (i.e. extending the Skywalk) etc.

These types of works should undergo stringent due diligence prior to commencing, and only be explored if the Trust is generating an operational surplus.

O ENLIST THE SUPPORT OF SPECIALISTS

£60,000 included in year 1 of
business plan. Cost saving if removed
- impact on delivery

To drive the performance of the new business plan, a shift in behavior is required. Key to the success of this plan is an improved focus on marketing key revenue lines and activities, attracting more customers.

With many operational adaptations required, it is recommended that focus on marketing and driving of sales is supported by specialist organisations. Currently Alliance Leisure have been committed to this task, but have not delivered. Whilst they have promised to up their efforts, the existing agreement does not appear to be achievable/rewarding to them as the threshold is so far away. A bespoke agreement of £1.5k per month could provide 3 social media posts per week, a refresh of the website and bespoke marketing campaigns created such as the below:

L MONITOR PERFORMANCE INCLUDING & EXCLUDING FUNDING

As a quick action, the Trust should use this business plan as a budget, and schedule monthly reviews of the financial performance against budget with the General Manager moving forward.

These meetings should include reviewing performance against targets and benchmarks built into the accounts. For example, this should include monitoring staffing expenditure against total revenue, membership sales against targets, direct debit income against budget.

These meetings will help highlight trends and challenges early - encouraging proactive decision making. It will also continue to provide the General Manager with consistent source of feedback, support and encouragement.

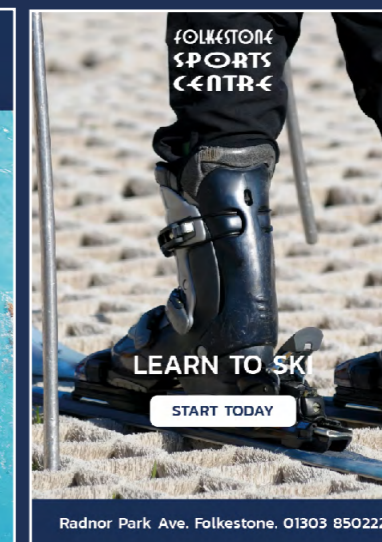
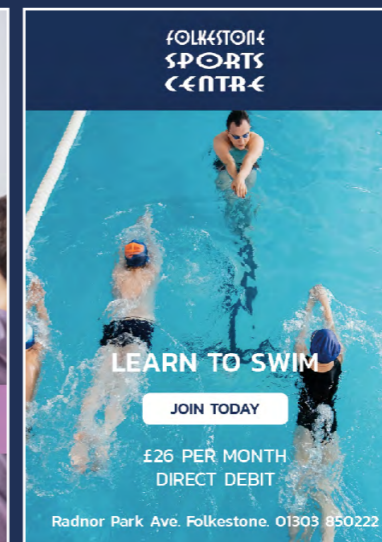
In addition, these meetings can be used to review the overall impact of the service on the community.

T CULTURE OF FINANCIAL SUSTAINABILITY

Linked to L, it is recommended that Folkestone Sports Centre Trust promote a culture of financial sustainability at all levels of the organisation. In practice this means ensuring that all aspects of the Trust are monitored and measured consistently against clear targets.

The delivery of social value goes beyond grant funded projects, and can be measured through overall participation at the centre.

Health and fitness memberships and swimming lessons will contribute over 60% of overall revenue for the Trust, and also deliver the largest participation. 60% of focus should be on driving participation within this area.



G RECRUIT NEW GENERAL MANAGER

Folkestone Sports Centre Trust requires strong leadership as it navigates this challenging period, making the changes in delivery that will promote long-term sustainability.

A three-month handover period is recommended for this role (between January 23 and March 23). This will allow the new manager to settle into the role and complete a comprehensive induction process.

Due to the challenge, it is recommended that the Trust advertise the role at between £40k and £50k so that the correct standard of candidate can be attracted. The candidate should have a strong track record of driving change and financial sustainability.

We recommend the new General Manager is recruited from a leisure trust such as GLL, Freedom, Places Leisure etc as they will be familiar with the trust model that Folkestone Sports Centre deploys - balancing financial sustainability with delivering social value.

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I RESTRUCTURE THE WORKFORCE (SUGGESTED STRUCTURE PAGES 21 & 22)

Whilst solid work has been done to reduce the payroll, there is an opportunity to save money and provide new focus to key growth areas of the Trust such as swimming lessons and health and fitness memberships.

An in depth study should be completed by the incoming General Manager to restructure the workforce by ensuring rotas are aligned to customer demand.

During this process, a freeze on the recruitment of contracted staff is recommended, with casual staff limited to areas of the business that are required to meet statutory or regulatory guidance (lifeguards) etc.

The new General Manager will then be tasked with implementing the new structure.

J COSMETIC FACELIFT OF THE BUILDING

First impressions can be the difference between a making a sale or not. There are some key areas of the building that will benefit from a simple touch up with paint and/or where replacing key items will make a big difference to the overall customer experience.

The entrance of the building, and customer journey from the entrance to the gym and wet changing rooms should be prioritised, and ensure expenditure/required resource is minimal.

This should be done internally in phases, using existing employees and/or volunteers. Simple replacement of the mirrors in the wet changing rooms with others from lower footfall areas such as the dry changing rooms will reduce costs. Scrubbable paint is useful and more durable.

B DEEP CLEAN OF HIGH TRAFFIC AREAS

£5,000 per year included in business plan. Cost saving if removed - impact on delivery

As the redecoration of high traffic areas is completed, this should be complimented by deep cleans. Uplift in areas such as the wet changing rooms, air vents and the entrance area will provide an immediate and noticeable change for customers. In addition, a skip should be purchased with the various external dumping grounds cleared prioritising visible areas.

Q CLOSE AREAS OF LOW USE

In line with the restructure of the workforce, areas of the business with low use should be identified for closure. This could be seasonal or temporary closure or most productively areas such as the Ski and Skywalk could be opened on demand by implementing a 100% book in advance process.

This method is common for outdoor and instructor led activities, and reduces the need for receptionists/instructors at periods where there are no customers. The outdoor activity areas should try to book activities together, so that when open, participation is maximised - i.e. if a ski booking is a 9am-10am, sky walk bookings should be promoted around the same times.

V TACKLE DEBT (SUGGESTED PLAN ON PAGES 41-42)

The current debt levels for the Trust present a long-term liability that has the potential to limit the Trust's ability to deliver social outcomes, and or obtain future finance. To counter this, it is recommended that any surplus or overage payments be used to reduce this debt and the monthly repayment burden, improving cashflow.

A RENEGOTIATE INSURANCE

The current insurance spend is beyond the industry norm, and is a significant ongoing cost for the Trust. Options should be explored to reduce the cost, looking at the type and levels of insurance and testing the market regularly for a better deal. For example, if the extra cost is related to outdoor activities, would it be possible to have two separate policies?

Y GRANT INCOME

The General Manager currently completes grant applications, this often takes a lot of time to complete, with funding taking time to come through, and only representing a small percentage of overall income. To allow the General Manager to focus on the key areas of financial sustainability, grant funding applications should be outsourced to a company such as Oaks Consultancy (fees taken from the grant), or delegated to another colleague/volunteer/Trustee.

06

STAFFING STRUCTURE

MATURE YEAR STAFFING STRUCTURE

To achieve the business plan, a new staffing structure is proposed. This mature year (Year 4) staffing structure adapts in line with the projected revenue growth (noting that as income increases, a larger workforce is required to service that income).

The staffing structure is shown below, 1 FTE is equivalent to 40 hours per week:

It is accepted that this mature year target structure may take longer to reach depending on the individual circumstances.

The use of specialist support during year one of this plan may help the implementation of this revised structure.

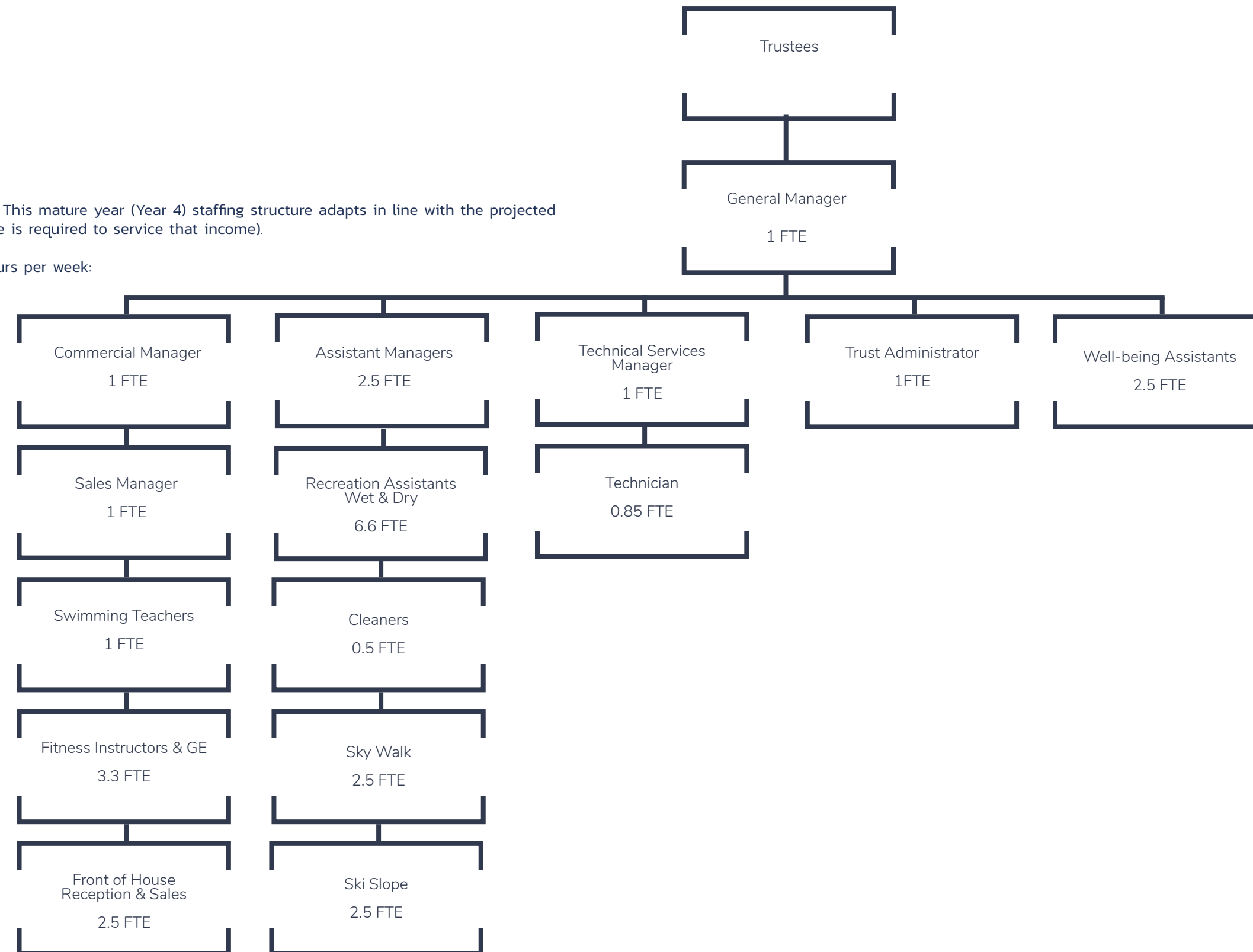
NEW POSTS

A key recruitment is the replacement of the current **General Manager** when she retires. As mentioned within other sections of this document, it is critical that the process to replace the existing General Manager is carefully planned to ensure the minimum amount of disruption to the team in this time of transition. The recruitment should be done at least 3 months prior to the current General Manager leave date (to be agreed) and a transition plan should be put together to ensure that all aspects of the business are handed over correctly.

The second new post is the recruitment of a **Commercial Manager**. This post will be responsible for driving the sales and marketing activity within the trust, which is needed to ensure that all participation opportunities are maximised.

It is a long-term ambition to provide a more senior structure on site to help the General Manager instil and enforce operational standards on a regular basis. To this end, it is proposed that the post of Duty Manager is removed and 2.5 FTE **Assistant Managers** are created. This new role will be the eyes and ears of the General Manager on a day to basis in and around the site, allowing the General Manager to focus at a higher, strategic level.

Finally, the recruitment of swimming instructors remains a difficult challenge in today's workforce market. Again the use of external specialists can assist this through widening the recruitment pool via their network.



STAFFING STRUCTURE PHASING

The table below shows how the staffing structure evolves within the business plan over the 5 year period.

		Year 1	Year 2	Year 3	Year 4	Year 5
Swimming Only (Lifeguards & Teachers)	Annual Expenditure	£179,864	£183,461	£187,131	£190,873	£194,691
	Weekly Hours	263	263	263	263	263
Fitness Only	Annual Expenditure	£52,241	£53,286	£54,352	£55,439	£56,548
	Weekly Hours	80	80	80	80	80
Group Exercise	Annual Expenditure	£73,674	£75,147	£76,650	£78,183	£79,747
	Weekly Hours	55	55	55	55	55
Sports Hall	Annual Expenditure	£22,906	£23,364	£23,831	£24,308	£24,794
	Weekly Hours	36	36	36	36	36
Ski Slope Only	Annual Expenditure	£71,989	£73,439	£74,908	76,406	£77,934
	Weekly Hours	101	101	101	101	101
Sky Walk Only	Annual Expenditure	£64,967	£66,266	£67,591	£68,943	£70,332
	Weekly Hours	94	94	94	94	94
Centre Management Team	Annual Expenditure	£132,612	£135,265	£179,779	£183,375	£187,042
	Weekly Hours	138	138	178	178	178
Front of House Team	Annual Expenditure	£62,355	£63,602	£64,874	£66,171	£67,495
	Weekly Hours	98	98	98	98	98
Admin	Annual Expenditure	£29,469	£30,059	£30,660	£31,273	£31,899
	Weekly Hours	40	40	40	40	40
Cleaning	Annual Expenditure	£13,362	£13,629	£13,902	£14,179	£14,463
	Weekly Hours	21	21	21	21	21
Maintenance	Annual Expenditure	£62,154	£63,397	£64,665	£65,958	£67,277
	Weekly Hours	74	74	74	74	74
Well-being Only	Annual Expenditure	£50,902	£51,920	£64,665	£65,958	£74,382
	Weekly Hours	80	80	80	108	108
Total	Annual Expenditure	£816,504	£832,835	£891,300	£928,032	£946,593
	Weekly Hours	1080	1080	1,120	1,148	1,148
Salaries to Sales Target %		63%	58%	55%	54%	56%

W PRIVATE SWIMMING LESSONS

Swimming Lessons have fantastic potential at FSC, however currently 22+ private lessons are delivered. The same teaching resource could teach 198 more children per week to swim and yielding a more sustainable return whilst increasing participation numbers.

Folkestone Sports Centre currently has around 350 people enrolled on swimming lessons, this means that 6.5% of those enrolled are on private lessons.

Bitterne Leisure Centre in the suburbs of Southampton, is operated by charity Active Nation and can be used as a comparable benchmark (as it has similar pools/size of centre/catchment). Bitterne has 1,310 enrolled on it's swim programme, however it has 15 customers enrolled on private lessons representing 1% of the overall programme.

1% is normal within the leisure industry for a few reasons which include:

- **Price** - private lessons are more expensive than group lessons and therefore are generally unaffordable for most customers
- **Pool space** - a 1-2-1 lesson can take up the same space as a group lesson with 10 children participating
- **Sustainability** - a 1-2-1 lesson, whilst more expensive for the customer generates less revenue for the centre
- **Social impact** - operators are targeted to teach as many children to swim as possible, private lessons teach less people for the same resource

MAKING THE CHANGE TO GROUP LESSONS

We understand that swimming instructors are paid more to deliver 1-2-1 lessons at Folkestone than group lessons. This is likely to be the reason why there are so many 1-2-1 lessons. In addition to this, our experience is that swimming instructors prefer teaching private lessons and higher stages 6/7 etc.

In addition, the private lesson customers will not want to lose their session.

This makes it difficult to change from private to group lessons. However, this can be achieved through the following steps:

Step 1: Clearly communicate the need to grow swimming lesson programme to teachers - based on teaching more children to swim, and providing a sustainable future for the Trust. A simple flip of the private lessons to group will teach 198 more children to swim.

Step 2: The growth potential for swimming lessons at Folkestone Sports Centre will provide more teaching opportunities for instructors - potentially taking their earnings far beyond what they are currently delivering. Highlight this to the instructors to get buy in.

Step 3: Set a clear date for the flip - potentially this could be 1st January 2023, giving time for the instructors and customers to adapt to the new way of working.

Overall this necessary change, will require strong leadership to push through.

C&D SOFT MARKET TESTING - OUTSOURCING

It is always good to keep options open and to be proactive. Completing a soft market test of the leisure industry for the operation of Folkestone Sports Centre would provide invaluable insight into the potential market interest and benefit of outsourcing. In no way does this commit the Trust to outsourcing.

A soft market test reaches out to the leisure industry and asks them a series of questions about outsourcing the centre and/or back office support services, based on data that we provide. The benefits of a soft market test can be:

- Identify who and what type of organisation would be interested in bidding for the operation of/supporting back office services for Folkestone Sports Centre
- Identify what transfer of risk/conditions would be acceptable for potential operators (income risk, utility risk transfer, maintenance risk etc)
- Identify the potential management fee that would be paid to Folkestone Sports Centre Trust in exchange for operating the centre
- Highlight any key innovations that operators would look to explore in order to boost the performance of the centre
- Receive feedback on the existing operation - key strengths, challenges etc
- Identify the length of contract that an operator would wish to take on
- Identify what office service support services could be outsourced to external operators

A soft market exercise often includes an opportunity for site visits, and/or a presentation to potential operators, with the questionnaire issued and returned within a 4-6 week period.

This process could be managed and delivered by MLC, who have experience of delivering similar processes for local authorities, and vast experience of completing soft market tests for leisure operators.

The feedback from the soft market test could inform future strategy, as the Trust would better understand the potential benefits and risks associated with outsourcing all or part of the operation and be able to compare this with those of continuing to operate the centre directly.

06 SWIMMING LESSON PLAN

DETAILED PLAN

The growth of swimming lessons is critical to the centres success for a number of reasons.

- Swimming is a life skill, but 1 in 3 children leave primary school unable to swim. (As a coastal town, this skill is even more important)
- It is a substantial and essential income line for the centre
- Group swimming lessons are very profitable
- Swim lessons bring in large numbers of people to the site to:
 - Spend on secondary items F&B and retail)
 - See other activity areas whilst on site which they may come back to use
- Swimming lessons lead to a long-term commitment by families to the centre. i.e. the average pupil will have swimming lessons over six years before they reach level 7/8.
- Swimming lessons will feed new swimmers into the swim club which in turn will allow the swim club to grow/be sustainable

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Recommendations for Folkestone Sports Centre:

- Remove the ability for the club to deliver swimming lessons before stage 8
- Reduce the quantity of private swimming lessons (1:2:1's) to 1% of the overall amount of lessons.
- Swimming lesson teacher recruitment is ongoing
- Reduce main pool general public access during the following times to allow for lessons only.
- 4-7pm Monday to Friday
- 8-11am Saturday and Sunday
- 8 - 12 pupils per class (depending on level)
- Payment over 50 weeks of the year (Minimum 90% on direct debit)
- £25 per month or 6.25 per class

	Current	Year 1	Year 2	Year 3	Year 4	Year 5
Enrolled On Swimming Lessons	350	500	600	900	1000	1000
Revenue Projection	£150,625	£180,750	£271,125	£301,250	£301,250	£301,250

Swimming Clubs - SLA

- Increase price points for Peak times. Monday Evenings
- Reduce access to post 7pm or all clubs in main pool

School Swimming

- Review the current pricing position with schools in the context of rising energy costs

Move staff training from Monday nights to Friday.

		Main Pool Programme - Proposed																															
		6.30am	7am	7.30am	8am	8.30am	9am	9.30am	10am	10.30am	11am	11.30am	12pm	12.30pm	1pm	1.30pm	2pm	2.30pm	3pm	3.30pm	4pm	4.30pm	5pm	5.30pm	6pm	6.30pm	7pm	7.30pm	8pm	8.30pm	9pm	9.30pm	10pm
Mon	Early Bird Swim (Optional lanes available for swim clubs)	Schools					Aqua Aerobics	Public Swim	Schools					Public Swim	Swimming Lessons					Swimming Club			Water Polo										
Tuesday	Early Bird Swim (Optional lanes available for swim clubs)	Schools					Public Swim					Schools					Public Swim	Swimming Lessons					Public Swim	Swimming Club									
Wednesday	Early Bird Swim (Optional lanes available for swim clubs)	Schools					Public Swim					Schools					Public Swim	Swimming Lessons					Public Swim	Women's Only Swim	Water Polo								
Thursday	Early Bird Swim (Optional lanes available for swim clubs)	Schools					Public Swim					Schools					Public Swim	Swimming Lessons					Aqua Aerobics	Public Swim (Optional lanes available for swim clubs)									
Friday	Early Bird Swim (Optional lanes available for swim clubs)	Schools	Disability Swim			Public Swim					Schools					Public Swim	Swimming Lessons					Public Swim	Swimming Club										
Saturday		Swimming Lessons					Public Swim										Private Hire																
Sunday		Swimming Lessons					Public Swim										Hythe Synchro																

MAIN POOL

The main pool programme reflects the need to achieve balance with delivering swimming lessons, maintaining public swimming and ensuring that clubs have sufficient pool space to deliver their activities.

Getting to this pool programme can be progressive, phased over time as the need for more space for swimming lessons grows.

Change will always be met with some objections, however if the reasons are communicated clearly, this process can be delivered smoothly.

TEACHING POOL

Maintaining public swimming space within the teaching pool is always a challenge during the week. However opportunities should be provided as shown in the pool programme below. Swimming lessons peak periods are between 4pm and 7pm, a phased approach to this timetabling is recommended, holding the space for capacity as the programme grows.

In addition, parent and child/ducklings level swimming lessons are your first gateway into the swimming lesson programme. Successful programmes have a thriving early years swimming lesson programme. To grow this programme, 11am to 12pm should be held during the week.

		Teaching Pool Programme																															
		6.30am	7am	7.30am	8am	8.30am	9am	9.30am	10am	10.30am	11am	11.30am	12pm	12.30pm	1pm	1.30pm	2pm	2.30pm	3pm	3.30pm	4pm	4.30pm	5pm	5.30pm	6pm	6.30pm	7pm	7.30pm	8pm	8.30pm	9pm	9.30pm	10pm
Mon	Early Bird Swim	Schools					Ducklings or Parent & Child Lessons	Parent & child	Schools					Public Swim	Swimming Lessons																		
Tuesday	Early Bird Swim	Schools					Ducklings or Parent & Child Lessons	Public Swim	Schools					Public Swim	Swimming Lessons																		
Wednesday	Early Bird Swim	Schools					Ducklings or Parent & Child Lessons	Parent & child	Schools					Public Swim	Swimming Lessons					Public Swim	Women's Only Swim												
Thursday	Early Bird Swim	Schools					Ducklings or Parent & Child Lessons	Fun tots	Schools					Public Swim	Swimming Lessons																		
Friday	Early Bird Swim	Schools	Disability Swim			Public Swim					Schools					Public Swim	Swimming Lessons																
Saturday		Swimming Lessons					Public Swim										Private Hire																

07

MEDIUM-TERM ACTIONS

E REVIEW MEMBERSHIP PRICES

Income projections are linked to this option

(MEMBERSHIP GROWTH PLAN ON PAGES 39 & 40)

The competitor analysis highlighted that at £38pcm for gym, swim and classes Folkestone Sports Centre is not the most affordable option in the local area. Particularly within the current economic climate, £38pcm is possibly excluding a large section of the community.

In addition to this, the competitor review suggests that the standard of product on offer across Folkestone is good, with high quality fitness equipment and studio classes for a lower monthly price. The USP against many facilities is the swimming pool, which will attract a number of customers.

We recommend that the new price point be £29.99, and be launched in January 2022, with a full marketing campaign that focuses on providing value for money during a period of extreme financial pressures. As part of this, Online joining should be reactivated and the website updated to make the new price point prominent.

Direct debit income provides certainty for Folkestone Sports Centre Trust, and efforts should be made to convert pay and play customers to direct debit. This is a whole team effort – the duty manager, reception and fitness teams should be targeted and rewarded for membership sales.

Across the industry, a member stays for 8 months on average. This means each new member is worth £240 to the centre, in addition to adding to the usage and overall impact figures.

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U SWIMMING LESSON GROWTH

Income projections are linked to this option

(SUGGESTED NEW TIMETABLE ON PAGES 37&38)

Folkestone Sports Centre currently has 350 people enrolled on swimming lessons. Our benchmark pool, Bitterne in Southampton (similar size and catchment) has 1,310 people enrolled.

Bitterne's programme is not perfect, however it is maximising its local impact by ensuring that swimming lesson capacity reflects local demand. The local demand assessment for Folkestone Sports Centre suggests that the centre could comfortably have 1,000 enrolled on swimming lessons.

Key to this growth is creating space at the entry level of the programme. Our benchmark pool has the following capacity/enrollments at entry stages 1-3:

- Preschool: 12 classes, 72 capacity, 69 enrolled – Provides £21k annual surplus
- Stage 1: 46 classes, 368 capacity, 361 enrolled – Provides £98k annual surplus
- Stage 2: 26 classes, 208 capacity, 199 enrolled – Provides £54k annual surplus
- Stage 3: 27 classes, 270 capacity, 179 enrolled – Provides £47k annual surplus

Building this foundation should be a priority for Folkestone Sports Centre Trust. If the programme is viewed as a development triangle, with the entry levels at the bottom, efforts should be made to ensure the triangle is very wide at the bottom to ensure enough progress to the top.

The breakdown of when these classes are held is shown below (more detail is provided within the financial plan):

Class Day	Class Name	Class Time	Session End Date/Time
Friday	Pre School	09:00:00	09:30:00
Friday	Pre School	09:30:00	10:00:00
Friday	Pre School	11:00:00	11:30:00
Friday	Pre School	11:30:00	12:00:00
Friday	Pre School	12:30:00	13:00:00
Thursday	Pre School	11:00:00	11:30:00
Thursday	Pre School	11:30:00	12:00:00
Thursday	Pre School	12:00:00	12:30:00
Tuesday	Pre School	09:00:00	09:30:00
Tuesday	Pre School	09:30:00	10:00:00
Tuesday	Pre School	11:00:00	11:30:00
Tuesday	Pre School	11:30:00	12:00:00
Friday	STAGE 1	16:00:00	16:30:00
Friday	STAGE 1	16:15:00	16:45:00
Friday	STAGE 1	16:45:00	17:15:00
Friday	STAGE 1	16:30:00	17:00:00
Friday	STAGE 1	17:30:00	18:00:00
Friday	STAGE 1	15:30:00	16:00:00
Monday	STAGE 1	15:30:00	16:00:00
Monday	STAGE 1	16:00:00	16:30:00
Monday	STAGE 1	16:30:00	17:00:00
Monday	STAGE 1	17:15:00	17:45:00
Monday	STAGE 1	17:00:00	17:30:00
Monday	STAGE 1	17:30:00	18:00:00
Saturday	STAGE 1	08:45:00	09:15:00
Saturday	STAGE 1	11:15:00	11:45:00
Saturday	STAGE 1	09:00:00	09:30:00
Saturday	STAGE 1	12:15:00	12:45:00
Saturday	STAGE 1	09:30:00	10:00:00
Saturday	STAGE 1	10:30:00	11:00:00
Saturday	STAGE 1	11:30:00	12:00:00
Saturday	STAGE 1	12:00:00	12:30:00
Saturday	STAGE 1	10:45:00	11:15:00
Sunday	STAGE 1	09:00:00	09:30:00
Sunday	STAGE 1	08:30:00	09:00:00
Sunday	STAGE 1	09:00:00	09:30:00
Sunday	STAGE 1	11:30:00	12:00:00
Sunday	STAGE 1	11:00:00	11:30:00
Sunday	STAGE 1	09:30:00	10:00:00
Thursday	STAGE 1	15:45:00	16:15:00
Thursday	STAGE 1	16:15:00	16:45:00
Thursday	STAGE 1	16:45:00	17:15:00
Thursday	STAGE 1	17:30:00	18:00:00
Thursday	STAGE 1	15:30:00	16:00:00
Thursday	STAGE 1	16:30:00	17:00:00
Tuesday	STAGE 1	15:30:00	16:00:00
Tuesday	STAGE 1	16:15:00	16:45:00
Tuesday	STAGE 1	16:30:00	17:00:00
Tuesday	STAGE 1	17:45:00	18:15:00
Tuesday	STAGE 1	18:30:00	19:00:00
Tuesday	STAGE 1	18:15:00	18:45:00
Tuesday	STAGE 1	17:00:00	17:30:00
Wednesday	STAGE 1	15:30:00	16:00:00
Wednesday	STAGE 1	16:00:00	16:30:00
Wednesday	STAGE 1	16:45:00	17:15:00
Wednesday	STAGE 1	17:45:00	18:15:00
Wednesday	STAGE 1	18:15:00	18:45:00
Wednesday	STAGE 1	18:00:00	18:30:00
Friday	STAGE 2	17:15:00	17:45:00
Friday	STAGE 2	17:00:00	17:30:00
Friday	STAGE 2	18:00:00	18:30:00
Monday	STAGE 2	16:45:00	17:15:00
Monday	STAGE 2	15:45:00	16:15:00
Monday	STAGE 2	16:15:00	16:45:00
Monday	STAGE 2	17:45:00	18:15:00
Monday	STAGE 2	18:00:00	18:30:00
Saturday	STAGE 2	11:00:00	11:30:00

Saturday	STAGE 2	09:15:00	09:45:00
Saturday	STAGE 2	11:45:00	12:15:00
Saturday	STAGE 2	08:30:00	09:00:00
Saturday	STAGE 2	10:00:00	10:30:00
Sunday	STAGE 2	10:30:00	11:00:00
Sunday	STAGE 2	09:30:00	10:00:00
Sunday	STAGE 2	10:00:00	10:30:00
Sunday	STAGE 2	12:00:00	12:30:00
Thursday	STAGE 2	16:00:00	16:30:00
Thursday	STAGE 2	17:00:00	17:30:00
Tuesday	STAGE 2	16:00:00	16:30:00
Tuesday	STAGE 2	15:45:00	16:15:00
Tuesday	STAGE 2	16:45:00	17:15:00
Tuesday	STAGE 2	17:15:00	17:45:00
Wednesday	STAGE 2	16:30:00	17:00:00
Wednesday	STAGE 2	15:45:00	16:15:00
Wednesday	STAGE 2	17:15:00	17:45:00
Friday	STAGE 3	17:45:00	18:15:00
Friday	STAGE 3	18:15:00	18:45:00
Monday	STAGE 3	17:00:00	17:30:00
Monday	STAGE 3	17:30:00	18:00:00
Monday	STAGE 3	18:15:00	18:45:00
Monday	STAGE 3	18:00:00	18:30:00
Saturday	STAGE 3	09:45:00	10:15:00
Saturday	STAGE 3	10:15:00	10:45:00
Sunday	STAGE 3	08:30:00	09:00:00
Sunday	STAGE 3	10:00:00	10:30:00
Sunday	STAGE 3	10:30:00	11:00:00
Sunday	STAGE 3	11:00:00	11:30:00
Sunday	STAGE 3	09:45:00	10:15:00
Sunday	STAGE 3	10:45:00	11:15:00
Thursday	STAGE 3	18:00:00	18:30:00
Thursday	STAGE 3	17:45:00	18:15:00
Thursday	STAGE 3	18:15:00	18:45:00
Thursday	STAGE 3	17:15:00	17:45:00
Tuesday	STAGE 3	18:30:00	19:00:00
Tuesday	STAGE 3	18:00:00	18:30:00
Tuesday	STAGE 3	16:00:00	16:30:00
Tuesday	STAGE 3	17:30:00	18:00:00
Wednesday	STAGE 3	17:00:00	17:30:00
Wednesday	STAGE 3	17:30:00	18:00:00
Wednesday	STAGE 3	17:15:00	17:45:00
Wednesday	STAGE 3	16:15:00	16:45:00
Saturday	STAGE 3	09:00:00	09:30:00

The programme should be built in phases, prioritising the foundation levels, and ensuring that there is always capacity to keep new swimming lesson pupils coming through.

The main weakness in the benchmark programme is that Preschool, Stage 1 and Stage 2 have average capacities of 96.5%, resulting in reduced choice for customers looking to start their learn to swim journey.

Occupancy at these foundation levels should be maintained at a maximum of 85% whilst the programme grows, with an overall programme occupancy level of 90% targeted as best practice.

07

MEDIUM-TERM ACTIONS

S MARKETING SPEND TO GROW BUSINESS Income projections are linked to this option

Marketing spend is intrinsically linked to income generation. Folkestone Sports Centre Trust has reduced marketing spend (as is common in challenging times) as income has dropped.

Outsourcing marketing to a specialist provider, for example Prominent T LS could provide a bespoke arrangement to deliver 3 social media posts per week, refresh the website and deliver marketing campaigns linked to the key revenue drives within this business plan for £1.5k per month on a rolling basis. Other specialists exist in the market, so the Trust may wish to tender this work in order to ensure best value – this would replace internal resource.

Either way, the drive for revenue growth needs to be linked to an increase in marketing activity, that follows a bespoke marketing plan, such as the one within this business plan.

Z RATIONALISE SERVICES

Given the current economic climate, it is acceptable and normal to explore options that will reduce the costs of running the centre. This process should be data led, and could include closing specific areas earlier, or opening an area later – reducing energy and staff costs.

Historical opening hours often exist in older centres. A full, data led review of usage and footfall will provide invaluable insight to inform what changes are made. The impact of these changes may be minor on a day to day basis, but over the year will add up to big savings.

X CATERING OFFER

The existing catering and bar offer is loss-making for the centre, requiring staff and power in a separate area.

It is common within the leisure industry to combine catering with reception counters – offering a grab and go service which includes pre-made cold food and hot drinks.

This switch would reduce the need for catering staff, and due to the reception being in a higher footfall area, increase the overall margin.

Other options include outsourcing the catering – however this should pay a fixed rent and be on a separate utilities meter to ensure that the catering is not subsidised by the centre.

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H MODERNISE DATA CAPTURE £12k per year has been included for Business Intelligence Dashboarding service

The introduction of Gladstone MRM presents an opportunity to improve the data capture methods for Folkestone Sports Centre Trust. If Course Pro is added to this, the centre would match the industry norm. There are leisure specific business intelligence systems in the market, such as that provided by Conduitt that will talk to each and every system that the Trust utilises and bring all data together into clear pre-determined dashboards. For example, the sites management accounts could be automatically populated using this system.

This provides performance data at a glance, allowing trends to be identified, enabling constant and consistent benchmarking of performance against budget, targets and national benchmarks.

This will likely cost Folkestone Sports Centre Trust, £12k per year, however the benefits of this type of information far outweigh the expenditure. This has been built into the 5-year plan.

F COMMISSION A NEW BUILDING SURVEY

Commissioning a new building survey will provide Folkestone Sport Centre Trust with a clear understanding of short, medium and long-term maintenance and lifecycle replacement liabilities.

This will be essential to future strategic planning. For example, should the building survey suggest a pinch point in a certain period, reserves can be built up to address this future expenditure.

Alternatively, should the Trust go down the outsourcing route, this survey will be required to provide potential operators with the information they need to take on lifecycle risk.

P WELLNESS OFFER INTO THE EXISTING BUILDING

The existing wellness centre sits separate to the main building. This presents additional costs to the Trust in staffing, maintenance and utilities.

A plan is currently being explored to sell the wellness centre for development, with the developer building an extension to the existing centre to relocate the wellness centre.

This is likely to be an unaffordable project, particularly within this current market, but also it will add liability to Trust by increasing the footprint, increasing heating, maintenance and staffing liability.

If the wellness centre is sold, options to integrate the wellness centre within the existing footprint should be explored. This is likely to be a more affordable option for the Trust as new build options are often £3,500pm² with refurbishments as low as £2,000m². This switch could also allow the trust to address some of the items highlighted within the building survey and / or update major plant and the overall facility offer. Either way, both options should be explored fully.

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R REPLACEMENT STRATEGY FOR THE BUILDING

As the centre ages, the maintenance and lifecycle replacement liability will continue to grow. With this in mind, it is recommend that the Trust commission a study to develop an affordable replacement strategy for the building.

This is common with buildings of a similar age, and will help Folkestone Sports Centre Trust identify options and steps required to replace the centre.

D OUTSOURCE BACK OFFICE SERVICES

As a smaller leisure trust, Folkestone has costs related to HR, payroll, finance, IT, marketing and other aspects that are unavoidable, but more expensive in comparison to larger operators who have the benefit of economies of scale.

Operators such as Parkwood Leisure, Active Nation, 1Life and 3D Leisure have started to, or expressed interest in supporting the delivery of back office services on behalf of smaller organisations.

A good example of this is Active Nation and Active Torridge. Active Nation deliver all back office services for HR, payroll, IT, dashboarding and finance for Active Torridge. Active Torridge pay Active Nation an annual fixed fee to provide, maintain and manage all aspects within these areas. This fee represents value for money for Active Torridge as Active Nation apply economies of scale (as a larger operator) to provide the services cheaper than if delivered directly. It also removes the need for Active Torridge to have a 'head office' support function.

Folkestone Sports Centre Trust should explore this option if enough interest is declared at the soft market test and there is appetite from the Trust.

Delivering this procurement process could be delivered by MLC, who will be able to support the Trust to select the most appropriate partner. This could potentially save the Trust £25,000 to £50,000+ per year, whilst ensuring that systems are maintained to industry standards.

C OUTSOURCE OPERATION OF FOLKESTONE SPORTS CENTRE

Outsourcing the operation of Folkestone Sports Centre to an established leisure operator has the potential to provide the Trust with a guaranteed annual management fee, whilst increasing the overall impact that the centre has on the local community.

MLC could deliver the outsourcing project, having delivered similar projects in the past, and having bid on multiple outsourcing projects in the past for various operators.

The process will take between six and twelve months to complete, and include the following stages:

- Initial selection questionnaire – this will gather interest from the market, filtering out operators who are not suitable – ideally this will filter bidders down to 5-6 suitable candidates
- Invitation to tender – bidders will be asked to complete a series of method statements setting out how they will improve the delivery over the contract period. This will be supported by a detailed financial business plan covering the contract period.
- Initial tenders will be assessed – we will select the 3 most appropriate/suitable bidders
- Negotiation Stage – Bidders will be asked questions relating to their bid
- Final Tender stage – Bidders will be given the opportunity to refine bids and submit their final offer
- Preferred Bidder – a bidder will be selected to move forward with to contract award
- Contract Award – the contract will be formally awarded
- Mobilisation period – prior to the contract start date, bidders will start mobilising the contract – including going through the TUPE transfer process
- Contract Start – the operation will transfer and the contract will begin for the period outlined in the tender (usually 10-15 years)

Outsourcing the full operation is likely the most long-term sustainable option for Folkestone Sports Centre Trust, providing financial security, reducing risk and liability whilst increasing the levels of social value delivered to the community.

SKY WALK

The business plan (Appendix 2) has detailed projections for each of the revenue lines. This includes growth projections for Sky Walk.

Please see the blue Sky Walk tab for more detailed info.

Highlights

Opening Hours

The facility is open 193 days that are classified as weekdays and 170 that fall on weekends and holidays. Typically, we estimate that the facility will open for 4 hours on weekdays and 8 hours at weekends & holidays.

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Capacity

The hourly capacity is 20 for weekdays and 30 for weekends.

Uptake

The participation figures are calculated by estimating the percentage uptake from the capacity. These have been estimated as 63%, 66% and 67% for the first 3 years of operation within this plan. Years 4 & 5 are the same as year 3.

Price

Whilst it is expected that a wide range of prices are used for different customers (and this is encouraged to use discounting for less busy periods), this plan is based on an average of £5 per head.

Staffing levels

By setting the usage and income targets in this way, the site team can more accurately predict when staffing levels are required. i.e. when to increase staffing to match usage and when to decrease staffing when participation levels drop.

Year 1 to 3 - Summary of Participation Targets & Income Budget

Year 1	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
% Uptake													
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	365
Weekdays	20	15	23	11	19	18	17	0	19	16	22	13	193
Weekends & Holidays	11	13	8	19	12	12	14	31	11	15	8	16	170
Daily Hours on Weekdays	4	4	4	4	4	4	6	6	4	4	4	4	
Daily Hours at Weekends & Hols	8	8	8	6	6	4	4	4	6	6	8	8	
Capacity per Hour Weekdays	20	20	20	20	20	20	20	20	20	20	20	20	
Capacity per Hour W/e & Hols	30	30	30	30	30	30	30	30	30	30	30	30	
Total Capacity Weekdays	1600	1200	1840	880	1520	1440	2040	0	1520	1280	1760	1040	
Total Capacity W/e & Hols	2640	3120	1920	3420	2160	1440	1680	3720	1980	2700	1920	3840	30540
Total Capacity	4240	4320	3760	4300	3680	2880	3720	3720	3500	3980	3680	4880	
Actual Usage per month	63%	2671	2722	2369	2709	2318	1814	2344	2205	2507	2318	3074	29396
Average Price	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	
Income	£13,356.00	£13,608.00	£11,844.00	£13,545.00	£11,592.00	£9,072.00	£11,718.00	£11,718.00	£11,025.00	£12,537.00	£11,592.00	£15,372.00	£146,979.00
Year 2	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	365
Weekdays	20	15	23	11	19	18	17	0	19	16	22	13	193
Weekends & Holidays	11	13	8	19	12	12	14	31	11	15	8	16	170
Daily Hours on Weekdays	4	4	4	4	4	4	6	6	4	4	4	4	
Daily Hours at Weekends & Hols	8	8	8	6	6	4	4	4	6	6	8	8	
Capacity per Hour Weekdays	20	20	20	20	20	20	20	20	20	20	20	20	
Capacity per Hour W/e & Hols	30	30	30	30	30	30	30	30	30	30	30	30	
Total Capacity Weekdays	1600	1200	1840	880	1520	1440	2040	0	1520	1280	1760	1040	
Total Capacity W/e & Hols	2640	3120	1920	3420	2160	1440	1680	3720	1980	2700	1920	3840	30540
Total Capacity	4240	4320	3760	4300	3680	2880	3720	3720	3500	3980	3680	4880	
Actual Usage per month	66%	2798	2722	2369	2709	2318	1814	2344	2205	2507	2318	3074	29523
Average Price	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	
Income	£13,992.00	£13,608.00	£11,844.00	£13,545.00	£11,592.00	£9,072.00	£11,718.00	£11,718.00	£11,025.00	£12,537.00	£11,592.00	£15,372.00	£147,615.00
Year 3	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	365
Weekdays	20	15	23	11	19	18	17	0	19	16	22	13	193
Weekends & Holidays	11	13	8	19	12	12	14	31	11	15	8	16	170
Daily Hours on Weekdays	4	4	4	4	4	4	6	6	4	4	4	4	
Daily Hours at Weekends & Hols	8	8	8	6	6	4	4	4	6	6	8	8	
Capacity per Hour Weekdays	20	20	20	20	20	20	20	20	20	20	20	20	
Capacity per Hour W/e & Hols	30	30	30	30	30	30	30	30	30	30	30	30	
Total Capacity Weekdays	1600	1200	1840	880	1520	1440	2040	0	1520	1280	1760	1040	
Total Capacity W/e & Hols	2640	3120	1920	3420	2160	1440	1680	3720	1980	2700	1920	3840	30540
Total Capacity	4240	4320	3760	4300	3680	2880	3720	3720	3500	3980	3680	4880	
Actual Usage per month	67%	2841	2894	2519	2881	2466	1930	2492	2345	2667	2466	3270	31262
Average Price	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	
Income	£14,204.00	£14,472.00	£12,596.00	£14,405.00	£12,328.00	£9,648.00	£12,462.00	£12,462.00	£11,725.00	£13,333.00	£12,328.00	£16,348.00	£156,311.00

SKI

Year 1 to 3 - Summary of Participation Targets & Income Budget

The business plan (Appendix 2) has detailed projections for each of the revenue lines. This includes growth projections for Ski Slope.

Please see the blue Ski Slope tab for more detailed info.

Highlights

Opening Hours

The facility is open 193 days that are classified as weekdays and 170 that fall on weekends and holidays. Typically, we estimate that the facility will open for 4 hours on weekdays and 8 hours at weekends & holidays.

Capacity

The hourly capacity is 20 for weekdays and 30 for weekends.

Uptake

The participation figures are calculated by estimating the percentage uptake from the capacity. These have been estimated as 30%, 30% and 33% for the first 3 years of operation within this plan. Years 4 & 5 are the same as year 3.

Price

Whilst it is expected that a wide range of prices are used for different customers (and this is encouraged to use discounting for less busy periods), this plan is based on an average of £7.5 per head.

Staffing levels

By setting the usage and income targets in this way, the site team can more accurately predict when staffing levels are required. i.e. when to increase staffing to match usage and when to decrease staffing when participation levels drop.

Year 1	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
% Uptake													
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	365
Weekdays	20	15	23	11	19	18	17	0	19	16	22	13	193
Weekends & Holidays	11	13	8	19	12	12	14	31	11	15	8	16	170
Daily Hours on Weekdays	4	4	4	4	4	4	6	6	4	4	4	4	
Daily Hours at Weekends & Hols	8	8	8	6	6	4	4	4	6	6	8	8	
Capacity per Hour Weekdays	20	20	20	20	20	20	20	20	20	20	20	20	
Capacity per Hour W/e & Hols	30	30	30	30	30	30	30	30	30	30	30	30	
Total Capacity Weekdays	1600	1200	1840	880	1520	1440	2040	0	1520	1280	1760	1040	
Total Capacity W/e & Hols	2640	3120	1920	3420	2160	1440	1680	3720	1980	2700	1920	3840	30540
Total Capacity	4240	4320	3760	4300	3680	2880	3720	3720	3500	3980	3680	4880	
Actual Usage per month	25%	1060	1080	940	1075	920	720	930	875	995	920	1220	11665
Average Price	£7.50	£7.50	£7.50	£7.50	£7.50	£7.50	£7.50	£7.50	£7.50	£7.50	£7.50	£7.50	
Income	£7,950.00	£8,100.00	£7,050.00	£8,062.50	£6,900.00	£5,400.00	£6,975.00	£6,975.00	£6,562.50	£7,462.50	£6,900.00	£9,150.00	£87,487.50

Year 2	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
% Uptake													
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	365
Weekdays	20	15	23	11	19	18	17	0	19	16	22	13	193
Weekends & Holidays	11	13	8	19	12	12	14	31	11	15	8	16	170
Daily Hours on Weekdays	4	4	4	4	4	4	6	6	4	4	4	4	
Daily Hours at Weekends & Hols	8	8	8	6	6	4	4	4	6	6	8	8	
Capacity per Hour Weekdays	20	20	20	20	20	20	20	20	20	20	20	20	
Capacity per Hour W/e & Hols	30	30	30	30	30	30	30	30	30	30	30	30	
Total Capacity Weekdays	1600	1200	1840	880	1520	1440	2040	0	1520	1280	1760	1040	
Total Capacity W/e & Hols	2640	3120	1920	3420	2160	1440	1680	3720	1980	2700	1920	3840	30540
Total Capacity	4240	4320	3760	4300	3680	2880	3720	3720	3500	3980	3680	4880	
Actual Usage per month	30%	1272	1080	940	1075	920	720	930	875	995	920	1220	11877
Average Price	£7.50	£7.50	£7.50	£7.50	£7.50	£7.50	£7.50	£7.50	£7.50	£7.50	£7.50	£7.50	
Income	£9,540.00	£8,100.00	£7,050.00	£8,062.50	£6,900.00	£5,400.00	£6,975.00	£6,975.00	£6,562.50	£7,462.50	£6,900.00	£9,150.00	£89,077.50

Year 3	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
% Uptake													
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	365
Weekdays	20	15	23	11	19	18	17	0	19	16	22	13	193
Weekends & Holidays	11	13	8	19	12	12	14	31	11	15	8	16	170
Daily Hours on Weekdays	4	4	4	4	4	4	6	6	4	4	4	4	
Daily Hours at Weekends & Hols	8	8	8	6	6	4	4	4	6	6	8	8	
Capacity per Hour Weekdays	20	20	20	20	20	20	20	20	20	20	20	20	
Capacity per Hour W/e & Hols	30	30	30	30	30	30	30	30	30	30	30	30	
Total Capacity Weekdays	1600	1200	1840	880	1520	1440	2040	0	1520	1280	1760	1040	
Total Capacity W/e & Hols	2640	3120	1920	3420	2160	1440	1680	3720	1980	2700	1920	3840	30540
Total Capacity	4240	4320	3760	4300	3680	2880	3720	3720	3500	3980	3680	4880	
Actual Usage per month	33%	1378	1404	1222	1398	1196	936	1209	1138	1294	1196	1586	15165
Average Price	£7.50	£7.50	£7.50	£7.50	£7.50	£7.50	£7.50	£7.50	£7.50	£7.50	£7.50	£7.50	
Income	£10,335.00	£10,530.00	£9,165.00	£10,481.25	£8,970.00	£7,020.00	£9,067.50	£9,067.50	£8,531.25	£9,701.25	£8,970.00	£11,895.00	£113,733.75

10

USE OF OVERAGE PAYMENT

USE OF FUNDS RELEASED FROM OVERAGE PAYMENT

The trust is uniquely placed in the leisure sector when compared to other operators, trusts and organisations in so much that they own the asset(s) which they operate. This alone has allowed the trust to continually look at their investment strategy for the centre based on ownership of assets which places the trust in a strong position when considering borrowing.

The trust has agreed the sale of a proportion of the land at the rear of the site for a housing development and this will result in an overage payment being released to the trust's operating accounts. **The advanced knowledge of this overage payment coming into the trust has allowed the trust to take on additional borrowing in the short term to cover operational deficits during the challenging pandemic period.**

It is expected that this overage payment will be circa **£800,000** and will be received in 2022.

The use of this overage payment has been carefully considered by the trust and as a result the following action plan has been agreed.

1) **£200,000** is to be placed into the accounts this financial year as 'unrestricted funds' and this will be used to clear the current overdraft and outstanding invoices.

2) **£200,000** is to be placed into the accounts this financial year as 'designated funds' and will be used to fund carbon reduction works in the plant room. For example, this could be used to fund the replacement of pumps and inverters. These works may be met with match funding which would allow further deposits into the trust accounts.

3) **£200,000** to be placed into the trust reserves as unrestricted funds to support the operation of the trust within this financial plan. It is noted that Year 1 of the plan may require a subsidy and hence this provision will allow this to be covered.

4) **£200,000** to be used to reduce the current debt of the trust. This could be achieved through the early repayment of the two largest loans that the trust is currently servicing.

- Charity Bank Loan
- RRLF funding

In order to decide the most effective use of the overage payment in relation to debt repayment, further investigation is required on each of these current loan repayments. It would be essential to understand any early repayment benefits (or penalties) and how much the repayment plan is influenced before making a final decision. We propose that the trust considers the impacts of all the options before committing to the exact use of £200,000 of the overage payment.

CURRENT LOANS

The Trust is currently servicing the repayment of the following loans.

Loan Description	Start Date	End Date	Amount	Interest	Total Amount	Term of Loan
RRLF	March 2021	Feb 2026	£200,000	£33,222	£233,222	5 Years
Charity Bank Loan	April 2010	March 2036	£1,197,838	£1,263,090	£2,460,928	25 years

The monthly repayment amount for these loans are as follows:

RRLF - Resilience & Recovery Loan Fund. This was taken out to assist the site in the recovery from Covid-19.

The monthly repayment for the RRLF is £5,486 or £65,829 per year.

The **Charity Bank Loan** was taken out for improvement works in 2010.

The monthly repayment for the Charity Bank Loan is £8,214 or £98,571 per year.

It would be prudent to consider the early repayment of the larger of the two loans (Charity Bank), as this would potentially reduce the monthly outgoings of the trust, subject to early repayment fees/penalties.

USE OF OVERAGE PAYMENT

Overage Payment	Balance after Action 1	Balance after Action 2	Balance after Action 3	Balance after Action 4
Starting Balance - £800,000				
Action 1 - Clear Overdraft and outstanding invoices	£600,000			
Action 2 - Investment into Energy		£400,000		
Action 3 - Early Loan Repayment			200,000	
Action 4 - Operational Deficit in Year 1 of this plan				£30,365

TRUST FINANCIAL PLAN SUMMARY

This 5-year financial plan has been developed to allow the trust to further recover from the impact of the pandemic and to then return to (and hopefully surpass) pre-covid levels of participation within the centres.

Revenue	Year 1	Year 2	Year 3	Year 4	Year 5
Operational Income	£1,381,237	£1,524,087	£1,741,415	£1,779,540	£1,779,540
Other non Council Grants	£50,000	£50,000	£20,000	£20,000	£20,000
Council Grant	£150,000	£150,000	£150,000	£150,000	£150,000
Donations	£12,000	£12,000	£12,000	£12,000	£12,000
Hawkinge Surplus	£95,000	£95,000	£95,000	£95,000	£95,000
Total Trust Income	£1,688,237	£1,831,087	£2,018,415	£2,056,540	£2,056,540
Expenditure	Year 1	Year 2	Year 3	Year 4	Year 5
Operational Expenditure	£1,577,239	£1,511,783	£1,577,048	£1,607,140	£1,616,201
Loan repayments & finance	£190,632	£190,632	£190,632	£190,632	£190,632
Total Expenditure (before Depreciation)	£1,767,872	£1,702,415	£1,767,681	£1,797,772	£1,806,833
Depreciation	£90,000	£90,000	£90,000	£90,000	£90,000
NET OPERATING POSITION* Surplus (Deficit**)	-£169,635	£38,671	£160,734	£168,768	£159,707

The deficit in Year One of the plan will be met by trust reserves as detailed on page 42.

PARTICIPATION GROWTH

The business plan will deliver the following increases in participation for the centre.

PRE-COVID POSITION	Year 1	Year 2	Year 3	Year 4	Year 5
300,000 Annual Visits	280,453	310,675	351,555	369,752	369,969

Key drivers for this business plan are to:

- Grow Health & Fitness memberships to over 1500 by the end of Year 3
- Increase Swimming lessons to 1000 on the scheme
- Change to a staffing structure that is targeted at a % of sales average of 55%.
- Utilise the overage payment to stabilise the trust finances, reduce debt and stimulate a balance of cost savings and new income opportunities.

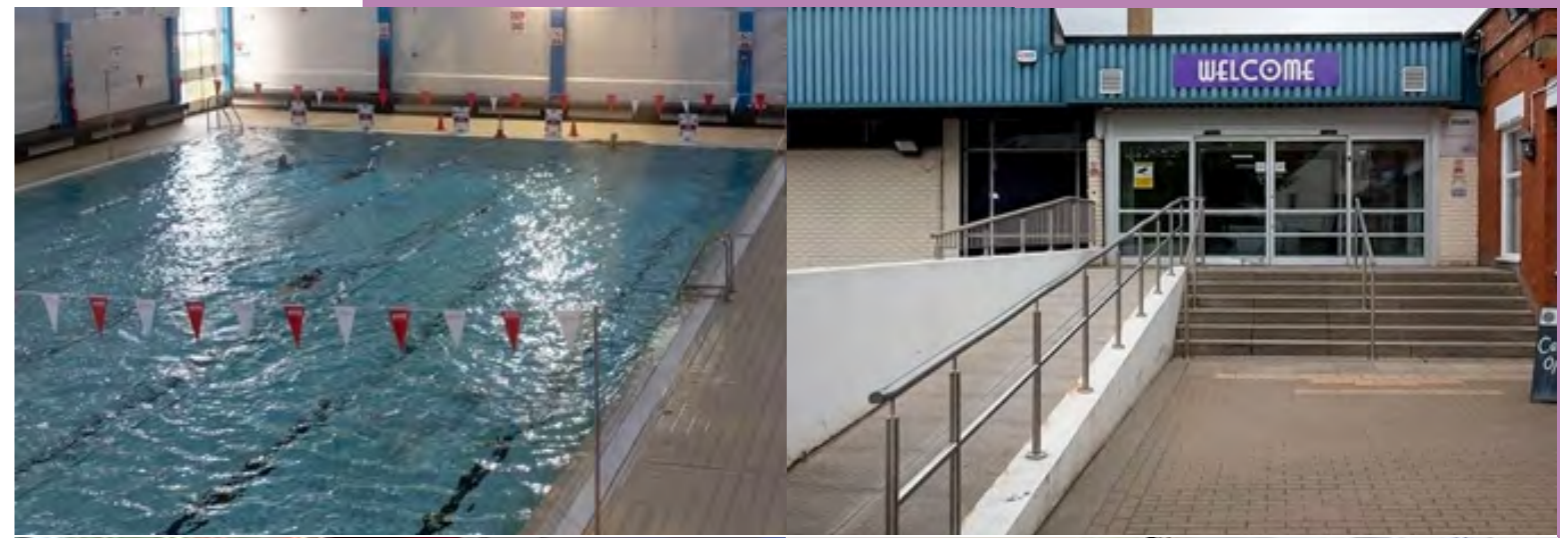
The key drivers within this business plan are outlined below:

			
SWIM LESSONS	FITNESS DD	STAFF STRUCTURE	DATA LED DECISIONS
650+ MORE CHILDREN LEARNING TO SWIM (DIRECT DEBITS)	700+ ADDITIONAL FITNESS USERS (£29.99 PCM)	AGILE STRUCTURE TARGET 55% SALARIES TO SALES	IMPROVED DATA CAPTURE & ANALYSIS

The recommendations of the business plan have been split into immediate actions (next two months), short (before the General Manager retires), medium (in the next 12 months) and long term (12+ months) actions. Where possible to do so, these recommendations have been built into the financial plan. A summary of recommendations is provided below:

IMMEDIATE	SHORT-TERM	MEDIUM-TERM	LONG-TERM
Commission an energy survey – tapping into the Decarbonisation Fund	Recruit replacement for General Manager	Commission a building Conditions Survey	Explore the option to outsource back office services to save money
Monitor performance with and without funding	Reduce debt where possible using overage payments	Modernise data capture	Explore the option to outsource the operation of the building to a specialist operator
Prioritise financial sustainability	Restructure workforce	Review opening hours in line with demand	Establish a clear replacement strategy for the building
Enlist the support of specialists to support growth	Marketing spend to stimulate growth	Capitalise on swimming lesson latent demand	Explore options to integrate the wellness centre into the main building using funding from sale of the current wellness centre location
Consider all developments within footprint	Convert private swim lessons to group sessions	Explore alternative catering offer	
	Test the market for outsourcing	Review gym prices to reflect competition	
	Deep clean & facelift	Increase marketing spend in line with growth target	

APPENDICIES



- Page 143
1. HIGH LEVEL MARKETING PLAN
 2. RISK REGISTERS
 3. STAKEHOLDER ENGAGEMENT
 4. FINANCIAL PLAN (EXCEL DOCUMENT)

01

HIGH LEVEL MARKETING PLAN

MARKETING PLAN

It is recommended that a marketing plan is implemented for Folkestone Sports Centre. This marketing plan should be backed by a marketing budget of between 1.5% and 3% of turnover, with the success of all campaigns measured and monitored throughout.

An example of a high level marketing plan which focusses on seven areas of the business is shown below, highlighting when and how the campaign should be delivered, and the way in which success will be measured.

RECOMMENDATIONS

As a minimum, it is recommended that the following is delivered:

- 3 social media posts per week
- Website needs to be optimised – content is out of date/presented inefficiently
- 2 blog articles per month highlighting the great work of the trust
- Google grants should be accessed

Overall, it would be more efficient to outsource marketing to a specialist as this would bring professional services, accountability and measurable impact for the centre.

AREA	WHAT	OBJECTIVE	METHOD	WHEN CAMPAIGNS WILL BE DELIVERED												HOW MEASURED
				JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
TRUST MONTHLY MISSION UPDATE	SHOUT LOUD ABOUT THE AIMS OF THE TRUST & WHAT IT HAS ACHIEVED	INCREASE DONATIONS	SOCIAL MEDIA UPDATES, LOCAL PRESS UPDATES, VIDEO CASE STUDIES – LINK TO ONLINE DONATIONS	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	£ DONATIONS RAISED
HEALTH & FITNESS MEMBERSHIPS CAMPAIGN	PROMOTE THE PRIMARY MEMBERSHIP OFFER AT THE CENTRE	INCREASE MEMBERSHIP SIGN UPS	PAID SOCIAL MEDIA – TARGETED PROMOTIONS, NEW JOINER OFFERS, CASE STUDIES TO INSPIRE	✓	✓			✓	✓			✓			✓	NUMBER OF MEMBERSHIP SIGN UPS
EXISTING MEMBER REFERRAL CAMPAIGN	REACH OUT TO EXISTING MEMBERS FOR REFERRALS	INCREASE MEMBERSHIP SIGN UPS – MEMBER RETENTION	IF FRIEND JOINS, DISCOUNT OR REWARD IS OFFERED TO REFERRING MEMBER			✓	✓			✓	✓		✓	✓		NUMBER OF REFERRALS & SIGN UPS
SWIMMING LESSONS DIRECT DEBIT DRIVE	RAISE AWARENESS OF GROUP SWIMMING LESSONS	INCREASE THE NUMBER OF SWIMMING LESSONS TO CUSTOMERS	TARGETED SOCIAL MEDIA AND ONLINE MARKETING CAMPAIGN	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	INCREASE IN SWIMMING LESSON TAKE UP
OUTDOOR ACTIVITIES PROMOTIONS	RAISE AWARENESS OF OUTDOOR ACTIVITIES	INCREASE GROUP BOOKINGS / SKI LESSON TAKE UP	TARGETED SOCIAL MEDIA & DIRECT MAIL CAMPAIGN TO SCHOOLS & CLUBS – MONITORED LINK SENT		✓			✓			✓			✓		ENQUIRIES/ BOOKINGS VIA LINK
CLUB/GROUP AWARENESS	PROMOTE FACILITIES ON OFFER TO CLUBS AND ORGANISATIONS	INCREASE CLUB BOOKINGS	DIRECT TO CLUB/ORGANISATION DIGITAL FLYER WITH LINK			✓			✓			✓			✓	ENQUIRIES/ BOOKINGS VIA LINK
TARGETED SESSIONS / HEALTH INTERVENTIONS	RAISE AWARENESS OF SPECIFIC PROGRAMMES / ACTIVITIES AT THE CENTRE	INCREASE PARTICIPATION IN HARD TO REACH GROUPS	STAKEHOLDER ENGAGEMENT EFFORTS WITH COMMUNITY CENTRES, CHURCHES, RESIDENTIAL HOMES ETC	✓			✓			✓			✓			INCREASED PARTICIPATION ON SPECIFIC ACTIVITIES

02

RISK REGISTER

IDENTIFYING KEY RISKS

The key risks to the sustainable future of the centre have been identified.

The risks have been split into three categories

- How much the risk would cost if the full value of the risk was realised
- How urgent the risk is perceived
- The potential impact the risk would have on the Trust if it happened

When evaluating each risk, a score out of five has been given. The evaluation matrix is as follows:

- 0 Being no potential risk
- 3 Being medium potential risk
- 5 Being very high potential risk

Each risk has then been ranked based on a total score out of 15.

The identification and assessment of these risks have been based upon the data provided, site visits and the Mulhall Leisure Consultancy (MLC) team's experience within the leisure sector.

Each of the risks that have been identified link to the options section of the business plan. This section provides options to help reduce or remove the risk identified.

RANK	RISK	POTENTIAL RISK /5			RISK RATING /15
		COST	URGENCY	IMPACT	
1	OVERALL STRATEGY	5	5	5	15
2	UTILITY COSTS & CONSUMPTION	5	5	5	15
3	DEBT/LOANS	5	4	4	13
4	RESET COMMERCIAL FOCUS	4	4	5	13
5	ASSET MANAGEMENT	5	3	5	13
6	STAFFING STRUCTURE	4	3	4	11
7	DATA CAPTURE	3	4	4	11
8	MARKETING	3	3	3	9
9	FIRST IMPRESSIONS	2	4	2	8
10	GRANTS AS % OF INCOME	2	3	2	7

02

RISK REGISTER

1

OVERALL STRATEGY

Covid-19 forced many leisure organisations to completely review operations and redefine their strategic approach to delivering services. Some took the opportunity to accelerate digital transformations, streamlining the customer journey in line with new accepted norms such as booking in advance, beach ready, online workouts and cashless operations. Others took the opportunity to streamline their staffing structures, purchasing agreements and refocussing their attention on core activity programmes to ensure sustainability.

These tough decisions were made to address challenges brought about by Covid-19 but they were made to ensure that they could still open facilities. Some of these tough decisions are still very much at large and must be considered by Folkestone Sports Centre Trust.

It is clear from speaking to staff and Trustees that the social outcomes of the Trust are important. However, in recent years because revenue has fallen and costs have risen, it is now essential that a clear and measurable strategy which prioritises the sustainability of the Trust is developed. This is even more pertinent if the trust wishes to continue to deliver these social outcomes. In previous years when surplus was generated, it was a simple choice to subsidise activities or programmes. The current financial situation removes the choice to subsidise activities and programmes.

RECOGNISING THE URGENCY & POTENTIAL IMPACT OF YOUR CURRENT POSITION

The first step to managing strategic risk is recognising the scale, urgency and how serious the current position is. The Trust should prioritise long-term sustainability and survival so that they can continue to deliver social outcomes for years to come.

It should be noted that increasing swimming lessons and the number of fitness members is making a difference and adding social value, as well as being financially viable

SALE OF ASSETS

The land ownership of the trust is currently the most secure asset, and is a security blanket providing reassurance and improves the ability of the Trust to borrow money when needed.

However, every time an asset is sold, this safety blanket is reduced, and overall financial security is decreased. Selling assets should generate long-term sustainable assets rather than liabilities and has the potential to allow FSC to continue to deliver social value schemes through a cross subsidy arrangement. In our opinion, the objective of selling any of the trusts assets should be done so with the aim of generating long-term sustainability. Therefore, any asset sale must consider both the expected social value impact and the potential economic return. We believe this represents a safer strategy for the trust.

2

UTILITY COSTS & CONSUMPTION

VOLATILE TARIFF MARKET - NEED TO CONTROL/REDUCE CONSUMPTION

As with most buildings of this age, Folkestone Sports Centre is not as efficient as a modern centre. There are simple housekeeping measures that can be taken to reduce consumption immediately. External funding routes to achieve large decreases in consumption/generate energy, and/or relatively small investment opportunities that can be explored to reduce consumption. Return on investment calculations are very favourable due to the rising costs of energy.

Energy cost rises forecast by Mark Mulville, Senior Energy Consultant for Alfa Energy who advise Folkestone Sports Centre Trust are alarming, but generally in line with what the entire industry is experiencing. To provide context for these rises, we have outlined past expenditure next to the forecast in the table below:

	2019-20	2020-21	2021-2022	Forecast*	Increase on previous year
Gas	£67,527	£47,119	£72,700	£75,000	£2,300
Electricity	£76,972	£53,956	£73,902	£178,000	£104,098
Total Utilities	£144,499	£101,075	£146,602	£253,000	£106,398

**This forecast is included in the 5-year plan*



Easton Leisure Centre invested £89k in 800 solar thermal tubes to lower heating costs of 25m pool, which have been zero since installation. Solar tech from clean energy contractor Solarsense. @SolarsenseUK @EveryoneActive @BristolCouncil t.lei.sr/SW7thD



This is a crisis that is impacting the whole leisure industry. Recent news suggests that up to a third of swimming pools may be forced to close due to an inability to cover the rising costs of heating pools.

Proactive leisure operators, who have invested in energy efficiency and energy generation measures are reaping the benefits of their foresight.

Easton Leisure Centre in Bristol invested £89k in 800 solar thermal tubes to lower heating costs of the 25m pool. Thanks to the recent hot weather, the cost of heating the pool has been removed. If this 'invest to save' model was applied to Folkestone, the payback would be within the first year of install. Funding for this type of project could come from grants, future sale of assets or borrowing.

02

RISK REGISTER

Page 147

3

CURRENT DEBT/ LOANS

Following Covid-19, the Trust is currently carrying a significant amount of debt, and when compared to the current financial performance (and subsequent cashflow issues) this presents a high risk of missed payments and/or default.

The information that has been provided suggests the following annual repayment profile is due over the next 5 years:

	2023-24	2024-25	2025-26	2026-27	2027-28
Fitness Equipment Finance	£26,232	£26,232	£26,232	£26,232	£26,232
Bank Loan Repayment*	£98,571	£98,571	£98,571	£98,571	£98,571
RRLF Repayment	£65,829	£56,000	£56,000	£56,000	£56,000
Total Debt Repayments	£190,632	£180,803	£180,803	£180,803	£180,803

*this relates to a significant investment into the facility in 2010 via The Charity Bank

The total debt represents 14% of total turnover (2021-22 including grants) or 20% of operational turnover (2021-22 excluding grants).

This is not an uncommon situation for leisure operators in the UK at the moment, however as a smaller operator, the margin of error relating to potential future increasing costs/reducing income presents a higher risk which needs to be mitigated wherever possible.

The current level of borrowing may also reduce the likelihood of future borrowing being approved.

RECOMMENDED FUTURE BORROWING PRINCIPLES

Borrowing should only be explored as part of a spend to save initiative, and linked to a comprehensive business plan to/for which there is clear accountability and outcomes.

It is clear that the current level of borrowing is unsustainable and every effort should be made to reduce it. In our opinion, any operational surplus, receipt from the sale of asset, unexpected grant or windfall should be used to reduce the borrowing levels. It is our understanding that the Trust will use the upcoming overage payment to reduce this liability.

4

FOCUS ON FINANCIAL SUSTAINABILITY

FINANCIAL SUSTAINABILITY FOCUS - IMPROVE ACCOUNTABILITY

It is clear that Folkestone Sports Centre has previously generated a healthy surplus for the Trust. However historical financial data indicates that performance was dropping prior to Covid-19, and the centre is yet to recover to previous levels.

The centre's cashflow is monitored with grant funding/asset sales and other external funding within the accounts. As levels of funding can fluctuate, this can mask under-performance in core areas of the business such as fitness and swimming lessons.

A solution to this is for the Trust to assess the performance of the centre based on its operational finances (excluding grants/overage payments etc). This will maintain focus on the core drivers of financial sustainability for the Trust such as swimming, fitness, staffing, maintenance and utilities. Targets should be set by the Trust for the General Manager to deliver.

For example fitness revenue has been declining prior to COVID-19, as shown below:

	2017-18	2018-19	2019-20 (PRE COVID)	2020-21 (COVID)	2021-22 (RECOVERY)	22-23 Forecast	23-24 Forecast
Fitness Revenue	£490,626	£470,361	£328,259	£104,646	£297,246	£432,078	£493,399
Growth/(Decline)		(4.3%)	(30%)	(68%)	284%	145%	114%
Growth/(Decline) against 2017-18		(5%)	(33%)	(78.6%)	(39.4%)	(11.9%)	0.5%

The 22-23 and 23-24 forecast indicates major growth for FSC, and represents a risk if not achieved. The scale of this growth is best shown against the UK's COVID recovery benchmarks.

	2019-20 (PRE COVID)	2020-21 (COVID)	2021-22 (RECOVERY)	22-23 Forecast	23-24 Forecast
Fitness Revenue	£328,259	£104,646	£297,246	£432,078	£493,399
UK Recovery Benchmark			80%	95%	105%
FTC Recovery			60.6%	88.1%	100.5%
Variance			(19.4%)	(6.9%)	(4.5%)

Swimming Lessons have fantastic potential at FSC, however currently 22+ private lessons are delivered. The same teaching resource could teach 198 more children per week to swim and yielding a more sustainable return whilst increasing participation numbers.

02

RISK REGISTER

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5

ASSET MANAGEMENT

BUILDING LIFECYCLE COSTS | MAINTENANCE COSTS | REPLACEMENT COST

The existing building presents an ongoing financial risk in terms of maintenance, lifecycle replacement (large plant items, roof, etc) and ultimately the replacement of the building as it nears the end of its lifespan.

Material costs and delivery times are currently high, and the market is volatile, adding uncertainty and risk to the financial sustainability of the trust.

A planned preventative maintenance schedule and lifecycle replacement schedule should be integral to FSCs financial planning, this is currently not in place.

Breakdown or complete failure of large plant items (such as boilers, filters and air handling units) will have a significantly negative impact on the financial performance of the trust.

Plant failure that is not rectified quickly has the potential to make other areas of plant work harder, and lead to further inefficiencies. This has the potential to increase energy consumption and/or cause damage to plant and other areas of the building.

The condition of the building is also directly linked to the ability to generate revenue. The overall condition of the building will impact the customer journey. Customers expect high standards, and whilst a building may be functional/functioning, a customer's perception may be negative - resulting in loss of customers.



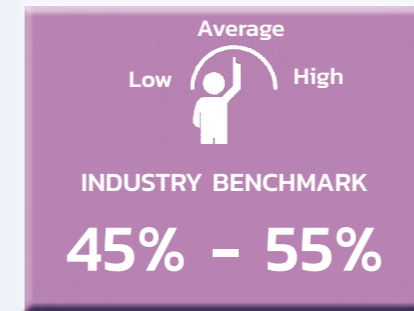
WET CHANGING ROOM FLOOR CONDITION | LIGHTS OUT | MIRROR DAMAGE | EXTERNAL CONDITION WATER DAMAGE | DAMAGE | DRY CHANGE TILE & FLOOR DAMAGE

6

STAFFING STRUCTURE

OVERSPEND AGAINST INDUSTRY BENCHMARKS (Salaries to sales)

An efficient staffing structure is essential to success within the leisure industry, especially within the context of increasing costs relating to living (and minimum) wage and competition for the best employees. The leisure industry uses the salary to sales calculation as a benchmark.



Looking at operational accounts for 2017-18, 2018-19, 2019-20 and 2021-22 (Removing the year impacted by Covid-19 lockdown), the total operational revenue was £4,743,630. The total payroll in this period was £3,585,136. This is 75% of the revenue during this period.

If the high end of the industry benchmark was applied during this period (55%), the total saving would be £976,140, or an average of £244,035 per year.

DEVELOPING AN EFFICIENT STAFFING STRUCTURE

The principle of building an efficient staffing structure centres around three main areas:

- Compliance/safety - ensuring statutory requirements / guidelines are met
- Demand - when is the centre busy
- Customer service - when staff have the best opportunity to add value to customers

Our on site observations and a review of the existing rotas suggest that a fresh look in this area will provide quick wins. A suggested structure is included within the financial workbook and on page 21 of this narrative.

02

RISK REGISTER

7

DATA CAPTURE

Decisions that are insight led are generally more effective at yielding better results. It is apparent that data capture at Folkestone Sports Centre is not consistent and only part digitalised.

This presents a big risk to the Folkestone Sports Centre Trust, as data sources are sporadic and not organised in a way which promotes proactive KPI management and accountability.

The review of the existing operation (by MLC), and collation of the different data sources has provided invaluable insights into the financial performance of the Trust, and the possible causes of certain issues.

Improving and embracing data capture as a sustainable way of managing the business is a fantastic opportunity for the Trust.

One of the biggest opportunity areas is with the learn to swim programme - by using industry standard software such as Course Pro, in conjunction with the new POS system Gladstone MRM (which is now installed), the trust will be able to:

- Move fully to Direct Debits (proven to be more affordable option for customers by spreading costs)
- Allow parents to track progress of their children online - improving the feedback process and overall retention on the programme
- Allow online joining for the swimming programme (something which has supported 25%+ growth with other operators)
- Reduce the burden of swimming enrolment periods by removing them
- Reduce the need for additional receptionists during swimming lesson periods

More consistency within data capture combined with a dashboarding system, such as that provided by Conduiit, will reduce the administration time of the centre by automating draft P&L accounts, display KPIs against targets and benchmarks.

This type of system will allow the Board of Trustees to review the performance of the centre against pre-agreed targets and KPIs on a single dashboard/report that can be emailed to each Trustee automatically to a set timetable.

Establishing a comprehensive method of data capture and data dashboarding will help flag future risks/performance trends early, allowing the Trust time to take the appropriate action.

8

MARKETING EXPENDITURE & QUALITY

SPEND TO ACCUMULATE

Marketing is often the first thing to be cut when financial pressures rise. The leisure industry uses a benchmark calculation for marketing of between 1.5% and 3% of turnover as standard. 1.5% should be the minimum, and 3% is accepted as a high spend.

Folkestone Sports Centre has the following marketing spend & % to turnover profile:

	2017-18	2018-19	2019-2020	2020-21	2021-22
Marketing Spend	£26,155	£18,386	£11,782	£4,913	£9,383
Marketing to Turnover %	1.9%	1.4%	1%	1.1%	1%

Fitness turnover dropped by 41% between 2018-19 and 2019-20 (this is not Covid-19 related). Whilst not the reason for the drop (this is likely related to the opening of the PureGym), it is evident that marketing spend dropped by 36% during this same period.

As the centre reopened following COVID-19, there is no apparent additional investment into marketing to encourage customers to return to the centre. There is also no evidence that the deal with Alliance Leisure has achieved anything - this should be urgently reviewed.

QUALITY

The existing marketing offer for Folkestone Sports Centre Trust has lots of scope to be improved and modernised. Some key aspects that we have picked up:

- Website is very cluttered, has out of date content and does not allow a user to quickly access information - the standard membership option should be more prominent
- Social media lacks consistency - appears that the team is not following brand standards
- Campaigns - there does not appear to be a consistent/clear message around health, happiness or well-being - the messaging is very disjointed

OPPORTUNITIES

There are plenty of opportunities to improve marketing - this includes accessing the Google Grants programme (£90,000 per year of free advertising credit), install an annual marketing plan which consistently communicates the offer - improve the membership sign up journey.

RISK REGISTER

9

FIRST IMPRESSIONS

ATTENTION TO DETAIL / DUMPING GROUND

During our review of Folkestone Sport Centre, it is apparent that there is a lack of attention to detail. This view is formed by the multiple dumping grounds, some observations of tasks not being completed and website examples.



WASTE TIPPED BEHIND KITCHEN & BY TENNIS COURTS



PLANT ROOM - PUMP OVER AREA GOALS, LADDERS & BROKEN EQUIPMENT

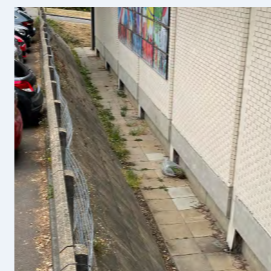
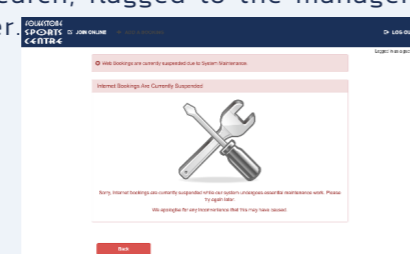


The scale of the waste dumping and general untidiness warrants investment of time and money to clear as it could put customers off.

During the morning of our visit, it was evident that weeding had started at the front of the building. No progress was evident the following day.

The website is out of date in areas, for example, the January offer is still displayed.

Potential members wishing to join Online currently cannot. This was identified on 4th July as part of our initial research, flagged to the manager on 12th July, and was still down on 25th October. Potential members are not redirected to call the centre. This observation is linked to the financial sustainability and marketing risks. Approximately 20% of new members generally join online across the leisure industry.



10

GRANTS

Grants, such as the payment from Folkestone and Hythe Council, are directly linked to the delivery of social impact work and are not intended be used to subsidise the core operation of the centre. The total amount of grant funding is subject to change each year. It is dependent on what is agreed between Folkestone & Hythe Council and the Trust and what success the team have in securing other local funding.

Reviewing historical finances shows that the level of grant income has varied considerably from year to year. This profile is shown below:

	2017-18	2018-19	2019-2020	2020-21	2021-22	FORECAST 22-23	Business Plan Mature Year
Grants	£183,034	£206,446	£178,482	£148,980	£275,498	£234,760	£232,000
Covid Related Grants	£0	£0	£0	£1,006,568	£73,924	£0	£0
Total Grants	£183,034	£206,446	£178,482	£1,155,553	£349,433	£234,760	£232,000
Grant % of Turnover	12%	13%	13%	71%	27%	16%	12%

The variability of this grant presents a risk when forecasting future accounts. For example an uplift in grant income relating to Covid-19 is shown for 20-21 and 21-22.

Therefore, it is recommended that the annual operational finances of the centre are reviewed without this grant, and the grant is seen as direct funding for social impact work.

There is an opportunity for the Trust to tap into additional grant funding related to projects targeting health and well-being, however:

- This funding would undoubtedly need to fund additional activities
- The UK economy is entering a recession, during this period, budgets are often cut - reducing the likelihood of grants being awarded

The Trust currently relies on the General Manager to complete grant applications. It is important that this role is transferred to another employee as early as possible.

A grants process can often take months to complete - with gaps between grant award and money being released.

Training resource to complete grant applications other than the General Manager is recommended, as the General Manager is needed to focus on other aspects of the business.

03

STAKEHOLDER ENGAGEMENT

CLUB SURVEY

The club survey received 19 responses.

1. Please tell us three things you like the most about using Folkestone Sports Centre?

- Easily accessible
- Friendly and warm welcome
- Provides paths to physical fitness and good mental health
- The vast majority of staff are really helpful
- We can rely on our sessions not being canceled
- Good flow of customers for our club
- Affordable sport
- Community inclusion
- Range of activities
- Availability of the front room for our members
- I was referred to the Fit Together Club which has been an enormous help to me, with my mental and physical disabilities. I'm on a low medical income and around Folkestone I could not find the help I needed, until I was referred to the sport centre, the support from them has been great that's the reason why I like going there
- Gives me confidence

2. Please tell us three things you would like to see changed or improved?

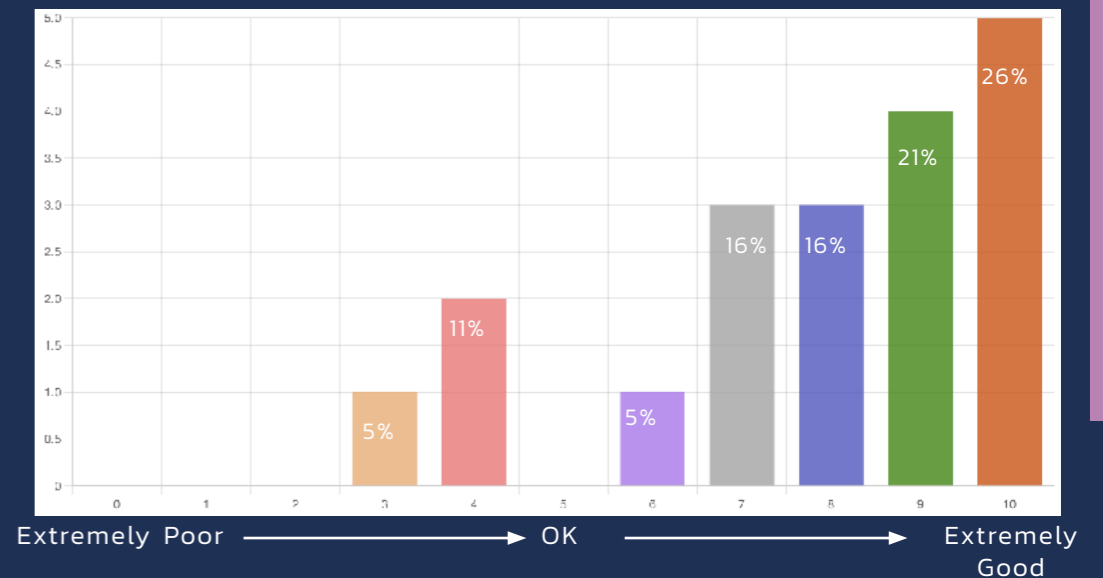
- The Fit Together programme should be funded long-term
- It would be nice if the membership could be more comprehensive to include gym facilities
- One or two members of staff (including a Duty Manager) are very unhelpful/rude and seem uninterested about being there
- Improved toilet and changing facilities
- The hall should be prepared for our activities on time
- Empower duty managers
- Ban mobile phones
- Cafe prices are high
- Train instructors to make sessions more interesting for people with disabilities
- Some instructors need to know more about the activity they are leading
- Improve the range of food in the cafe
- Advertise the place better and show how much support they can give the public
- The interior is looking tired- would be nice to see if they could have help with this
- Help/support for all the activity groups

3. Please rate your experience as a regular club when using the centre?

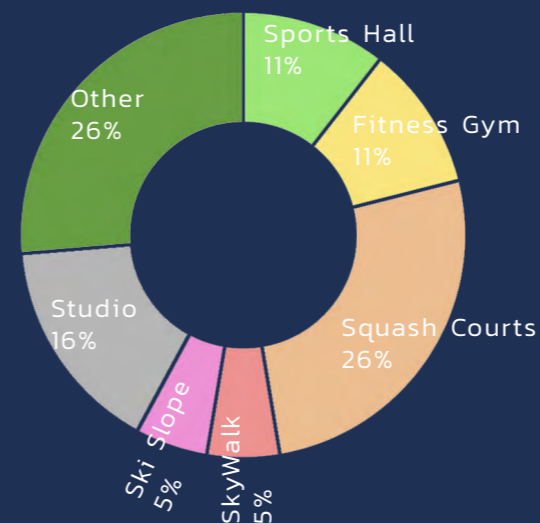
Of the 19 responses,

- 5 awarded 10/10
- 4 awarded 9/10
- 3 awarded 8/10
- 3 awarded 7/10
- 1 awarded 6/10
- 2 awarded 4/10
- 1 awarded 3/10

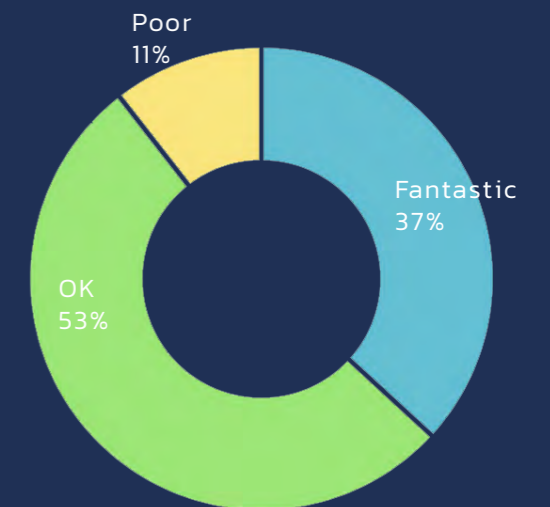
The weighted average score is: 7.79/10



4. Which area of the centre do you hire?



5. How would you rate the reputation of the centre?



03

STAKEHOLDER ENGAGEMENT

OVERVIEW OF FINDINGS

The two surveys combined with separate engagements with members of the Trust, customers within the centre, employees and representatives from the Folkestone & Hythe Council, provided invaluable information to support our business modelling, and was particularly helpful in developing the risk register.

Key reoccurring themes were around:

- Social value
- Need for investment
- Confidence in strategy
- General standards

EMPLOYEE SURVEY

The employee survey highlighted that 55% of respondents utilise either the gym or swimming pool outside of work, which is great to see staff members taking part in physical activity. However, 27% of respondents did not use the centre at all which is concerning and should be actioned to ensure that all staff members are encouraged to use the facilities. Not only is this good for their health and well-being but it is important to consistently see through customer eyes the service that is being delivered.

There were some key points raised in the survey that should be actioned by the team. For instance, the answers given to questions three and five noted several service issues such as not answering phones, communication, double bookings and staff rotas.

The employee survey also highlighted the thoughts of staff in relation to the future of the centre. When asked what they would spend £500,000's on, a mixture of responses were given. These ranged from better equipment to increased marketing, changing room refurbishments and improved repairs & maintenance. There are many synergies from these responses to our thoughts within the proposed options within this business plan.

OVERVIEW OF FINDINGS

The club survey highlighted that overall that clubs are happy with the facilities and services on offer at Folkestone Sports Centre. 26% rated their experience as extremely good and 37% of respondents rated the reputation of the centre as excellent. This is very encouraging.

However, within the question that asked about the things clubs would like to see changed, there are some areas that the team should look to action. For instance, there were multiple responses about the helpfulness of some members of the team, activity spaces not prepared for use at the right time and also comments about the cleanliness and presentation of the building. All of these aspects can be rectified.

Folkestone & Hythe District Council

Andrew Rush and Ewan Green shared their thoughts on a number of subjects relating to Folkestone Sports Centre and the future of the relationship.

Key items raised included:

- The Council would like more confidence in the participation numbers that are being provided by Folkestone Sports Centre Trust
- There is concern around the financial resilience of the Trust, with particular concerns raised around the current levels of borrowing and the economic environment
- The Council is not under any obligation to provide a grant for the operation, however there is no desire to remove it
- The nervousness around the Grant relates to the Council requiring more reassurance/confidence that their grant will contribute to their strategic outcomes rather than be used to offset liabilities
- A refreshed and detailed service level agreement setting out what will be delivered for the grant should be developed

FOLKSTONE
SPORTS
CENTRE

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This Report will be made public on 6 December 2022



Report Number **C/22/65**

To: Cabinet
Date: 14th December 2022
Status: Non key
Responsible Officer: Rebecca Chittock, Planning Policy Specialist
Cabinet Member: Cllr Monk, Leader of the Council

SUBJECT: Statement of Community Involvement (SCI) Update

SUMMARY: The purpose of this report is to update Cabinet on the outcome of the public consultation and set out recommended changes to the document before adoption.

REASONS FOR RECOMMENDATIONS:

So that the council has an up-to-date Statement of Community Involvement in place, to guide community engagement on planning applications and the local plan, taking account of recent consultation comments as far as possible.

RECOMMENDATIONS:

1. To receive and note report C/22/65.
2. That Cabinet supports work being carried out to update the SCI.
3. That Cabinet support the changes to the SCI as set out in Appendix 1.
4. That Cabinet approves the updated SCI for adoption.

1. BACKGROUND

- 1.1 The Statement of Community Involvement (SCI) is a statutory document that all local planning authorities are required to have in place. The SCI explains how people can get involved in decisions about plan making and planning applications, these are the two main ways to get involved in the planning system locally.
- 1.2 The SCI update was presented to Cabinet on 21st September (C/22/33) and a six-week public consultation on the document was approved.

2. CONSULTATION

- 2.1 The public consultation took place between 3rd October and 14th November 2022. The consultation was advertised through the council's social media channels, the council website, a press release in local media and direct email notification to over 1400 statutory consultees, businesses, groups and individuals on the consultation database the Strategy and Policy Team hold. Hard copies of the consultation document were made available for inspection at the council office and all local libraries in the district. Officers also attended a Parish Planning Forum meeting to explain the SCI update and highlight the consultation with parish and town councils. Comments could be made on the council's consultation portal directly against the relevant section of the SCI document. Alternatively, comments could be emailed or posted to us.
- 2.2 We received 66 comments in total on the SCI update, from 17 contributing consultees. Appendix 1 sets out the comments received, as well as officer responses and where necessary, changes to the document are suggested. Appendix 2 sets out the draft SCI text, published from the online Objective software, with the suggested changes underlined and in red (the final will be published inhouse).
- 2.3 The nature of the comments saw general support for the SCI, with the majority of comments falling in to two categories, those that were seeking clarification and those reflecting on past consultations and development carried out.
- 2.4 Given the issues raised by the consultation comments, there are no major amendments proposed. The amendments suggested, are mainly textual changes to help further clarify a point, avoid repetition and ensure the document is clear and concise.
- 2.5 If Cabinet approves the amended SCI, together with any other amendments Cabinet considers necessary, officers will produce a final version of the document and publish it on the website. It will be used to guide consultation on planning applications and engagement with the next local plan, which is in its early stages.

3. OPTIONS

- 3.1 The options are:
1. To adopt the SCI with the proposed changes set out in Appendix 1, and with any other amendments considered necessary by Cabinet. This would ensure that the council has an up-to-date SCI in place and show that the council has taken account of the comments that emerged from the consultation, as far as possible within legislative and resource constraints.
 2. To adopt the SCI without any proposed amendments. This would ensure that the council has an up-to-date SCI in place but would fail to demonstrate that the council had taken account of the consultation comments in its preparation.
 3. Not to adopt the SCI, but to rely on the existing 2015 SCI. The 2015 SCI is out-of-date in certain aspects and a resolution to full Council on 30th March 2022 called for it to be updated by the end of 2022 which the current report aims to achieve.
- 3.2 Given the need to have an up-to-date SCI in place, and to take account of public views in preparing the document, option 1 is the recommended option.

4. RISK MANAGEMENT ISSUES

- 4.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
That the council is held to account by a future local plan Inspector for having out-of-date materials to support its local plan.	Medium	Medium	That the council proceeds to amend the SCI as necessary, adopt it in reasonable time and keep it under periodic review.
That emerging planning reforms (the Levelling Up and Regeneration Bill and supporting Regulations) remove the need to prepare an SCI or supersede it with an alternative mechanism.	Low	Medium	That the council continues to monitor emerging legislation and regulations and responds accordingly.

That the council cannot meet the engagement commitments set out in the SCI.	Low	Low	That the SCI is sufficiently flexible to adapt to changing circumstances (e.g. the occurrence of a pandemic-type emergency) while also meeting the community's needs and expectations to be engaged in planning decisions.
That the practices of the Development Management and/or Strategy, Policy and Performance teams fall short of the standards set out in the SCI.	Low	Low	That the Development Management and Strategy, Policy and Performance teams periodically compare their respective working practices to the standards set out in the SCI and amend practices as necessary. That the teams attend training on best practice in engagement techniques, when available, and familiarise new team members with the latest adopted SCI when there are personnel changes.

5. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

5.1 Legal Officer's Comments (NM)

"It is a legal requirement for the council to have both an SCI and to update it at least once every five years.

The review and subsequent update of the SCI means that the Council is acting in accordance with s18 of the Planning and Compulsory Purchase Act 2004. It also ensures compliance with regulation 10A(b) of The Town and Country Planning (Local Planning)(England) Regulations 2012 (as amended by The Town and Country Planning (Local Planning)(England) (Amendment) Regulations 2017) which requires the Council to review their SCI every 5 years from the date of adoption.

5.2 Finance Officer's Comments (RH)

There are no financial implications arising from this report.

5.3 **Diversities and Equalities Implications (GE)**

There are no equality and diversity implications directly arising from this report. The Statement of Community Involvement is designed to encourage and engage with the widest range people within local communities across the district on decisions relating to plan making and planning applications.

5.4 **Climate Change Implications (AT)**

There are no Climate Change implications relating to the Statement of Community Involvement update.

6. **CONTACT OFFICERS AND BACKGROUND DOCUMENTS**

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

Rebecca Chittock Planning Policy Specialist
Telephone: 01303 853337
Email: rebecca.chittock@folkestone-hythe.gov.uk

Appendices:

Appendix 1: Statement of Community Involvement Consultation
Comments Report
Appendix 2: SCI Portal Document with changes

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1	Consultation point	Section Title	Organisation Details	ID	Your Comments - Please make your comments below	Officer Response	Suggested Changes if necessary
2			Hythe Civic Society	57	Thank you for the opportunity to comment on the Statement of Community Involvement.. Hythe Civic Society has only one comment. This relates to the way in which the comments on planning issues in general are treated when submitted. It would be of much interest to the originators of any comment to receive a response as to why their comments were accepted in whole, in part or ignored. With no response it appears to many that their comments are just ignored which the Society doubts is the case.	All comments made on a planning application are considered prior to a decision being made. All material planning considerations are taken into account. A summary of the issues and the number of representations are provided in reports which are available to view on the council's website. With regard to plan making consultations, unfortunately it is not always possible to respond to individuals, however we do respond to comments through Cabinet reports, which are published on the council's website. Summary tables of the consultation comments, the council's responses and the proposed changes are published alongside the Cabinet report for the early stages of consultation on a local plan and are made available to the Inspector(s) overseeing the examination. The final stage of local plan consultation (on Main Modifications) is held at the direction of the Inspector(s), and consultation comments are passed directly to the Inspector(s) to consider in drafting the final report - at this stage of the process it is not within the remit of the council to make changes.	For local plan consultations, the council will consider how the summary tables showing consultation comments and changes can be more prominently displayed on the council's webpages and highlighted through the council's social media channels.
3		Statement of Community Involvement (1)	Environment Agency, Kent Area Office	25	Thank you for your email. We have no comments to make on your draft SCI. Environment Agency	Noted.	
4		Statement of Community Involvement (1)	The Coal Authority	27	Thank you for your email below regarding the Consultation on the draft Statement of Community Involvement. The Coal Authority is a non-departmental public body sponsored by the Department of Business, Energy & Industrial Strategy. As a statutory consultee, the Coal Authority has a duty to respond to planning applications and development plans in order to protect the public and the environment in mining areas. As you are aware Folkestone & Hythe District Council lies outside the defined coalfield and therefore the Coal Authority has no specific comments to make on this Consultation.	Noted.	
5		Statement of Community Involvement (1)	National Highways	44	Thank you for inviting National Highways to comment on the above consultation. National Highways has been appointed by the Secretary of State for Transport as strategic highway company under the provisions of the Infrastructure Act 2015 and is the highway authority, traffic authority and street authority for the strategic road network (SRN). The SRN is a critical national asset and as such National Highways works to ensure that it operates and is managed in the public interest, both in respect of current activities and needs as well as in providing effective stewardship of its long-term operation and integrity. We will therefore be concerned with proposals that have potential to impact the safe and efficient operation of the SRN, in this case the M20, the A20, the A259 and the A2070. We welcome the inclusion of National Highways as a Statutory Consultee; however, we would like to include a statement on pre-applications, which encourages early engagement through pre-applications consultations. Lastly, we would recommend adding a statement that articulates the role National Highways has in ensuring the safe, sustainable and efficient operation of the SRN.	Noted. As part of the pre application process, if the need for input from National Highways is required this will be raised in the report given to the applicant. Noted, however the purpose is to keep the document concise and we would have to include explanations of the roles of all statutory consultees. We could however	Add weblinks to relevant statutory consultee websites in Appendix A.
6		Statement of Community Involvement (1)	Kent County Council	72	The County Council notes that the SCI does not maintain consistent spelling, punctuation and grammar. It is therefore recommended that the document is reviewed and amended as necessary to ensure regularity across the document.	Noted, while every endeavour has been taken to proofread the document before the public consultation, it will be reviewed again before adoption.	Review document for consistent spelling, punctuation and grammar before adoption.
7		Statement of Community Involvement (1)		4	Thank you for consulting Ashford Borough Council on the Statement of Community Involvement (SCI). ABC has no comments to make on the SCI document. Kind regards, Spatial Planning - Ashford Borough Council	Noted.	
8		Statement of Community Involvement (1)	Historic England	46	Thank you for your email of 3 October 2022 inviting comments on the above document. The consultation process detailed in the SCI should be adequate in meeting the requirements of the Local Development Regulations 2004. It will be important to ensure that stakeholder organisations with interests and responsibilities in the historic environment, at national and local levels, are fully involved throughout the consultation process. To this end, it is important to consult with both the Council's own conservation office or team, the County archaeological adviser and local amenity societies. In terms of the general requirements of consultation in relation to the historic environment, I attach a Note on Consultation with the Heritage Sector and a list of national amenity bodies.	Noted and thank you for the information	Add the list of national amenity bodies to our consultation database.

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1	Consultation point	Section Title	Organisation Details	ID	Your Comments - Please make your comments below	Officer Response	Suggested Changes if necessary
9		Statement of Community Involvement (1)	Natural England	26	Thank you for your consultation request on the above dated and received by Natural England on 3rd October 2022. Natural England is a non-departmental public body. Our statutory purpose is to ensure that the natural environment is conserved, enhanced, and managed for the benefit of present and future generations, thereby contributing to sustainable development. We are supportive of the principle of meaningful and early engagement of the general community, community organisations and statutory bodies in local planning matters, both in terms of shaping policy and participating in the process of determining planning applications. We regret we are unable to comment, in detail, on individual Statements of Community Involvement but information on the planning service we offer, including advice on how to consult us, can be found at: https://www.gov.uk/protected-species-and-sites-how-to-review-planning-proposals . We now ask that all planning consultations are sent electronically to the central hub for our planning and development advisory service at the following address: consultations@naturalengland.org.uk This system enables us to deliver the most efficient and effective service to our customers.	Noted	
10		Statement of Community Involvement (1)		73	I very much wanted to take part in the public consultation, but despite being a reasonably intelligent person, I found myself unable to understand the information on the website, it was not written for the layperson and did not appear to be a consultation document for the public to use and put forward their views. It was difficult to navigate and I did not understand how I was supposed to comment on the process of making and communicating planning decisions to the public. My experience of using your website is that it is not designed to be user friendly. I am left feeling very disappointed that I have been unable to contribute my views.	Sorry to hear you experienced problems. We do try to ensure there are multiple ways to make comments, so that we are not solely dependant on the consultation portal. Officers are also happy to help if people are having difficulties.	
11		Enquiries about planning	Kent County Council	58	The County Council recognises that email addresses and phone numbers have been provided for people to contact Folkestone and Hythe District Council regarding information about planning. However, it is recommended that there is a means for people to contact the Council if they need to request plan-making documents in an alternative format.	Noted	Add statement to the enquires about planning page, saying 'Please contact the Council if you need to request plan-making documents in an alternative format'
12		Enquiries about planning		6	Folkestone and hythe planning portal is very clunky and I find looking for planning drawings and documents difficult. It could be much easier	Noted. The portal is provided by an external supplier and we will pass these comments on to them.	
13		Enquiries about planning		14	I do not find the planning portal at FHDC user-friendly. Too many clicks are required to access documents and I fail to understand why, having scrolled down to complete enquiry details, you are then required to scroll back to the top to click on search. Surely search should be at the bottom of the page...	Noted. The portal is provided by an external supplier and we will pass these comments on to them.	
14	1.3	Paragraph		15	This is admirable in principle but, over the years, experience has shown that local communities have very little say in shaping the district. Feedback is routinely ignored and the fact that a local authority can grant itself permission to develop its own land is farcical viz. Princes Parade. The overwhelming majority of local residents are against the development of Princes Parade but their views were ignored. The change I would like to see is merely an adherence to this principle.	Noted, the district council takes all comments into consideration but has to balance these against council policy and government legislation/ guidance.	
15	1.3	Paragraph		30	Generally, stakeholders are not interested in our natural environment whereas local communities are.	We consult all bodies to ensure all issues are considered. For example we consult Natural England, the Environment Agency, Internal Drainage Boards, Kent Wildlife Trust, Kent Downs AONB Unit, Parish Councils on issues related to the natural environment. For the plan-making process, draft policies and allocated sites are tested against sustainability criteria in the Sustainability Appraisal and the results of this assessment process will be used to inform subsequent drafts of the local plan. The local plan will also be subject to a series of Habitat Regulations Assessments (HRAs) to test its impacts on sites of international importance for wildlife. These assessments are themselves consulted on with statutory bodies and local people, and will be reviewed by independent planning Inspectors as part of the examination of the local plan.	

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1	Consultation point	Section Title	Organisation Details	ID	Your Comments - Please make your comments below	Officer Response	Suggested Changes if necessary
16	1.3	Paragraph		32	Whilst this is an obviously laudable intention, the council must recognise that accessing the planning system in any meaningful way is extremely daunting. This feeling is amplified by an overwhelming sense that 'the system' is not really interested in what is said and that consultation is an unavoidable inconvenience. That is the nub of the problem that this consultation needs to overcome if it is to mean anything at all. The outcome of any consultation should be some level of discernible change, not explanations of why things can't be changed. Or worse, the absence of explanations about why nothing has been changed, evoking feelings of done-deals etc. There is a strong sense that doing enough is sufficient. Acknowledging that resourcing is a major problem nonetheless the council should always strive to go beyond fulfilling any legal minimum requirements.	Noted, the district council takes all comments into consideration but has to balance these against council policy and government legislation/ guidance. Where new relevant information comes to light the council will amend draft local plan documents.	
17	2	How you can get involved in planning		28	Thank you for your letter. As Sellindge residents my husband and I are so disappointed at the horrendous amount of building that has been done. A lovely village in the country to an enormous housing development with no infrastructure. The houses are all so close with no outlook and nowhere to park. The A20 has been narrowed and the traffic increased. . When the M20 has a problem the amount of traffic makes the residents along the A20 virtual prisoners as the traffic is nose to tail. Years ago (over 20) the council said that there would be no ribbon development and that the houses would stop at Grove House and the road opposite Moorstock lane.. That has been rubbished. I think that there is in the pipeline another huge development with Gladman's to build over 100 houses on green fields which will make a lot more traffic on a dangerous bend in the road. A few years ago there was a problem with water coming out of the field which had to be taken away in large water carriers. I took photos of the problem. There is little public transport for people and the last bus goes at 6pm so youngsters cannot go to evening venues to meet up with friends. Another thing that we have witnessed is the lack of birds. We used to have so many and now hardly any which is very sad. Please consider the well being of the residents and the flora and fauna of our village.	The council has to identify suitable sites for future development, to meet the government's housing targets. An adopted local plan gives some assurance to the amount of development that should come forward, the current Local Plan sets out the level development to 2037. However the legislation sets out that if we don't meet these targets other development sites can come forward. Issues such as flooding, traffic, nature consultation etc are taken in to account as part of the plan-making process and when planning applications are submitted.	
18	2	How you can get involved in planning	Kent County Council	59	The County Council would advise that a link is added as a footnote to the relevant webpage for the Minerals and Waste Plans prepared by KCC.	Noted	Add link in footnote
19	2.2	Paragraph		47	The evolution of local plans is not fully understood by the general population, the timeframes involved usually defeat all but the most committed, and so often the language used is specialist or technical. It's difficult to know when where to start with the amount of detail but too often proposals put for consultation are framed in we will do this or we are doing this, and not as it should be what we would like to do is this because. proposals put for consultation are framed in we will do this or we are doing this, and not as it should be what we would like to do is this because. Making comments on planning applications is	Noted, the SCI does set out all the ways we will consult the general public and the council will endeavour to ensure this is clear for future consultations. As regards the preparation period for local plans, the Government announced in the Levelling Up White Paper (2022) that only 39 per cent of local authorities have adopted a local plan within the last five years (the district council has adopted two local plans within the last five years, the Places and Policies Local Plan in 2020 and the Core Strategy Review in 2022). The Government is considering measures that would set out a statutory timeframe for the preparation of local plans of 30 months. Within this statutory period there would be certain set timescales for public consultation. If these reforms are enacted as proposed, then the council will be required to meet the new timescales for local plan preparation.	
20	2.3	Paragraph		34	I feel that sometimes, when consultation views are published, they lean towards the views that are favourable to the District Council.	The council publishes all comments submitted to planning consultations. Decisions have to be made balancing a number of factors, including national planning legislation and policy, local plan policies, consultation comments and the merits of the development proposal.	
21	3.1	Paragraph	Kent County Council	60	It is advised that this section references the document complying with the Public Sector Bodies Accessibility Regulations, particularly around the accessibility of documents and websites.	Noted, however Para 3.1 refers specifically to regulations around the production of SCIs. However we can make reference to the Public Sector Bodies Accessibility Regulations in para 3.2	Add reference in Para 3.2 to the Public Sector Bodies Accessibility Regulations
22	3.3	Paragraph		29	Yes, our District Council does involve the local community but the local community has little or no say in protecting our natural environment from development.	Noted, the district council takes all comments into consideration but has to balance these against council policy and government legislation/ guidance. In relation to the natural environment the council consults Natural England, the Environment Agency, Internal Drainage Boards, Kent Wildlife Trust, the Kent Downs AONB Unit, Parish Councils and the wider general public. For the plan-making process, draft policies and allocated sites are tested against sustainability criteria in the Sustainability Appraisal and the results of this assessment process will be used to inform subsequent drafts of the local plan. The local plan will also be subject to a series of Habitat Regulations Assessment (HRA) to test its impacts on sites of international importance for wildlife. These assessments are themselves consulted on with statutory bodies and local people, and will be reviewed by independent planning inspectors as part of the examination of the local plan.	

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1	Consultation point	Section Title	Organisation Details	ID	Your Comments - Please make your comments below	Officer Response	Suggested Changes if necessary
23	3.3	Paragraph		48	The guidance given in NPPF is of course helpful but it is something of a sledgehammer document that applies nationally, somewhere in amongst this there is a need for local discretion and the application of what can best be described as "common sense". When applicants are refuse consent for relatively trivial matters, barely visible to themselves let alone neighbours, it's sits very badly when major applications alongside the location granted consent with some form of casual comment about a greater good that mitigates. There are too many instances where these two outcomes occur simultaneously. These are issues which bring Planning into disrepute and explain in many instances while why engaging with people is so difficult. There needs to be far more explanation in plain words that accompany major issues, particularly the need that this should be open transparent and totally honest.	With regard to the Development Plan the NPPF needs to be followed, but there is opportunity to reflect local circumstances in the policies. When deciding planning applications, the law states that these should be determined using adopted Development Plan policies and other material considerations, such as government legislation.	
24	3.5	Paragraph		31	Yes, digital engagement is good but should involve local knowledge, a desk study in most cases achieves a good outcome but not in all cases.	Noted, digital engagement is to enhance contact with the public and engage with those that might struggle to get to a physical event. The Government's Planning White Paper (2020) and the Levelling Up White Paper (2022) stress the importance of digital engagement in the planning process, and the council is currently exploring how this can be improved. The Government particularly sees this as a way to involve younger people in the planning system, who, on the whole, do not get involved in planning consultations.	
25	3.6	Paragraph		49	Oh that this should be welcomed with open arms even by overburdened planning departments. Early engagement must draw in communities and should benefit from local input and knowledge. The notion of stakeholders really should be expanded to actively encourage individual participants and not just statutory organisations and administrative bodies. It may be that this is something which could be started between applicant and authority but needs to progress down a train fairly rapidly to encourage responses and inputs, whether positive or negative. It's a reality that it is easy to generate objection to any proposal, the trick is always to find ways of encouraging out positive responses. It's a reality that it is easy to generate objection to any proposal, the trick is always to find ways of encouraging out positive responses. Then the issues can be actually judged in their entirety and with the proper balance. The actuality of pre-application discussions has too often seen as a rubber stamp for an application particularly with major proposals. Nobody said this would be easy, nor should it be.	Comment noted	
26	3.7	Paragraph		35	Are these documents up to date or will there have to be alterations in accordance with the 2020 Planning for the Future White Paper?	The documents are currently up to date, but government guidance sets out that local plans have to be reviewed at least every 5 years, or sooner if circumstance change. It is likely that the next local plan will have to follow the new legislation and regulations, which will follow when the Levelling Up and Regeneration Bill (May 2022), currently before Parliament, receives Royal Assent and becomes law (likely to be in 2023).	
27	3.7	Paragraph		50	These documents are difficult to comprehend for a non-technical, non-specialist audience. The process involved in commenting and paying attention to the progress of these through their frankly staggeringly tedious and time-consuming preparation would seem to a cynical mind to be aimed at exhausting those who might inconveniently wish to respond in any thing other than positive mindsets.	The council will try to ensure documents are easily accessible and adequate time is given for comments. As regards the preparation period for local plans, the Government announced in the Levelling Up White Paper (2022) that only 39 per cent of local authorities have adopted a local plan within the last five years (the district council has adopted two local plans within the last five years, the Places and Policies Local Plan in 2020 and the Core Strategy Review in 2022). The Government is considering measures that would set out a statutory timeframe for the preparation of local plans of 30 months. Within this statutory period there would be certain set timescales for public consultation. If these reforms are enacted as proposed, then the council will be required to meet the new timescales for local plan preparation.	
28	4	Our Community Involvement Principles	Kent County Council	61	Figure 1: Our community involvement principles Transparent planning processes The County Council would recommend that the first two bullet points in this section are revised to avoid repetition regarding the clarity of the consultation.	Noted, agree to change	Amend the first two bullet points so there is no repetition, as suggested below: *Make the purpose and scope of planning consultations clear from the start *Take account of views received.
29	4.1	Paragraph		51	There is a significant problem with applicant pre-application consultations with "the community" has this so frequently seems to be little else than a rubber stamping box ticking exercise. In theory this sort of consultation should be informative but very rarely is there any obvious change to proposals in response to local communities or individuals. The sense that community comments or input is on the level of choosing the colour of front doors rather than what lies behind those doors is very real. there is always some chance that the outcome might well be apocryphal camels put into many instances there is a little genuine consultation sought by applicants.	The Council seeks to ensure that developers undertake consultation beforehand when relevant and this is considered when the application is submitted. However the council will continue to ensure that communities are engaged as fully as possible through the rest of the process.	
30	4.1	Paragraph		16	The community would welcome an adherence to these principles.	Noted	
31	Table 1	Community involvement in Plan-Making	Kent County Council	62	KCC notes Table 1: Community involvement in Plan-Making in the document and would request clarification on whether all tables in the document work acceptably for screen readers.	Noted, all future documents will be checked to ensure they work for screen readers.	

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1	Consultation point	Section Title	Organisation Details	ID	Your Comments - Please make your comments below	Officer Response	Suggested Changes if necessary
32	6	Who we will involve in Plan-Making	Kent County Council	63	It is advised that the text is amended to confirm the extent of consultation events that stakeholders have been or can request to be involved in. For example, if this is limited to consultation events such as information and participation activities, or if general consultations are also included.	Noted, add sentence to para. 6.2	Amend para 6.2: New consultees can be added to the consultation database at any time. Anyone who wishes to be added can do so by contacting the Strategy, Policy and Performance Team. <u>Consultees can be involved in all 'levels of involvement' throughout the plan making process.</u>
33	6.2	Paragraph		52	This needs to be far better and wider advertised than seems to be the case currently.	Noted, we will ensure the Consultation Database is highlighted with each consultation that's carried out and make it more visible on the website	Include information about the Consultation Database on council webpage: About planning consultations
34	7	How we will involve you in Plan-Making	Kent County Council	64	Leaflets and posters The County Council notes that QR codes will be used to link the community back to the Folkestone and Hythe District Council website. However, KCC would highlight that there has been a potential issue with GDPR and QR codes. IP addresses count as personal information and there are issues with these being collected and stored when QR codes are used. It is recommended that this method is further investigated to prevent this issue occurring. Interactive workshops and focus groups (in person and online) The text mentions that this format may be more appealing to some people than traditional methods of consultation. KCC would note that in person interactive workshops have been used for many years in planning and would request clarification on whether the online element makes it non-traditional.	Noted, having consulted with the councils IT Department we have been told that there is no reason not to use QR codes as long as we advise what data is collected when using it and how long that data is retained, QR codes are no different to publishing a URL / weblink, as essentially they both do the same thing, direct users to a web page, website or online resource. Noted, we will clarify the situation by deleting sentence starting with 'This format....' As regards reaching a wider audience, the Government's Planning White Paper (2020) and the Levelling Up White Paper (2022) stress the importance of digital engagement in the planning process, and the council is currently exploring how this can be improved. The Government particularly sees this as a way to involve younger people in the planning system, who, on the whole, do not get involved in planning consultations.	Delete the following text from Para 7.3: This format may be more appealing to some people than traditional methods of consultation.
35	7.3	Paragraph		7	The Council should invite local community groups and members of Conservation Area groups to submit databases of emails for these groups and communicate to them using these data bases - for Local Plan changes and individual planning applications.	Whilst we would encourage groups to communicate and exchange information amongst each other, there may be potential issue with GDPR if this data was passed to the council.	For local plan consultations, the council will consider how we might use digital brochures or newsletters that we could send to local groups who could then send them on to the people on their circulation lists, thus ensuring that there is no breach of data protection regulations regarding people's personal details.
36	7.3	Paragraph		53	Somewhere in this plethora of output and notifications there needs to be some simplification of the messages being sent out. The timescale for the production of any of the core planning documents is immense.	Agree, the purpose of the SCI is to use multiple methods of engagement such as social media to get the message across more clearly. As regards the preparation period for local plans, the Government announced in the Levelling Up White Paper (2022) that only 39 per cent of local authorities have adopted a local plan within the last five years (the district council has adopted two local plans within the last five years, the Places and Policies Local Plan in 2020 and the Core Strategy Review in 2022). The Government is considering measures that would set out a statutory timeframe for the preparation of local plans of 30 months. Within this statutory period there would be certain set timescales for public consultation. If these reforms are enacted as proposed, then the council will be required to meet the new timescales for local plan preparation.	
37	7.3	Paragraph		18	There is seldom adequate publicity for consultation events of any kind. Repeated notifications are required to ensure the community has an opportunity to take part.	Noted, the new SCI introduces wider methods of informing the public.	
38	8.1	Paragraph		36	There is an obvious format for this procedure, construction/development is important for our economy but there are too many small developers developing on local green spaces, leaving locals/residents with none. Not sustainable.	Noted, unfortunately this is not relevant to this consultation, however local plan policies are in place to protect green spaces. The council is developing a Green Infrastructure Strategy to conserve and enhance green spaces and areas of water for the benefit of wildlife, local residents and visitors. The Government is also developing proposals for Local Nature Recovery Strategies to enhance wildlife and habitats across the country. The Local Nature Recovery Strategy for Kent and Medway will be led by Kent County Council and the district council will help in its preparation and ensure that the broad county-wide proposals fit with local priorities and initiatives.	
39	11	Neighbourhood Plans and Development Orders		43	Neighbourhood Plans. I believe we have just one in the whole of the District ie St Mary in the Marsh, well done to them but such a poor show for the rest of the District. New Romney Town Council blames its residents for being apathetic and takes no responsibility itself! The Government is keen for communities to have such yet those that represent communities seem reluctant to pick up the mantle and yet blame the planning authorities when housing developments are built which upset them and their residents. I feel town/parish councils need to be more proactive and required to explain why they do not have a Neighbourhood Plan and what they have done to consult with the local community. It should not be just the word of a few councillors sat around a table believing they know what's best for their community in respect of something so important. Perhaps the Statement should be enhanced so that communities can see that those making decisions on their behalf have to show what they did in order to make those decisions, that they take these matters seriously.	Noted, but Neighbourhood Plans are not mandatory and they do take a considerable amount of time and resources. The district council will help those parish and town councils that wish to undertake them. A Neighbourhood Area has recently been approved for Lyminge, the first stage in the process of preparing a Neighbourhood Plan, and the council is helping Lyminge Parish Council with drafting its plan. Unfortunately it is not within the remit of the SCI to say how parish and town councils undertake their work.	
40	11.1	Paragraph		5	Time and time again we see the local parish council decline planning for schemes, followed by the hythe and folkestone council granting it. Can't you trust the local councils view and leave it there. They must feel their voice is not really taken seriously.	Noted, the district council takes all comments into consideration but has to balance these against council policy and government legislation/ guidance. Parish and Town Councils can comment on planning applications, but they cannot refuse planning permission - this is the remit of the district council as the local planning authority, or Kent County Council in relation to minerals and waste developments.	

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1	Consultation point	Section Title	Organisation Details	ID	Your Comments - Please make your comments below	Officer Response	Suggested Changes if necessary
41	12	Consultation on a Community Infrastructure Levy (CIL) Charging Schedule	Kent County Council	65	Figure 5: Community Infrastructure Levy Process Stage 3 Examination and Adoption The County Council would request clarification on whether objectors to the CIL Charging Schedule may be allowed to appear in front of the examiner virtually as well as in person.	The decision to hear objectors either in person or virtually is down to the examiner undertaking the examination, however we will delete the reference to 'in person' in the text to not restrict options.	Revise Figure 5, Stage 3, bullet point 1 to: Objectors to the document may be allowed to appear in front of the examiner in person .
42	13	Community involvement on planning and related applications		42	New developments. Sometimes these can cause problems for existing residents without them realising eg older properties like Victorian cottages without space for parking and where these residents park on the road outside their properties or nearby waste ground - with recent new developments in New Romney residents have lost the spaces on waste ground and have had to park on the road - with a new development taking place now double yellow lines will mean they will have nowhere nearby to park. New developments have to provide parking provision for the new properties by what about existing residents living in old properties with no land to park. The first development mentioned above could have provided access to the rear of these older properties for existing residents to park at the bottom of their gardens. The second development could have provided some parking space for these older properties. And so a problem is shortly to arise because existing residents have nowhere to park nearby without causing more problems for other people and other motorists on the A259 - they clearly didn't have the foresight at the time to see what was coming their way. Yes, the existing residents could have commented on the planning applications but as I said sometimes it is necessary to lead people. In my view all tiers of local government involved in the planning process (county, district and parish/town) should have the foresight to recognise the problems that may arise for an existing community as a result of a development and take responsibility to contact existing residents or simply take action on their behalf. Much is said about looking after our heritage and environment but somebody needs to take responsibility. Town/parish councils especially are supposed to act in the best interests of their residents yet they tend to be reactive rather than proactive, preferring to sit at meetings making decisions on behalf of their residents without even consulting them. They should be expected to show that local residents have been consulted. Perhaps the Statement needs to be enhanced to recognise that whilst communities/residents have the opportunity to respond to planning applications, in some circumstances	The Council continue to ensure that communities are engaged as fully as possible. However, the council cannot require people to respond. As regards reaching a wider audience, the Government's Planning White Paper (2020) and the Levelling Up White Paper (2022) stress the importance of digital engagement in the planning process, and the council is currently exploring how this can be improved. The Government particularly sees this as a way to involve younger people in the planning system, who, on the whole, do not get involved in planning consultations. The Statement of Community Involvement does not cover the activities of Town and Parish Councils, however, these organisations could develop their own principles of engagement, should they wish to do so.	
43	13.3	Paragraph		8	When applicants are working in conjunction with the Council (say through Oportunitas) or individual Councillors this information must be made available to the public preferably at the pre-application stage.	Noted. All planning applications are associated with the land and not the owners or applicants. The applicants/developers/eventual owners may change and are not material considerations. All Councillors when determining applications are required to declare any interests in advance.	
44	13.6	Paragraph		9	When applicants are working in conjunction with the Council (say through Oportunitas) or individual Councillors this information must be made available to the public by the Council .	Noted. All planning applications are associated with the land and not the owners or applicants. The applicants/developers/eventual owners may change and are not material considerations. All Councillors when determining applications are required to declare any interests in advance.	
45	13.6	Paragraph		39	Yes, the consultation process is in place and all these points are adhered to, workshops, exhibitions of the proposals etc but developers use expensive consultants who advertise they are successful in gaining planning permission for sensitive sites, AONB, green field sites etc turning the outcome to their (the developers) advantage.	Noted, all planning applications need to be considered against the policies in the adopted Development Plan, unless material considerations, such as government policy and guidance or onsite conditions, indicate otherwise. The council can only resist inappropriate development if it has set out positive proposals in its own local plan and can demonstrate that a sufficient supply of development is likely to come forward. The district council is in a stronger position to do this as it adopted the Places and Policies Local Plan in 2020 and the Core Strategy Review in 2022.	
46	Table 2	Publicity requirements for all applications		19	21 days is inadequate for planning matters as important as some of those listed below. The publicity period should be 30 days for all application types except the final six on the list below.	Noted. This is the requirement set out by Central Government.	
47	Table 2	Publicity requirements for all applications	Kent County Council	66	Table 2: Publicity requirements for all applications The County Council would advise that the Identified on Councils website heading is revised to Published on Councils website to clarify the status of applications.	Noted and agree.	Change title in Table 2 Identified on Councils website to: <u>Published on Council's website</u>
48	Table 2	Publicity requirements for all applications		10	Minimum period should be 30 days for all development types as it will increase the response rate - the reach of neighbourhood letters is far too low so residents must rely on other means of communication.	Noted. This is the requirement set out by Central Government.	
49	13.13	Paragraph		40	approved planning applications often stipulate that specific things need to be done by the developer outside of building houses eg a bench needs to be installed at a certain location, archaeological/historical information needs to be provided on a plaque and displayed at a certain location, S106 requirements. Who actually polices these requirements to ensure they are delivered? My experience is that many such requirements do not come to fruition and are forgotten about and sometimes S106 monies are used for other purposes which I understand is illegal. It would help communities to know that somebody is policing these requirements, it would give them more faith in the process. Perhaps the Statement could cover this and may be give the community details of how to raise their concerns when they feel requirements have not been met.	The Council monitors all s106 agreement obligations and CIL expenditure and publishes regular monitoring reports. All s106 obligations are set out in reports and subsequent agreements and are available for public inspection.	

	A	B	D	E	F	G	H
1	Consultation point	Section Title	Organisation Details	ID	Your Comments - Please make your comments below	Officer Response	Suggested Changes if necessary
50	13.13	Paragraph		54	In the case of nonmaterial amendments applications And there are many instances where they should be consulted, as what is minor to some is actually substantial to others. I think and there are many instances where they should be consulted, as what is minor to some is actually substantial to others. I think here of instances where landscape proposals are tinkered with or adjusted because of some inconvenient TPO which can no longer be sustained. Matters which would've been quite obvious at initial planning stage and with promises would have been made by applicants, only to apparently be rather casually dispensed with. Consulting NMA applications would avoid the common issue of local communities or neighbours being surprised after the fact rather than at least being allowed to have an understanding of why a change is coming about.	This is a matter of judgement and balance based on the facts of each application. Through MyAccount neighbours can be notified of applications irrespective of consultation requirements and are able to comment	
51	14.3	Paragraph		11	The scope of neighbourhood letter reach is far too low. The Council should encourage Conservation Area groups and other community groups to submit a database of emails for these groups and send out the application notifications accordingly.	Noted. It is currently open to all residents to comment on applications irrespective of receipt of a notification letter. Local residents and groups can also sign up to planning application alerts on the Council website via MyAccount.	
52	14.3	Paragraph		20	The principle on which neighbours are notified by letter is inadequate. Whilst they may not be an immediate neighbour of the site under consideration the development may have a material affect on them and their property, so anyone within a specified radius should receive a notification letter.	Noted. The proposals meet those set out Central Government Guidance. The features of MyAccount allow for individual residents to set up an individual notification radius.	
53	Figure 6	Neighbour Consultation Diagram	Director for Growth and Communities Kent County Council	67	Figure 6: Neighbour Consultation Diagram KCC notes that the notification of planning and listed building applications will also be sent to the relevant parish or community council. There are numerous references to parish councils in the document and KCC would request clarification on the terminology of community council in this text. Local Press The County Council would recommend that there is a Council Website subheading as the information included is not suitable under the current Local Press heading.	Noted and agree. Community Council to be changed to town council. Local Press: Agree to be consistent with Table 2.	Revise wording in para. 14.5 to: Notification of most planning and listed building applications will also be sent to the relevant parish or <u>town</u> council and responses will be invited.... Insert new subheading 'Council Website' between para. 14.9 and 14.10 .
54	14.4	Paragraph		12	The Council should encourage Conservation Area groups and other community groups to submit a database of emails for these groups and send out the application notices accordingly.	Noted. It is currently open to all residents to comment on applications irrespective of receipt of a notification letter. Local residents and groups can also sign up to planning application alerts on the Council website via MyAccount.	
55	14.7	Paragraph		13	The trouble is - they are not. It appears that the Council leaves the placing of the notice to the developer which invariably means the notice is deliberately obscured.	All yellow site notices are placed on site by Council Staff. A photograph of the notice in its visible location is then placed on the file for record.	
56	14.7	Paragraph		21	Experience has shown that site notices are seldom clearly visible. They should be larger and printed on fluorescent paper. Also, where a site lies between two areas which will be affected by the developemnt, care should be taken to ensure that both sides of the site display a notice. This was not the case with the recent proposed development of the Aldi site in Hythe High Street.	All yellow site notices are placed on site by Council Staff. A photograph of the notice in its visible location is then placed on the file for record. Depending on the scale of the development the Council continues to assess the need for an appropriate number of notices.	
57	14.7	Paragraph		38	The White Paper 2020 states planning applications are not going to be advertised on lamp posts etc. Has this changed?	The White Paper proposes using digital services to be notified of planning applications in the future. At present the current law still requires notices to be placed on site. When legislation changes the Council would comply with new requirements. The Council's MyAccount already allows for residents to be notified of development without the need for a site notice or letter.	
58	14.11	Paragraph		55	This facility should be much more	Noted. MyAccount currently provides notifications of up to 500m or 0.5km from a property. This could be reviewed once details of the White Paper's proposals to move to fully digital emerge.	
59	14.11	Paragraph		37	MyAccount is a good thing but should encompass a larger area.	Noted. MyAccount currently provides notifications of up to 500m or 0.5km from a property. This could be reviewed once details of the White Paper's proposals to move to fully digital emerge.	
60	15	How to make a comment on an application	Kent County Council	68	The text mentions that peoples comments should not include personal data, which is contradicted in the following sentence. KCC would therefore advise that this section amended to reflect that the only personal information that should be included in comments is their name and address. The County Council would also recommend that the last two paragraphs in this section regarding comments of a defamatory nature are combined to avoid repetition.	Noted and agree to change para 15.5. Noted and agree to amend Para 15.6 and delete para 15.8.	Revise Para. 15.5 to: Care should be taken when making comments to the council to ensure that no personal data <u>other than name and address</u> is included and that the information provided.... 15.6 In some specific circumstances public comments may not be published on the council's website. This is usually when comments either contain sensitive information about the applicant or person making the comment, or the comments are of an inappropriate or defamatory nature bearing no relevance to the planning process. Please note, unfortunately such comments may still be viewable prior to any removal and viewable online and by visitors to the Civic Centre. It is therefore your responsibility to ensure you do not include defamatory remarks in your comments as you could be held legally responsible for them in the future.

	A	B	D	E	F	G	H
1	Consultation point	Section Title	Organisation Details	ID	Your Comments - Please make your comments below	Officer Response	Suggested Changes if necessary
61	15	How to make a comment on an application		23	When the planning application for Otterpool comes before the Planning Committee will the sheer volume of opposition comments have any consideration? If FHDC are sincere in their intention to consult and take into account the views of local residents then this application is destined to fail. At least 95% of moments are opposed to Otterpool so how can it possibly proceed if there is any democracy?	All comments will be considered and the issues summarised within the public report. A link to all the comments will also be provided in any report to the Planning & Licensing Committee. Planning law requires that applications for planning permission be determined in accordance with the development plan, unless material considerations indicate otherwise. The council must assess all consultation comments to see if they raise valid points for the decision-making process. The council cannot simply refuse planning applications that receive objections. Where a planning application is refused, the council must give robust reasons for the refusal; it may be challenged by a planning Inspector if it has made the decision without sufficient justification.	
62	16	Consultation on decisions		41	CIU/S106 payments/requirements - Transparency. I understand there is a legal requirement to publicise and give communities easy access to this information. It would be useful for reference to be made to this and where the information can be found so that communities can see and check what contributions are being made and for what purpose.	Noted. All reports set out what obligations are requested and for what purpose. The Council monitors these and publicises. All s106 agreements are available for public inspection.	
63	18.1	Paragraph		17	This should state, in addition, 'Concerns will be followed up by the Council's Planning Enforcement Officer'.	Noted. Suggest paragraph wording is amended.	Change text to the following: The council's role in enforcing planning regulations is set out on the council's website in the adopted Planning Enforcement Protocol. <u>People wishing to report potential breaches of planning control should complete the online Planning Enforcement Complaint Form, or email planning.enforcement@folkestone-hythe.gov.uk. Any such reports will be considered in accordance with the process set out on the Council's website.</u>
64	21	Glossary	Kent County Council	69	Equality Group It is recommended that this definition makes reference to the protected characteristics identified in the Equality Act, which are also reflected in the Folkestone and Hythe Equality Impact Assessment. The County Council would also highlight that there is a distinction in the protected characteristics between sex and gender identity and reassignment and would therefore advise that the text is revised to recognise this.	Agree, suggest wording is amended	Change glossary definition to: Equality Groups – The Equality Act identifies protected characteristics, which are also reflected in the Folkestone and Hythe Equality Impact Assessment as: Disability; Race (including Gypsy and Traveller); Age; Gender; (including gender identity and reassignment), Transgender; Sexual orientation; religion/belief; pregnancy and maternity; marriage or civil partnership status.
65	Table A	Consultation on Development Plan Documents	Kent County Council	70	Consultation on Development Plan Documents Stage 3: Publication of a Local Plan How we will inform you The County Council recognises that digital tools are aimed to be used to inform consultees in the preparation of a Local Plan. KCC would therefore recommend the consideration of document commenting to allow people to directly add comments onto the Local Plan.	Agree, we have that option on the Consultation Portal, which is promoted as the preferred way for people to make representations. However to ensure this is clear, text will be added to the first bullet point. The Government's Planning White Paper (2020) and the Levelling Up White Paper (2022) stress the importance of digital engagement in the planning process, and the council is currently exploring how this can be improved. The Government particularly sees this as a way to involve younger people in the planning system, who, on the whole, do not get involved in planning consultations.	Appendix B, Table A, Stage 3, How we will inform you, 1st bullet point: Publish the draft plan and supporting documents on the council website, <u>including the Consultation Portal</u> for a minimum of six weeks.
66	Table B	Consultation on Supplementary Planning Documents (SPD)	Kent County Council	71	Consultation on Supplementary Planning Documents (SPD) Stage 2: Publish draft for consultation How we will inform you The County Council would recommend that the text is revised to include the Councils social media channels.	To reflect wording in Table A, we will add the word 'council'	Appendix B, Table B, Stage 2, How we will inform you, 5th bullet point: Advertise the consultation through the <u>council's</u> social media channels.

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Enquiries about planning

For information about plan-making and to register for email alerts for future consultations, contact the Strategy, Policy and Performance Team:

planning.policy@folkestone-hythe.gov.uk

01303 853000

Or make an appointment to visit the council offices.

For information about planning applications contact the Development Management Team:

planning@folkestone-hythe.gov.uk

01303 853538

Or make an appointment to visit the council offices.

[Please contact the Council if you need to request plan-making documents in an alternative format.](#)

1 Introduction

1.1 This document explains how to get involved in decisions about plan-making and planning applications. It is known as a Statement of Community Involvement (SCI) and all local planning authorities are required to have one ⁽¹⁾. Our previous Statement of Community Involvement was adopted in 2015 and this update has been prepared to take into account new legislation and regulations, new technologies and to remove outdated terminology.

1.2 Planning affects everyone in some way – the homes we live in, where we study, the places we work, the open spaces we enjoy and the roads we travel on. Therefore, it is important that people understand the planning system and are given the opportunity to get involved to contribute ideas and influence decisions.

1.3 Folkestone & Hythe District Council is committed to involving local communities and other stakeholders in the planning process, so they can help shape our district.

2 How you can get involved in planning

2.1 Legislation sets out that planning decisions should be made in accordance with a council's Development Plan unless material considerations indicate otherwise. The district's Development Plan consists of adopted Local Plans, Neighbourhood Plans, prepared by Town and Parish Councils, and Minerals and Waste Plans prepared by Kent County Council ⁽²⁾

2.2 There are two main ways to get involved in the planning system locally

1. Responding to public consultation on Local Plans – these documents set the policy framework against which development proposals will be assessed.
2. Making comments on planning applications – most types of development require a planning application to be submitted and approved.

2.3 This document sets out how you can get involved. By 'involvement' we mean any interaction between our planning teams and the community, which can occur in a number of different ways, for example:

- **Participation** – active involvement in identifying needs and priorities, such as interactive workshops, both online and in person.

1 The Statement of Community Involvement reflects the requirements of the Town and Country Planning (Local Planning) (England) Regulations 2012, Neighbourhood Planning (General) Regulations 2012 (as amended) the Town and Country Planning (Development Management Procedure) (England) Order 2015

2 [Kent Minerals and Waste Local Plan](#)

- **Consultation** – consulting you on your views, such as through online consultation processes and surveys.
- **Information** – providing data, such as advertisements in newspapers, publishing reports and holding exhibitions.

3 Community involvement in context

Policy and legislative context

3.1 The SCI update has been prepared under the following legislation:

- The Town and Country Planning (Local Planning) (England) Regulations 2012
- The Town and Country Planning (Development Management) (Procedure)(England) Order 2015
- Equality Act 2010
- Neighbourhood Planning (General) Regulations 2012 (as amended)
- The Localism Act 2011
- The General Permitted Development Order 2015 (as amended)
- The Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019

3.2 To find out more information about the above legislation, please visit the [Planning Portal](#). [The Public Sector Bodies Accessibility Regulations \(regarding the accessibility of documents on the web site\) has also been a consideration in the preparation of the SCI.](#)

3.3 The National Planning Policy Framework (NPPF) stresses the importance of engaging the community in plan making and decision taking. The NPPF states that Local Plans should:

Be shaped by early, proportionate and effective engagement between plan-makers and communities, local organisations, businesses, infrastructure providers and operators and statutory consultees; [paragraph 16]

3.4 It also stresses the benefits for development and planning processes that arise from effective engagement:

Early engagement has significant potential to improve the efficiency and effectiveness of the planning application system for all parties. Good quality pre-application discussion enables better coordination between public and private resources and improved outcomes for the community. [paragraph 39]

3.5 The Planning for the Future White Paper (2020) set out the government's vision to increase the use of digital engagement within the planning process, to make the planning system more accountable and democratic by offering alternative routes to engage alongside traditional forms of engagement.

3.6 Most recently the government has announced through the Levelling Up and Regeneration Bill (11 May 2022) that the government will be producing new guidance on community engagement in planning, which will describe the different ways communities can get involved and highlight best practice. This will include the opportunities which digital technology offers. When this guidance becomes available the SCI will be updated accordingly.

Local context

3.7 The council has an up-to-date Development Plan covering the period to 2037 and is set out in the following documents:

- The Core Strategy Review (2022) which sets out the spatial vision, objectives, development strategy and a series of over-arching strategic policies that will guide the scale, location and type of development in the district to 2037.
- The Places and Policies Local Plan (2020) which identifies small and medium sized sites for development across the district to meet the targets in the Core Strategy (2013); as well as setting out detailed development management policies to assess planning applications.
- St Mary in the Marsh Neighbourhood Plan (2019) which determines the extent of any future development in the parish and identifies where it is best located.
- Kent Minerals and Waste Local Plan (2016) which sets out the vision and strategy for waste management and mineral provision up until the year 2030.

3.8 The programme for preparing current and future planning documents is set out in the council's Local Development Scheme (LDS) which is updated on a regular basis and is available to view on the council [website](#).

4 Our Community Involvement Principles

4.1 In making planning decisions, the council often needs to balance differing views and make judgements in the best interests of all our communities. Gathering local opinions will help us make decisions in the most informed way possible. To achieve this, we will apply the following principles to our planning consultations:

Figure 1 Our Community Involvement Principles

Our Community Involvement Principles
Seek views as early as possible

Our Community Involvement Principles
<ul style="list-style-type: none"> • Involve the community as early as possible in the production of Local Plan documents • Pre-application involvement in planning applications, so that the applicants for certain types of development are encouraged to consult the community before submitting an application
Transparent planning processes
<ul style="list-style-type: none"> • <u>Make the purpose and scope of planning consultations clear from the start</u> • <u>Take account of views received.</u> • Make the purpose of planning consultations clear • Take account of views received and be clear about the scope of consultations from the start. • Publish consultation material that is clear, concise and avoids unnecessary jargon
Choosing appropriate ways to involve as many people as possible
<ul style="list-style-type: none"> • Choose consultation processes that are proportionate in type and scale to the potential impacts of the proposed plan • Target consultation to include people whom we consider would be most affected by the proposals or plans and organisations who may have specialist knowledge of the issues • Provide sufficient information for people to comment effectively • Ensure involvement is open to all • Consider our duties under the Equality Act 2010
Listen and feedback
<ul style="list-style-type: none"> • Fully acknowledge and consider the results of consultations • Provide accessible feedback on the results of consultations and how they have been used • Aim to make all representations publicly available • Ensure that information received through consultation processes complies with all Data Protection legislation

4.2 Other organisations that involve the community in planning processes could also use these principles. For example, town and parish councils consult when producing Neighbourhood Plans and developers provide a Statement of Community Involvement with major planning applications.

5 Community involvement in Plan-Making

5.1 We consider a wide range of locally prepared planning documents when planning decisions are made. Opportunities for community involvement in preparing these documents vary, depending on their status and purpose. Levels of community involvement in the main types of document are as follows:

Table 1 Community involvement in Plan-Making

Type of Document		Produced by	Purpose	Level of Involvement
The Development Plan	The Local Plan	Folkestone & Hythe District Council	Planning documents that set out a vision and framework for the future development of the district.	Participation, Information and Consultation
	Kent Minerals and Waste Local Plan	Kent County Council	Policies developed by the local community which are in general conformity with the Local Plan	
	Neighbourhood Plans	town and parish councils	Policies developed by the local community which are in general conformity with the Local Plan	

Type of Document	Produced by	Purpose	Level of Involvement
Supplementary Planning Documents	Folkestone & Hythe District Council	Expands or adds detail to policies laid out in Local Plans.	Participation, Information and Consultation
Strategies and other supporting documents	Folkestone & Hythe District Council	Sets out proposals or actions to achieve broader planning objectives	Participation (usually), Information and Consultation (usually).
Statement of Community Involvement (SCI)	Folkestone & Hythe District Council	Sets out the council's approach to community involvement on planning matters	Information and Consultation
Community Infrastructure Levy (CIL)	Folkestone & Hythe District Council	Sets a charge on new development to help fund infrastructure	Information and Consultation
Local Development Scheme (LDS)	Folkestone & Hythe District Council	Timetable for preparation and adoption of future Local Plan documents and other planning policies	Information
Authority Monitoring Report (AMR)	Folkestone & Hythe District Council	Reports progress on implementing the adopted Local Plan	Information

6 Who we will involve in Plan-Making

6.1 The council is required by legislation to consult certain bodies which it considers may have an interest in or be affected by a document, a list of these bodies is set out in Appendix A.

6.2 In addition, we maintain a database ⁽³⁾ of individuals, landowners, developers, and businesses that have taken part in past consultations or wish to be involved in future consultation events. New consultees can be added to the consultation database at any time. Anyone who wishes to be added can do so by contacting the Strategy, Policy and Performance Team. Consultees can be involved in all 'levels of involvement' throughout the plan making process.

6.3 The Duty to Co-operate set out in the Planning and Compulsory Purchase Act 2004 (as amended) and by the Localism Act 2011 establishes legal principles of co-operation with neighbouring councils, and other relevant organisations to work together across boundaries on strategic planning issues that affect them all. A list of duty to co-operate bodies is also included in Appendix A.

6.4 As part of the duty to co-operate we produce statements of common ground. All statements of common ground shall be published and kept up to date by the signatory authorities as an accessible and public record of where agreements have or have not been reached on cross boundary strategic issues. All statements of common ground are available to view on the council [website](#).

7 How we will involve you in Plan-Making

7.1 Legislation sets out the minimum requirements for community involvement when preparing Local Plan documents. Where possible and appropriate, we will go beyond these requirements to promote greater community involvement and to meet the needs of our different communities. Therefore, a variety of methods are likely to be used at various stages of the plan-making process.

7.2 In addition, the Coronavirus pandemic has seen an expansion of the use of digital technologies in the way that we work, communicate and engage. The council will look to capitalise on the increased opportunities for wider engagement that online platforms have provided. Going forward we will aim to take a hybrid approach to community engagement, offering alternative routes to engage alongside the traditional.

7.3 Consultation methods we may use include, but are not limited to:

- Direct notifications – emails or letters (where no email address) will be sent to statutory consultees, relevant groups and to those who have requested to be contacted on our consultation database.

3 This database complies with the GDPR principles

- Website – progress on our planning documents will be publicised on the council website. This will also be the place to download evidence base documents and feedback reports. People will be able to view consultation documents and make representations online. There is also a link to our plan-making consultations on the councils MyAccount online platform, which allows registered users to see council information relevant to them all in one place.
- Hard copies – during consultation periods, hard copies of documents will be made available for inspection at the council offices and local libraries (at the discretion of Kent County Council).
- Social media – consultation events will be advertised before, during and after the consultation via social media platforms, for example Facebook and Twitter.
- Local media – public notices, press releases will be sent to local media ⁽⁴⁾ and published on the council website to promote consultations.
- Your District Today – where possible, updates will appear in our council magazine which is distributed to more than 50,000 homes and businesses across the district twice a year.
- Presentations (in person and online) – presentations to appropriate groups, organisations and stakeholders will be delivered to target particular people in the community who may be interested in specific issues. Presentations may also take place online, using technology such as video conferencing.
- Leaflets and posters- these may be distributed to promote consultations and summarise information on consultations. Information may also be circulated to town and parish councils and residents’ associations for display on community notice boards or in community newsletters. QR codes will be used to link the community back to our website.
- Interactive workshops and focus groups (in person and online) – discussions of topics and documents in groups using plans, models, videos and other visual materials. ~~This format may be more appealing to some people than traditional methods of consultation.~~ Workshops are particularly useful at early stages of consultation and specific topic-based plans. The council may use consultants to support this engagement where it would be appropriate to have impartial intermediaries.
- Exhibitions and road shows – public displays for local residents to follow progress of plans and to give publicity to large scale development proposals and applications. Timing and location of exhibitions must be relevant to the community. These displays could be part of wider community events so that the council goes out to communities, rather than relying on communities to approach the council.
- Councillor workshops – to keep councillors informed and help them share information about the processes with local residents.
- Surveys and questionnaires (in person and online) – surveys and questionnaires may be used to canvass views on key issues, options, proposals and documents.

4 Local media includes Kent Messenger Group, Reach plc, community magazines, regional radio and television outlets

Responses can help identify key interests and groups. There is benefit in focusing questions on key topics.

- Digital tools- including specialist consultation and engagement tools that incorporate interactive visual elements such as mapping and videos.

7.4 The details behind each consultation initiative will be formulated in partnership with the council Communications and Engagement Team and in line with our Community Involvement Principles.

8 Consultation in Plan-Making

8.1 The process for preparing a Local Plan will include at least one formal consultation stage before submission to the Secretary of State for independent examination.

Figure 2 Local Plan Process

Stage 1 Preparation of the Evidence Base	<ul style="list-style-type: none">• The council gathers a range of evidence to support the Local Plan.• Developing the evidence base may include informal engagement with stakeholders such as Kent County Council, neighbouring authorities, landowners and developers and where appropriate the community.
Stage 2 Preparation of a Local Plan (Regulation 18)	<ul style="list-style-type: none">• This stage will allow stakeholders the opportunity to comment on draft plans for the district.• This is an options testing phase and may be repeated.
Stage 3 Publication of a Local Plan (Regulation 19)	<ul style="list-style-type: none">• The council will use any comments received, alongside national and local planning policy and other supporting evidence to develop the plan.• We will then publish the final draft version of the plan for consultation.• Representations submitted at this stage are forwarded to the Planning Inspector to be considered at the Examination.

<p>Stage 4 Examination</p>	<ul style="list-style-type: none"> The plan will be sent with relevant supporting information to the Secretary of State to be examined. The Inspector in charge of the examination will take into account written comments on the plan and, if invited by the Inspector, people can also appear at the examination to speak in support of, or against, the plan.
<p>Stage 5 Adoption</p>	<ul style="list-style-type: none"> Following the Examination, the Inspector will produce a report. Where changes are identified by the Inspector (known as 'proposed modifications') these will also be consulted on. At this stage comments are passed directly to the Inspector. The council will consider the Inspector's report, make changes to the plan where appropriate and adopt the final plan

8.2 Table 3 in Appendix B outlines how the council will undertake the consultation and engagement at different stages of the preparation of a Local Plan. Examples of engagement methods are given, and as a minimum, the council will always comply with the relevant planning regulations.

9 Sustainability Appraisal/Strategic Environmental Assessments

9.1 Legislation requires a Local Plan to go through a process of Sustainability Appraisal and Strategic Environmental Assessment (SA/SEA). This assesses the impact on the environment, economy and society and is intended to promote more sustainable development. When required, an SA/SEA will be consulted on throughout the plan-making process, at the same time as the document itself. Relevant stakeholders will also be consulted on the 'scope' of the SA/SEA at the start of the document preparation.

10 Consultation on a Supplementary Planning Document

10.1 Supplementary Planning Documents (SPD) add further detail to the policies in a Local Plan. The preparation of a SPD involves the stages set out below and the consultation requirements are outlined in Table 3 in Appendix B.

Figure 3 Supplementary Planning Document Process

<p>Stage 1</p> <p>Preparation of the Evidence Base and drafting of plan</p>	<ul style="list-style-type: none">• The council gathers a range of evidence to inform the development of the draft SPD. This could involve informal engagement with specific consultation bodies that may have an interest in the document
<p>Stage 2</p> <p>Publish Draft for Consultation</p>	<ul style="list-style-type: none">• The council is required to consult on the draft SPD. Publishing a draft provides an opportunity to get comments on the document before it is finalised.• Any representations made will be considered and used to prepare the final document.
<p>Stage 3</p> <p>Adoption</p>	<ul style="list-style-type: none">• Once the council has taken into account comments and made any changes to the document, it will be adopted by the council's Cabinet. An independent examination is not required

11 Neighbourhood Plans and Development Orders

11.1 Neighbourhood planning has been introduced by the Localism Act 2011. This allows town and parish councils to prepare statutory Neighbourhood Plans, which form part of the Development Plan against which planning applications will be assessed. Neighbourhood planning enables communities to shape the development and growth of their local area.

11.2 Neighbourhood planning can include the production of a Neighbourhood Plan or a Development Order (including community right to build orders). Development Orders can be produced instead of, or in conjunction with, a Neighbourhood Plan and can be used to grant planning permission for certain types of development in specified areas.

11.3 As Neighbourhood Plans and Development Orders are not prepared by the council, this SCI cannot prescribe what methods of community engagement they must follow. However, the council will expect groups preparing Neighbourhood Plans to meet the requirements set out in legislation and to follow wherever possible the general principles and techniques set out in this SCI. The council will meet all statutory requirements and will give advice and assistance to communities wishing to make a Neighbourhood Plan or Order by undertaking the following actions:

Meet the town or parish council as soon as possible.	Provide feedback in the form of written comments on draft Neighbourhood Plans or Orders.
Explain the different stages involved with a Neighbourhood Plan or Order.	When a Plan or Order is submitted, assess the document's compliance with statutory requirements.
Direct the relevant body towards information relevant to the Neighbourhood Plan or Order.	When submitted, host the consultation on the council's website with details of how to make representations for a minimum period of six weeks.
Where possible, share any data already held which may inform the evidence base (such as mapping information).	Assist with the appointment of the Neighbourhood Plan Examiner.
Highlight potential issues around compliance with the Local Plan and national policy.	Arrange for the referendum and (if approved) bring the plan into force.
Support the town or parish council to undertake any necessary environmental or habitat assessments.	

11.4 The Neighbourhood Planning consultation process is illustrated below and the consultation requirements are outlined in Table 3 in Appendix B.

Figure 4 Neighbourhood Plan Process

<p>Stage 1</p> <p>Neighbourhood Area</p>	<ul style="list-style-type: none"> The council will consult on the Neighbourhood Area to be designated (unless the designation is for the whole of the town or parish boundary).
<p>Stage 2</p> <p>Pre-submission Consultation</p>	<ul style="list-style-type: none"> The town or parish council will carry out publicity and engagement (which the council can advise them on) before they submit to the council.

Stage 3 Publish the Neighbourhood Plan	<ul style="list-style-type: none">Once submitted the council will consult on the draft document for a minimum of 6 weeks.
Stage 4 Examination of Neighbourhood Plan	<ul style="list-style-type: none">The council will arrange for an independent examination of the document and notify those who are interested in the proposed plan of the examination process.An independent examiner will review the proposed plan, documents and representations made by consultees.
Stage 5 Post Examination	<ul style="list-style-type: none">The council will publish the examiner's report for information.If the report is favourable the council will organise and carry out the referendum.If the referendum is positive then the council will publish the decision notice.The council will then proceed to adopt (or 'make') the plan.

12 Consultation on a Community Infrastructure Levy (CIL) Charging Schedule

12.1 The council adopted a Community Infrastructure Levy (CIL) in August 2016 and has collected receipts from liable development since this time to support the provision of new infrastructure to encourage sustainable growth. The CIL Charging Schedule is currently being reviewed to bring it up to date with the Core Strategy Review (2022).

12.2 The CIL Charging Schedule sets out the levy that applies to specified types of development and different areas of the district, subject to exemptions set out in regulations. The consultation requirements for a CIL Charging Schedule are set out under the Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019 and are broadly in accordance with the consultation process for a Local Plan. Although the regulations do not specify for how long or how many times the council should consult, the length of consultation should reflect the complexity of any changes.

12.3 The preparation of a CIL Charging Schedule involves the stages shown below:

Figure 5 Community Infrastructure Levy Process

<p>Stage 1 Preparation of the Evidence Base</p>	<ul style="list-style-type: none"> The council develops a range of evidence in order to prepare its draft levy rates. This may involve informal consultation with relevant stakeholders and interested parties such as developers and other service providers to gain views on matters to take into account when setting the CIL.
<p>Stage 2 Consultation on a Charging Schedule</p>	<ul style="list-style-type: none"> The council prepares and publishes a draft charging schedule for consultation, based on the evidence collected. Stakeholders, interested bodies and where appropriate, the wider community will be consulted. Any representations made will be considered and amendments made to the charging schedule, where required. A consultation feedback report will be produced.
<p>Stage 3 Examination and Adoption</p>	<ul style="list-style-type: none"> Once the council is satisfied with the charging schedule it will be sent with relevant supporting information to be examined. An independent examiner will carry out an assessment into its 'soundness'. Objectors to the document may be allowed to appear in front of the examiner in person. The examiner's recommendations are published. The council has regard to the examiner's recommendations and reasons for them. If there are significant issues, we may withdraw the charging schedule and resubmit a revised version to a new examination. The council approves the charging schedule.

13 Community involvement on planning and related applications

13.1 Our consultation procedure through the planning application process from start to finish is as follows:

Pre-application Advice

13.2 Folkestone & Hythe District Council encourages applicants to seek pre-application advice prior to the submission of applications. This can save time, effort and expense during the course of an application for planning permission. Details of the services we provide, including fees, are available on the council [website](#). The council has no statutory duty to consult on pre-application requests for advice and we only do so with the permission of the applicant.

13.3 Applicants for all proposed developments are encouraged to discuss their proposals with those likely to be affected or to express an interest in an application. For larger or particularly sensitive developments, applicants are encouraged to consult with the local community prior to making a request for pre-application advice to the council and/or submitting a planning application.

13.4 In such circumstances, the applicant should consider how and when consultation will be carried out and how the needs of equality groups will be considered when running the consultation. Subsequent submissions to the council (either by way of a request for pre-application advice or a planning application) should set out the issues raised as a result of the consultation and whether any changes have or have not been made to the scheme as a result.

13.5 Particularly sensitive types of development include (but are not limited to):

- Major applications that are a departure from the development plan
- Environmental Impact Assessment (EIA) applications
- Large scale retail (20,000sq. m or more or 2,500sq. m if combined with an existing building would be in excess of 20,000sq. m)
- 150 dwellings or site is five hectares or more on greenfield land
- Development proposed on playing fields
- Onshore wind developments involving more than two turbines or where the hub height of any turbine exceeds 15 metres.

13.6 For larger scale and/or sensitive types of development, the council may consider it appropriate, at pre-application stage, to do some or all of the following:

- Hold public meetings and exhibitions (these would normally be advertised by the applicant or developer)
- Hold workshops or surgeries

- Conduct a Place Panel review, where experienced independent professionals from the development industry (architects, urban designers, sustainability and landscape practitioners) provide feedback and suggested improvements on the design principles of the proposed scheme.
- Development briefs
- Look to involve parish councils and community forums in pre-application discussions.

13.7 For the larger sites allocated in more rural areas, the council seeks to involve the local community at an early stage and therefore look to set up design workshops with parish councils and local communities to help shape more detailed proposals before planning applications are submitted.

Planning and related applications

13.8 We undertake statutory publicity on all applications in accordance with current legislation. The government may change the statutory publicity requirements at any time and our future approach will reflect any changes that are made ⁽⁵⁾.

13.9 Councils have a duty to consult on applications that they receive. How they will go about notifying people about the applications is set out in Table 2 below. It is not necessary to have received a letter from the council in order for you to comment. Through our website you can sign up to MyAccount where you can view applications in your area. Further information on this is below.

13.10 You are encouraged to comment on all planning applications you consider yourself to be affected by no matter what the scale of development proposed. For some major or strategic schemes, we will seek to publicise applications in additional ways over and above the statutory publicity requirements.

5 The SCI applies the statutory requirements for publicity as set out in Article 15 of the Town and Country Planning (Development Management Procedure) Order 2015 (as amended) for all planning applications (<https://www.gov.uk/guidance/consultation-and-pre-decision-matters#Public-consultation>)

Table 2 Publicity requirements for all applications

Application Type	Publicity				Minimum length of publicity
	Advert in local newspaper	Published on Council's website	At least 1 site notice	Neighbour letter	
Development where application: <ul style="list-style-type: none"> Is accompanied by an environmental statement 	Yes	Yes	Yes		30 days, including bank holidays, from date of publication or placing of notice (whichever is later)
Development where application: <ul style="list-style-type: none"> Is a departure from the Development Plan Affects a public right of way 	Yes	Yes	Yes		21 days from date of publication or placing of notice (whichever is later)
Major development: <ul style="list-style-type: none"> 10 or more dwellings. Creation of 1,000 square 	Yes	Yes	Yes		21 days from date of publication or placing of notice (whichever is later)

Statement of Community Involvement (1)

Application Type	Publicity				Minimum length of publicity
	Advert in local newspaper	Published on Council's website	At least 1 site notice	Neighbour letter	
<p>metres or more floorspace or the site exceeds one hectare</p> <ul style="list-style-type: none"> • Mineral working or use of land for mineral working deposits • All waste related deposits deposits including waste treatment, storage and transfer as well as tipping. 					
All other planning applications for "Minor" and "Other" developments	Yes	Yes		Yes	21 days from date of publication or placing of

Statement of Community Involvement (1)

Application Type	Publicity				Minimum length of publicity
	Advert in local newspaper	Published on Council's website	At least 1 site notice	Neighbour letter	
Development affecting the setting of a listed building					notice (whichever is later)
Development affecting the setting of a listed building	Yes	Yes	Yes		21 days from date of publication or placing of notice (whichever is later)
Development affecting the character or appearance of a conservation area	Yes	Yes	Yes		21 days from date of publication or placing of notice (whichever is later)
Application for listed building or conservation area consent	Yes	Yes	Yes		21 days from date of publication or placing of notice (whichever is later)
Application related to a Tree Preservation Order			Yes	See application type section below	21 days from date of publication or placing of notice (whichever is later)

Statement of Community Involvement (1)

Application Type	Publicity				Minimum length of publicity
	Advert in local newspaper	Published on Council's website	At least 1 site notice	Neighbour letter	
Permitted development requiring prior approval or notification to the local planning authority				See application type section below	14 days or 21 days (depending on the type of prior notification) from placing of site notice
Lawful Development Certificate		Yes			None
Advertisement consent		Yes			None
Re-notification – relating to amendments to planning applications currently under consideration, amendments to approved schemes				See application type section below	None
Submission of details and schemes to					None

Statement of Community Involvement (1)

Application Type	Publicity				Minimum length of publicity
	Advert in local newspaper	Published on Council's website	At least 1 site notice	Neighbour letter	
comply with and / or discharge conditions					
Permission in principle		Yes	Yes		14 days from placing of site notice
Application for technical details consent which is not a departure from the Development Plan, or affecting a public right of way, or major development		Yes	Yes		21 days from date of publication or placing of notice (whichever is later)

NB. Definition of 'days' – with the exception of the first row which is development where the application is accompanied by an environmental statement, where the table refers to 'days', it means any day of the week that is not a bank holiday or public holiday.

Applications related to a Tree Preservation Order and trees in conservation areas

13.11 It is not necessary or required to provide site notices for every application, but where planning officers consider that there is a significant public interest then site notices can be erected.

Permitted development requiring prior approval or notification to the planning authority

13.12 Some types of development have already been granted a blanket planning permission by Parliament. However – for many of these, the developer is still required to submit applications for ‘prior notification’ or ‘prior approval’, relating to specific details of the development. The publicity for these applications is specified in the corresponding section of the legislation ⁽⁶⁾. If the legislation requires the planning authority to give notice either by site display/notice or by serving notice to adjoining owners or occupiers, the council will display a site notice. In some circumstances the legislation requires the applicant to display a site notice themselves.

Planning conditions and non-material amendments

13.13 The council will not, in accordance with legislation, carry out publicity for applications to comply with or discharge planning conditions, or applications seeking non-material amendments to approved schemes.

13.14 The council will publicise applications to vary or delete conditions imposed on planning permissions in accordance with the information above.

14 Planning consultation methods

14.1 Depending on the type of the application and the legislation relating to such an application, consultation includes the following methods:

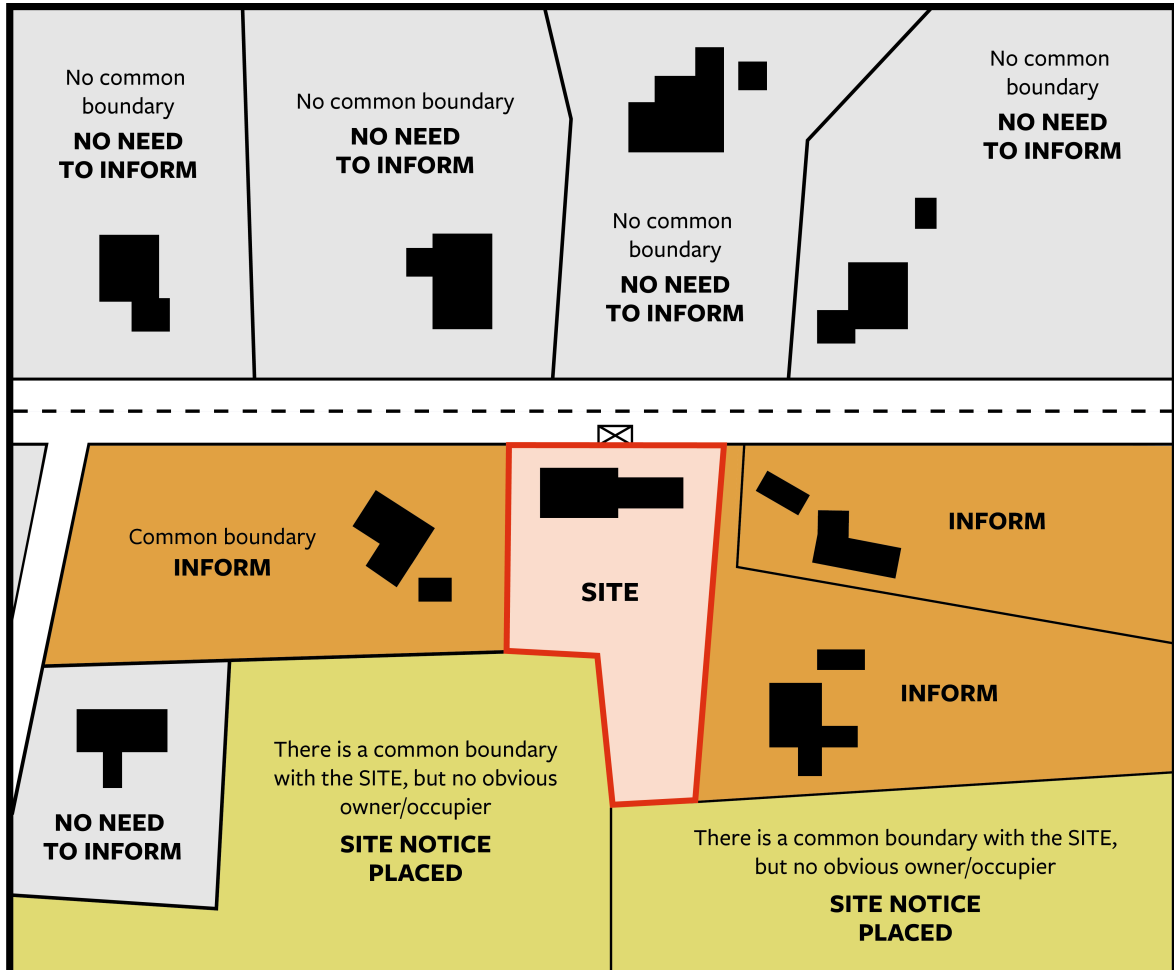
Letters to neighbours and statutory consultees

14.2 Neighbours will be notified by letter of most planning and listed building applications being considered.

14.3 Neighbour letters are sent to the occupiers of individual properties immediately adjoining, and in some cases opposite the site, but not on unbuilt land, in accordance with the principles set out in Figure 6 below.

6 The Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended). Un-amended legislation: <http://www.legislation.gov.uk/uksi/2015/596/contents/made>

Figure 6 Neighbour Consultation Diagram



14.4 As well as neighbour letters, notification correspondence will also be sent to organisations invited to comment on proposals in accordance with current legislation. District councillors are provided with the weekly list of new applications.

14.5 Notification of most planning and listed building applications will also be sent to the relevant parish or **town community** council and responses will be invited within 21 days of the date of notification (or where longer periods of time are prescribed by different legislation). Notification methods will indicate the date that comments are expected to be received by the council.

Site notices

14.6 For some application types (such as those with heritage considerations, those for prior approval, major developments and those not in accordance with the development plan) site notices are displayed.

14.7 Site notices are clearly visible, printed on yellow paper and usually attached to lamp posts, telegraph poles on, or adjacent to, the site.

14.8 Site notices will indicate the date that comments are expected to be received by the council. The application reference is also clearly stated, to enable the application paperwork to be viewed on the council website.

Local Press

14.9 Some applications are also advertised in a local newspaper. This applies in accordance with current legislation.

Council Website

14.10 All copies of applications and plans are available for inspection on the council website usually within five working days of being registered. These are found using the search function of the planning section of the website. Weekly lists of applications, decisions and appeals are also available.

14.11 We are encouraging households to sign up to MyAccount feature on the council's website. You will then be able to view any planning applications being considered near where you live within 500m automatically and add planning applications to your watch list.

15 How to make a comment on an application

15.1 Anyone may comment on an application even if they have not been notified by the council. All comments are considered carefully.

15.2 The council receives and handles comments on planning applications by conventional post and email or by our online comments form on the council website. Making comments online is the quickest method for making comments.

15.3 Comments must be received within the consultation deadline (usually about four weeks from the application being registered by the council) to be certain of being considered.

15.4 The council does not respond to each comment made individually, due to the large number it receives. However, comments are summarised in the planning officer's report for each application. Officer's reports become public information on the application file found on the council's website following the application decision.

15.5 Care should be taken when making comments to the council to ensure that no personal data, other than name and address, is included and that the information provided is relevant to the planning merits of the application only. Your comments,

including your name and address, will be viewable on the website whilst the application or any subsequent appeal is being considered (your telephone number and e-mail address will not be viewable on this website).

~~15.6 Although the council reserves the right to remove inappropriate comments from the website as necessary, such comments may still be viewable prior to any removal and viewable online and by visitors to the Civic Centre. It is therefore your responsibility to ensure you do not include defamatory remarks in your comments as you could be held legally responsible for them in the future. In some specific circumstances public comments may not be published on the council's website. This is usually when comments either contain sensitive information about the applicant or person making the comment, or the comments are of an inappropriate or defamatory nature bearing no relevance to the planning process. Please note, unfortunately such comments may still be viewable prior to any removal and viewable online and by visitors to the Civic Centre. It is therefore your responsibility to ensure you do not include defamatory remarks in your comments as you could be held legally responsible for them in the future.~~

15.7 Subsequent correspondence received from the applicant or third party will be added to the website where this does not involve administrative matters or confidential information. This allows the public to track the progress of an application.

~~15.8 In some specific circumstances public comments may not be published on the council's website. This is usually when comments either contain sensitive information about the applicant or person making the comment, or the comments are of an inappropriate or defamatory nature bearing no relevance to the planning process.~~

Amendments to planning applications

15.9 Sometimes changes are made to 'live' planning applications. These changes may require a second round of consultation to ensure that interested parties can have their say on the changes.

15.10 If there are any significant amendments to the planning application before a decision is made, any relevant consultees will be notified. The period for commenting on amended plans will normally be 14 calendar days but this may be reduced to no less than 10 calendar days if circumstances such as the date of a planning committee dictate. In addition to consulting any relevant consultees, notifications will be sent to the relevant ward member, to people who were originally consulted and those who have already written in with comments.

How comments are considered by the council

15.11 Decisions on planning applications are made by the council's planning committee or decided by the Chief Planning Officer and other senior planning officers in accordance with the council's constitution and internal officer delegation arrangements.

15.12 The case officer considering the planning application should have all the necessary information they need to decide the application after the close of the consultation period (the time when all public comments should be made). Any relevant matters raised through comments will be summarised and considered in the officers' reports.

15.13 All decisions are made in relation to the statutory development plan for the district and any other material planning considerations. To see how an officer decided a particular planning application, you can view the officer's report on the council [website](#) by quoting the application reference number.

16 Consultation on decisions

16.1 In line with government advice, the majority of decisions are made by delegated authority. The planning committee also determines planning applications and meets on a broadly four week cycle, although occasionally additional special meetings may be called.

16.2 The planning committee comprises elected members who determine major, complex or controversial planning applications. The committee agendas are available on the council [website](#) and include reports on the individual planning applications being considered.

16.3 Information about how to speak in favour or against an application at planning committee is also available on the council [website](#).

16.4 Committee reports and the reports for applications decided by officers can be viewed on the planning file on the council website. Similarly, all decision notices are also viewable on the planning file. At the time a decision is issued on any application the council will notify by email all those who have submitted written comments on the application. This will state whether permission has been granted or refused. Parish and town councils will be notified too and provided with an electronic link to a copy of the decision notice.

17 Consultation on appeals

17.1 When the council receives an appeal relating to the decision on an application or relating to the non-determination of such an application, we will notify all those who commented on the original application either by letter or email. We will explain

what the appeal is about, how people can be involved in the appeal process and the timescales for being involved. The Planning Inspectorate will decide if a hearing or public inquiry is required, where there may be more opportunities to put across your views.

17.2 However, if the appeal is about a householder application, (typically those for extensions or alteration to houses) then we will only let people know the appeal has been received. New comments on these types of appeals cannot be made at this stage.

17.3 For more information about planning appeals please visit the Planning Inspectorate [website](#).

18 Planning Enforcement

18.1 The council's role in enforcing planning regulations is set out on the council's website in the adopted Planning Enforcement Protocol. People wishing to report potential breaches of planning control should complete the online Planning Enforcement Complaint Form, or email planning.enforcement@folkestone-hythe.gov.uk. Any such reports will be considered in accordance with the process set out on the Council's website.

19 Stakeholder forums

19.1 The council holds regular forums with agents and town and parish councils to help inform and improve the consultation and engagement process on planning applications, appeals and enforcement.

20 Further information and advice on planning

20.1 We must review our Statement of Community Involvement every five years from the adoption date. It is important that Statements of Community Involvement are kept up to date to ensure effective community involvement at all stages of the planning process.

20.2 This SCI is flexible to allow for appropriate changes in our approach to community involvement in order to reflect changes in legislation, policy and opportunities that may arise with evolving digital engagement technology. For example, significant changes are likely to be made to the planning system through the Levelling-up and Regeneration Bill currently before Parliament, and a review of this SCI is likely to be needed when the Bill becomes law.

Department for Levelling Up, Housing and Communities (DLUHC)

The DLUHC supports communities across the UK to thrive, making them great places to live and work.

Website:

www.gov.uk/government/organisations/department-for-levelling-up-housing-and-communities

Email: correspondence@levellingup.gov.uk

Postal Address: 2 Marsham Street, London, SW1P 4DF, United Kingdom

Telephone Number: 030 3444 0000

Locality

20.3 Locality is the national membership network for community organisations. Their goal is to help local community organisations be the best that they can be and to create a supportive environment for their work.

Website: <https://locality.org.uk/>

Email: info@locality.org.uk

Neighbourhood Planning

20.4 This is where you will find everything you need to know about how to develop a neighbourhood plan or neighbourhood development order and what support is available to you.

Website: <https://neighbourhoodplanning.org/>

Planning Aid England (PAE)

20.5 Planning Aid England provides free, independent and professional planning advice to communities and individuals who cannot afford to pay professional fees. It is provided by the Royal Town Planning Institute.

Website: www.rtpi.org.uk/planning-aid

Email: advice@planningaid.rtpi.org.uk

Postal Address: The Royal Town Planning Institute, 41 Botolph Lane, London EC3R 8DL

Telephone: 0330 123 9244

The Planning Inspectorate

20.6 The Planning Inspectorate processes planning appeals and holds examinations into planning policy documents and the Community Infrastructure Levy (CIL).

Website:

www.planningportal.gov.uk/planning/planninginspectorate

Email: enquiries@pins.gsi.gov.uk

Postal Address: The Planning Inspectorate, Room 3/13, Temple Quay House, 2 The Square, Temple Quay, Bristol BS1 6PN

Telephone: 0303 444 5000

The Planning Portal

20.7 The Planning Portal is the government's online 'one-stop-shop' for planning and building services. It provides information on the planning system, allows you to submit a planning application, find out about development in your area, appeal against a decision and research government policy. Website: www.planningportal.gov.uk

Email: support@planningportal.gsi.gov.uk

21 Glossary

Community Infrastructure Levy (CIL) – a payment that is made to the council by developers when development commences. The payment is used to fund infrastructure that is needed to serve development in the area. This can include new transport schemes, community facilities, schools and green spaces.

Core Strategy Review (CSR) – a plan which sets out the long-term spatial vision for the district, along with the spatial objectives and strategic policies to deliver that vision.

Development Plan Document (DPD) – spatial planning documents that together with the Minerals and Waste Plans will form the development plan for the district. They are subject to Independent Examination before adoption.

Equality Groups - ~~our Equality Impact Assessment sets out the protected characteristics as: Disability; Race (including Gypsy and Traveller); Age; Gender; Transgender; Sexual orientation; religion/belief; pregnancy and maternity; marriage or civil partnership status.~~ The Equality Act identifies protected characteristics, which are also reflected in the Folkestone and Hythe Equality Impact Assessment as: Disability; Race (including Gypsy and Traveller); Age; Gender; (including gender identity and reassignment), Transgender; Sexual orientation; religion/belief; pregnancy and maternity; marriage or civil partnership status.

Local Development Scheme (LDS) – a timetable for preparation and adoption of future Local Plan documents and other planning policies over a three year period. It can be updated and amended as necessary by the council.

Localism Act – The Localism Act has devolved greater powers to local government and neighbourhoods and given local communities more rights and powers over decisions about housing. It also includes reforms to make the planning system more democratic and more effective.

Local Plan – the collection of development plan documents setting out the overall planning strategy, policies and proposals for the Council.

Material Consideration - a matter that should be taken into account in deciding a planning application or on an appeal against a planning decision.

National Planning Policy Framework (NPPF) – a document setting out the government's national planning requirements, policies and objectives. The NPPF is a material consideration in the preparation of Local Plans and when considering planning applications.

Neighbourhood Plan – a duty under the Localism Act 2011 gives authorised groups the power to prepare a development plan for their area. This plan could include general planning policies and allocations of land for new development.

Places and Policies Local Plan (PPLP) – identifies small and medium sized sites for development across the district to meet the targets in the Core Strategy; as well as setting out detailed development management policies to assess planning applications.

Planning Inspectorate – an organisation which processes planning appeals and holds examinations into Local Plans and the Community Infrastructure Levy (CIL).

Stakeholder- a person, group, company, association, etc. with an interest in, or potentially affected by, planning decisions in the district.

Statement of Community Involvement (SCI) – the council’s policy for involving the community in plan making and when considering planning applications. It includes who should be involved and the methods to be used.

Supplementary Planning Document (SPD) – a document that expands or adds detail to policies laid out in Local Plans. They are not subject to independent examination.

Sustainability Appraisal and Strategic Environmental Assessment (SA/SEA) – a systematic and iterative appraisal process incorporating the requirements of the European Directive on Strategic Environmental Assessment. The purpose of the Sustainability Appraisal is to appraise the economic, environmental and social effects of the strategies in a Local Plan from the outset of the preparation process.

A fuller glossary of common planning terms and phases can be found on the National Planning Portal at

<http://www.planningportal.gov.uk/general/glossaryandlinks/glossary>

Appendix A: Consultees in Plan-Making

The Town and Country Planning (Local Planning) (England) 2012 Regulations (Regulation 18) require the council to consult:

1. Specific bodies that we consider may have an interest in the subject of the proposed document.
2. General consultation bodies that we consider appropriate.
3. Residents or other persons carrying on business in the district from which we consider it appropriate to invite representations.

For clarity we have divided consultees into four groups. This may alter over time due to changes in legislation or re-organisations of public bodies, therefore the lists are reviewed regularly.

1. Statutory Consultees- Specific Bodies

- Local planning authorities that adjoin the district
- Kent County Council
- East Sussex County Council
- Parish councils within and adjoining the district
- Police
- The Coal Authority
- Environment Agency
- Historic England
- Natural England
- The Marine Management Organisation
- The Port Authority
- Network Rail Infrastructure Limited
- National Highways
- Mobile Phone Operators Association
- Mobile Phone Operators with apparatus situated in any part of the district
- Clinical commissioning groups
- Utilities and service providers
- Internal Drainage Boards
- Homes England.

2. Statutory Consultees- General Bodies

- Voluntary bodies, some or all of whose activities benefits any part of the area
- Bodies which represent the interest of:
 - Different ethnic or national groups in the area
 - Different religious groups in the area

Statement of Community Involvement (1)

- Disabled people in the area
- People in business in the area

The council must also seek to ensure a wide range of other consultation bodies and organisations have opportunities to become involved at any stage if they wish or where their input will be useful.

3. Other consultation bodies and organisations

- Environmental groups
- Groups representing users, and the providers, of leisure, sport and recreation
- Health, education, social service and community-based service providers
- Civic societies, cultural, historical and archaeological groups or bodies
- Citizen, district, tenant panels
- Associations of local residents and communities
- Registered social landlords
- House builders and developers
- Landowners and land agents
- Public transport users and providers
- Groups representing retired and elderly people
- Groups representing young people
- Local businesses and the voluntary and community sector
- Council elected members who provide important channels of communication to and act as advocates for their local communities.

4. The Wider Community

The council maintains a database of individuals, landowners, developers, and businesses that have taken part in past consultations or wish to be involved in future consultation events. We ensure that information received through consultation processes complies with all Data Protection legislation.

5. Duty to Co-operate bodies

- Neighbouring local planning authorities
- Kent County Council
- East Sussex County Council
- The South East Local Enterprise Partnership (SELEP)
- Environment Agency
- Historic England
- National Highways
- Natural England
- The Office of Rail Regulation

- Clinical commissioning groups
- The Civil Aviation Authority
- The Port Authority
- Homes England
- In addition, the National Planning Policy Framework requires local planning authorities to work collaboratively with Local Nature Partnerships.

Appendix B: Summary of the consultation stages, duration and methods that the council may use when consulting on a Local Plan

Table A Consultation on Development Plan Documents

Consultation on Development Plan Documents
Stage 1: Preparation of the evidence base
<p>What will we consult on</p> <p>Evidence base documents necessary for plan making are developed with engagement from a range of stakeholders and communities with local knowledge, views, and expertise.</p> <p>How we will inform you</p> <p>This is an informal stage, however evidence base documents should be made available on the council’s website as soon as they are completed.</p> <p>Regulatory Requirements</p> <p>Not applicable.</p>
Stage 2: Preparation of a Local Plan
<p>What we will consult on</p> <p>This stage gives stakeholders the opportunity to comment on draft plans for the district. This is an options testing phase and may be repeated if necessary.</p> <p>How we will inform you</p> <p>Notify specific consultation bodies that may have an interest in the document.</p> <p>Engage with general consultation bodies, and other consultation bodies as appropriate.</p> <p>If it is decided to carry out a wider public consultation the council will:</p> <ul style="list-style-type: none"> • Publish the consultation document on the council website for a minimum of six weeks

- Notify people on the council's consultation database of the start of the consultation
- Make printed copies of the consultation document available for inspection at the council's office and other inspection points.
- Advertise the consultation through the council social media channels.

In addition, if appropriate, the council will aim to do one or more of the following:

- Seek coverage in local media
- Presentations
- Interactive workshops or focus groups
- Exhibitions
- Surveys and questionnaires
- Include article in council magazine
- Council member workshops
- Meetings (one to one or group)
- All comments received will be made publicly available

Regulatory Requirements

Before preparing a new Local Plan (Regulation 18), the council will need to notify specific consultation bodies who have an interest in the subject of the proposed plan, appropriate general consultation bodies, residents, and businesses (from the consultation database) in the area from which the local planning authority considers it appropriate to invite representations.

Stage 3 Publication of a Local Plan

What we will consult on

The council will ask you what you think of the draft plan in accordance with a formal procedure. It will be made clear that members of the public have a right to comment at this stage. And if they comment they then have the right to be involved in the Examination In Public (EiP).

How we will inform you

The council will:

- Publish the draft plan and supporting documents on the council website, [including the Consultation Portal](#), for a minimum of six weeks
- Notify those specific, general and other consultation bodies that were invited to make representations at an earlier stage
- Consult the wider community (as appropriate to the document)

- Make printed copies of the draft plan and supporting documents available for inspection at the council's office and other inspection points
- Advertise the consultation through the council social media channels
- Seek coverage in local media.

In addition, the council will aim to do one or more of the following:

- Presentations
- Digital tools e.g. mapping and videos
- Exhibitions and roadshows.

Regulatory Requirements

Publication of a Local Plan (Regulation 19)

Before submitting a plan to the Secretary of State (SoS) under Section 20 of the Planning and Compulsory Purchase Act 2004 the local planning authority must (a) make a copy of each of the proposed submission documents and a statement of representation procedures in accordance with Regulation 35 and (b) ensure that a statement of the representations procedure (including, where and when for inspection) is sent to each of the general consultation bodies and each of the specific consultation bodies and each of the specific consultation bodies invited to make representation under Regulation 19.

Representations relating to a Local Plan (Regulation 20)

Any person may make representations to the council about a local plan which the council proposes to submit to the Secretary of State. Any such representations must be received by the council by the date specified in the statement of representations procedure.

Stage 4 Examination

How we will inform you

The council will:

- Publish all relevant submission documents on the council website
- Make printed copies of the submission documents available for inspection at the council office and other inspection points
- Notify all those specific, general consultation bodies, and other bodies who have previously been invited to make representations on the plan, about the submission of the plan to the Secretary of State

<ul style="list-style-type: none"> • Notify anyone else who requested to be notified of the submission of the plan to the Secretary of State • Notify all those who commented on the plan at stage 3 with details of the examination. <p>Regulatory Requirements</p> <p><i>Independent Examination (Regulation 24)</i></p> <p>At least six weeks before the examination starts, the council must:</p> <ul style="list-style-type: none"> • Make the plan and all documents submitted to the Secretary of State available at the places the plan was made available during Stage 3 • Publish the plan on the council website as well as advertise the time and place of where the examination will be taking place and the name of the person carrying out the examination. • Notify anyone who has made comments under Stage 3 and has not withdrawn those comments by the time and date of the examination.
Stage 5 Adoption
<p>How we will inform you</p> <p>The council will:</p> <ul style="list-style-type: none"> • Publish the Inspector’s report and notify anyone who requested to be notified • Make the adopted document, a sustainability appraisal report, relevant information and adoption statement available for inspection at the council offices and on the website • Send the adoption statement to the Secretary of State and any person who asked to be notified.

Table B Consultation on Supplementary Planning Documents (SPD)

Consultation on Supplementary Planning Documents (SPD)
Stage 1: Preparation of the evidence base and drafting of plan
<p>What we consult on</p> <p>The council will gather a range of evidence and ideas to inform the development of the draft plan.</p>

How we will inform you

The council will:

Engage with specific consultation bodies that may have an interest in the document.

Consult more widely if it is considered relevant and appropriate to do so.

Regulatory Requirements

Not applicable

Stage 2: Publish draft for consultation

What we will consult on

The council will consult on the draft Supplementary Planning Document (SPD). Publishing a draft provides an opportunity to get comments on the document before it is finalised.

Any representations made will be considered and used to prepare the final document.

How we will inform you

The Council will:

- Publish the draft SPD and supporting documents on the council website for a minimum of six weeks.
- Consult the specific, general and other bodies who are relevant to the topic of SPD being prepared.
- Consult the wider community as appropriate to the document.
- Make printed copies of the draft SPD and supporting documents available for inspection at the council offices and other inspection points.
- Advertise the consultation through the [council's](#) social media channels.
- Depending on the type of SPD the council will consider using one or more of the following:
 - Presentations
 - Workshops and focus groups
 - Exhibitions
 - Surveys and questionnaires.

Regulatory Requirements

Public participation (Regulation 12)

<p>Before the council can adopt an SPD, they need to:</p> <ul style="list-style-type: none"> • Prepare a statement that lists the persons consulted when preparing the SPD; a summary of the main issues raised by those persons; and how the issues have been addressed in the SPD. • Make copies of the statement and the SPD available with details regarding the date by which representations must be submitted and the address to which they must be sent.
<p>Stage 3: Adoption</p>
<p>What we will consult on</p> <p>Not applicable</p> <p>How we will inform you</p> <p>The Council will:</p> <p>Publish the adopted SPD and evidence base documents on the council website. This will include a consultation statement summarising all the comments received from the previous stages and how the comments were considered.</p> <p>Send an adoption statement to those who commented on the draft and those who have asked to be notified of the adoption of the SPD.</p> <p>Make printed copies of the adopted SPD and available for inspection at the council offices and other inspection points.</p> <p>Regulatory Requirements</p> <p><i>Application and interpretation (Regulation 11)</i></p> <ul style="list-style-type: none"> • Once the SPD is adopted, the council must publish an adoption statement that specifies: • The date that the SPD was adopted • Any modification made pursuant to section 23 (1) of the Act • That any person with sufficient interest in the decision to adopt the SPD may seek permission from the High Court for judicial review of that decision, and • Such an application must be made no later than three months after the date on which the SPD was adopted. <p><i>Adoption of supplementary planning documents (Regulation 14)</i></p> <p>Once the Council adopt the SPD it must:</p>

- Make the SPD and an adoption statement available in accordance with regulation 35.

Table C Consultation on Neighbourhood Plan and Development Orders

Consultation on Neighbourhood Plan and Development Orders
Stage 1: Neighbourhood Area
What we will consult on <p>The regulations only stipulate consultation for a neighbourhood area if the area does not follow the parish boundary (options include being an area smaller than the parish, including part of neighbouring parish area or two parishes working together).</p>
How we will inform you <p>If the neighbourhood area does not follow the parish boundary the council will publish the area application and details of how to make representations on the council website for a minimum of six weeks.</p> <p>Advertise the consultation through the council social media channels.</p>
The Neighbourhood Planning (2012) Regulatory Requirements <p><i>Application for designation of a neighbourhood area (Regulation 5)</i></p> <p>Where a town or parish council submits an area application to the LPA it must include:</p> <ul style="list-style-type: none">• a map which identifies the area to which the area application relates• a statement explaining why this area is considered appropriate to be designated as a neighbourhood area• a statement that the town or parish council making the area application is a relevant body for the purposes of section 61G of the 1990 Act. <p>A local planning authority may decline to consider an area application if the town or parish has already made an area application and a decision has not yet been made on that application.</p> <p><i>Designation of the whole of the area of a parish council (Regulation 5A)</i></p>

This regulation applies where:

- a local planning authority receive an area application from a parish council
- the area specified in the application consists of the whole of the parish council's area
- if any part of the specified area is part of a neighbourhood area, none of that neighbourhood area extends outside the parish council's area.

The local planning authority must exercise its powers under section 61G of the 1990 Act to designate the specified area as a neighbourhood area.

Where this regulation applies, regulations 6 and 6A do not apply

Publicising an area application (Regulation 6)

As soon as possible after receiving an area application from a town or parish, a local planning authority must publicise the following on its website and in such other manner as they consider it likely to bring the area application to the attention of people who live, work or run a business in the area to which the area application relates:

- a copy of the area application
- details of how to make representations
- the date by which those representations must be received, being not less than six weeks from the date on which the area application is first publicised.

Stage 2: Pre-submission Consultation

Following this consultation, the town or parish council must assess and take into consideration all comments received and make changes to the document if necessary.

The town or parish council will then use its findings to create a document called the 'Consultation Statement'. The document can then be finalised and submitted to the council.

What we will consult on

The town or parish council will carry out publicity and engagement (which the council can advise on).

How we will inform you

This will be for the town or parish council to decide.

However as a minimum, the relevant planning regulations must be complied with.

The Neighbourhood Planning (2012) Regulatory Requirements

Pre-submission consultation and publicity (Regulation 14)

Prior to submitting a plan proposal to an LPA, a town or parish council must:

- Publicise the plan and bring it to the attention of the people who live, work, or run a business in the neighbourhood area
- Provide details regarding: the proposals for a Neighbourhood Plan (NP)
- where and when the proposals for an NP may be inspected
- how to make representations
- the date by which representations must be received, not being less than 6 weeks from the date in which the draft proposal was first published.
- Consult any consultation body whose interests may be affected by the proposals for an NP; and
- Send a copy of the NP proposal to the LPA

Stage 3: Publishing the document

What we will consult on

All proposed documents prepared by the town or parish council.

How we will inform you

Once submitted the council will consult on the draft document for a minimum of six weeks.

The Neighbourhood Planning (2012) Regulatory Requirements

Plan proposals (Regulation 15)

When submitting a plan proposal to the LPA the town or parish council must include:

- A map or statement that identifies the areas to which the proposed NP relates
- A consultation statement
- The proposed NP
- A statement explaining how the proposed NP meets the requirements of paragraph 8 of Schedule 4B to the 1990 Act

Publicising a plan proposal (Regulation 16)

After receiving an NP proposal, the LPA must:

- Publicise the plan proposal on its website
- Provide details about the plan proposal

- Provide details of where and when the plan proposal may be inspected
- Provide details about how to make representations
- Issue a statement that any representations may include a request to be notified of the LPA's decision in relation to the NP
- The date by which representations must be received, not being less than 6 weeks from the date in which the draft proposal was first published.

Stage 4: Examination

How we will inform you

The council will arrange for an independent examination of the document and notify those who are interested in the proposed plan of the examination process. An independent examiner will review the proposed plan, additional documents and representations made by consultees.

The Neighbourhood Planning (2012) Regulatory Requirements

Submission of plan proposal to examination (Regulation 17)

As soon as a person to carry out the examination is appointed, the local planning authority must send the following to the examiner:

- the plan proposal
- the documents referred to in regulation 15 and all other documents submitted to the LPA by the town or parish council regarding the plan proposal
- if the Conservation of Habitats and Species Regulations 2010 applies, the information submitted in accordance with regulation 102A of those Regulations
- a copy of any representations that have been made in accordance with Regulation 16.

Stage 5: Post Examination

How we will inform you

The council will publish the inspector's report and notify those who work and live in the neighbourhood area.

If the report is favourable, then the council will organise and carry out the referendum.

If the referendum is positive, then the council will publish the Decision Notice.

The Neighbourhood Planning (2012) Regulatory Requirements

Publication of the examiner's report and plan proposals decisions (Regulation 18)

Following examination of the plan, the examiner will write a report stating that:

- further modifications are required before the plan can proceed to the referendum stage
- the plan does not meet the basic conditions and therefore should not proceed to the referendum stage
- the plan can proceed to the referendum stage without any changes

Decision on a plan proposal (Regulation 19)

Once a decision is made, the local planning authority must:

- publish a statement outlining the decision and their reasons for making the decision on its website
- provide details of where and when the decision statement may be inspected
- A copy of the decision statement must also be sent to the town or parish council and any person who asked to be notified of the decision

Publicising a neighbourhood plan (Regulation 20)

Once the neighbourhood plan is made the local planning authority must:

- Publish the neighbourhood plan on its website
- Provide details of where and when the NP may be inspected
- Notify any person who asked to be notified of the making of the NP that has been made and where and when they can inspect it

This Report will be made public on 6 December 2022



Report Number **C/22/68**

To: Cabinet
Date: 14 December 2022
Status: Non key
Responsible Officer: Andy Blaszkowicz, Director of Housing and Operations
Cabinet Member: Councillor Godfrey, Cabinet Member for Housing, Transport and Special Projects

SUBJECT: HOUSING DISABLED ADAPTATIONS POLICY

SUMMARY: The following report sets out the rationale for the adoption of a new policy, to assist in the management and administration of housing adaptations to Folkestone & Hythe District Council tenants.

REASONS FOR RECOMMENDATIONS:

The Disabled Adaptations service was scheduled for review in 2022, as part of the Housing Service's policy development and review programme. As a result, a new policy has been written and is being presented to Cabinet for approval.

The Council has certain obligations within housing legislation in relation to providing a fair and managed adaptations service that supports the needs of our disabled tenants. These are set out in the report that follows.

RECOMMENDATIONS:

1. To receive and note report C/22/68.
2. To approve the adoption of the appended Disabled Adaptations Policy

1. BACKGROUND

- 1.1 The Regulatory Framework for Social Landlords (Home Standard 2.2.2) states that “Registered Providers shall co-operate with relevant organisations to provide an adaptations service that meets tenants’ needs.”
- 1.2 The purpose of this policy is therefore to enable the Council to adopt, wherever possible, a consistent approach to the management and administration of disabled adaptations across its Housing Revenue Account (HRA) housing portfolio.
- 1.3 This policy sets out the parameters within which the Council, and more specifically the Assets and Major Works team, will operate, alongside Kent County Council Occupational Therapists (OTs), Social Care Services and other relevant professionals.
- 1.4 In addition, the Equality Act 2010 ‘Duty to make Reasonable Adjustments’ applies to the Council as a housing landlord and, in the case of adaptations, arises if the Council receives a request from, or on behalf of, a tenant to make an adjustment.
- 1.5 Under the Equality Act (Section 20, (3) and (5),) the Council is therefore required to provide, upon request: auxiliary aids and services, or change its provisions, criteria or practices where, but for the provision of these, the disabled person would be put at a substantial disadvantage.
- 1.6 There is no legal requirement under the Equality Act for the Council to make any changes which would consist of or include the removal or alteration of a physical feature of the property. However, it is good practice for social housing landlords to align their adaptations offer with the equivalent Disabled Facilities Grant (DFG) scheme in the private sector, in order to provide a comparable service to disabled tenants across all housing tenures.
- 1.7 The appended policy will act as a guide for our officers (as well as OTs and other trusted assessors) providing clarity on what we are able to assist with, as well as what restrictions there are, in terms of adapting a tenant’s home. The cost of adaptations and suitability of accommodation are relevant factors in determining the best course of action.
- 1.8 Housing adaptations for F&HDC tenants are funded from the Housing Revenue Account (HRA). In 2021-22, we spent £529,816 of our £565,000 budget for the year (94%). Our current spend for 2022-23, as at 30 November 2022, is £142,541 (32%) against a budget of £450,000 for the whole year, which we are projected to fully spend.
- 1.9 The main stakeholders (and beneficiaries) of this policy are F&HDC tenants with a disability that require adaptations to their home to meet their specific needs and have had/are eligible for an assessment by an Occupational Therapist (OT) or another trusted assessor.

- 1.10 The overarching aim of the appended policy is to improve the quality of life for our disabled tenants and promote independent living. Secondly, to operate a service that offers suitable, practical, and cost-effective solutions that best meet tenants' assessed needs.

2. CONSULTATION

- 2.1 The appended policy has undergone consultation internally with operational housing managers and staff within the Tenancy, Neighbourhoods, Supported Housing, Compliance and Assets and Major Works teams. Externally we have sought the views of tenants through the Council's Strategic Tenants Advisory Panel (STAP) and Kent County Council's Occupational Therapy (OT) Team.
- 2.2 As a result of the consultation, clarity has been sought on the conditions of eligibility including specific restrictions that may apply, and the circumstances under which an adaptation may or may not be granted, or where alternative solutions may be considered. Clarity on timescales and categories for work, were also sought and provided. Amendments were also made to ensure practices aligned with latest DFG guidance and the roles of both the Council and OTs more clearly defined.

3. OPTIONS

- 3.1 Approve the policy as appended to this report without further amendment
- 3.2 Approve the policy with any additional changes or recommendations from Cabinet
- 3.3 Do not approve the policy

This policy has been written in line with relevant housing legislation and is believed to be compliant and consistent with best practice within the housing sector. Adoption of this policy is therefore recommended.

4. RISK MANAGEMENT ISSUES

- 4.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
Not having a clear policy to manage adaptations work	Medium	Low	Adopt a policy that aligns with best practice
The policy is not monitored or fit for purpose	Medium	Low	Ensure the policy is regularly reviewed in line with changes in

			legislation, funding, or practice
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5. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

5.1 Legal Officer's Comments (NM)

The policy requires formal adoption in order to satisfy the requirements of individual Acts of Parliament/ Statutory Instruments and this includes revision or review of such policies.

5.2 Finance Officer's Comments (ST)

No financial information is included within the body of this report but any increases to future budgets to accommodate additional spend would need to be approved under the normal growth & savings process.

5.3 Diversities and Equalities Implications (GE)

There are no equality and diversity issues directly arising from this report. The Housing Disabled Adaptions Policy is designed to improve the quality of life for disabled residents, promote independent living and help the service provide solutions that meet tenants assessed needs. This new policy has been subjected to an Equality Impact Assessment (EIA) and the assessment has concluded there are no negative impacts of implementing this policy.

5.4 Climate Change Implications (AT)

The Housing Disabled Adaptions Policy would have a positive social impact by supporting tenants to live in their existing homes, wherever practical.

The impacts of the policy on emissions from construction and building operations (e.g. energy and water use) would be dependent on the specialist equipment and construction materials used (e.g. stairlifts, showers, baths) which would need to be selected according to the individual needs of the tenant and the construction and layout of the house or flat.

Overall, the policy is designed to make best use of the available housing stock by adapting buildings to tenants' changing needs and so would have a positive impact on reducing waste.

6. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

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

Andy Blaszkowicz, Director of Housing and Operations

Telephone: 01303 853 684

Email: andy.blaszkowicz@folkestone-hythe.gov.uk

Jonathan Hicks, Performance Specialist

(01303) 853 721

Jonathan.hicks@folkestone-hythe.gov.uk

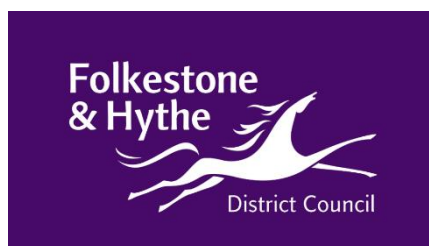
The following background documents have been relied upon in the preparation of this report:

(Note: only documents that have not been published are to be listed here)

Appendices:

Appendix 1: Housing Disabled Adaptations Policy

Appendix 2: Equality Impact Assessment



DISABLED ADAPTATIONS POLICY (HOUSING)

Date of policy	Oct 2022
Date for review	Oct 2025
Policy author	Roy Catling, Assets & Development Lead Specialist
Policy owner	Roy Catling, Assets & Development Lead Specialist
Approved by	Scheduled for Cabinet 14 Dec 2022
Risk register rating	Medium
Associated documents	Repairs and Maintenance Policy

Revision history			
Version	Date	Revision description	Revision author
0.0	August 2022	New	Roy Catling
0.1	September 2022	Re-draft after consultation with staff	Roy Catling Mick Hale Jonathan Hicks
0.2	November 2022	Re-draft after further consultation with STAP and OTs	Roy Catling Mick Hale Jonathan Hicks

NEW POLICY / POLICY REVIEW	
New policy	Yes
Early review – change in legislation	
Early review – significant changes in practice	
Review due – significant changes	
Review due – cosmetic changes or unchanged	
Other reason	
Reason for new policy / summary of changes	
New policy to support the wider Repairs and Maintenance policy; to assist FHDC in the effective delivery of housing adaptations to disable tenants.	

CONSULTATION	
List of people/roles who have been consulted	Date
Chief Officer Housing	Aug 22
Housing Ops Lead	Aug 22
Neighbourhood Management Senior Specialists	Aug 22
Case Management Lead Specialist (Place)	Aug 22
Tenant Services Lead Specialist	Aug 22
Supported Housing Senior Specialist	Aug 22
Compliance Senior Specialist	Aug 22
Assets & Major Works Senior Specialist	Aug 22
Leasehold Management Senior Specialist	Aug 22
Strategic Tenant Advisory Panel (STAP)	Sep 22
KCC Occupational Therapy (OT) Service	Oct 22

EQUALITY IMPACT ASSESSMENT	Completed	Date
	YES	07/11/2022

DISSEMINATION		
Role	Awareness	Essential
Neighbourhood Surveyors		x
Neighbourhood Officers		x
Case Management		x
Tenant Services		x
Independent Living Mgrs.		x
Compliance Specialists		x
Assets & Major Works Surveyors		x

TRAINING		
Role	Trainer	Date completed

MONITORING AND COMPLIANCE		
Method	Responsibility	Frequency

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- 3 Legal/regulatory framework
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- 5 Adaptation process overview
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- 8 Financial restrictions
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- 14 Referrals relating to behaviour
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- 16 Limitations
- 17 Other options available to tenants

Key Controls and Reporting

- 18 Communications and consultation
- 19 Complaints
- 20 Performance monitoring and review
- 21 Equality and Diversity

Introduction

1. Purpose of the policy

- 1.1 The purpose of this policy is to, wherever possible, adopt a consistent approach to the management of disabled adaptations across the HRA housing portfolio of Folkestone & Hythe District Council (hereafter referred to as 'the Council').
- 1.2 This will be achieved through:
 - Greater focus on supporting tenants to meet their long-term housing needs, by providing the most appropriate adapted homes for them
 - Providing financial assistance to support tenants with the costs of relocating where applicable
 - Ensuring that best use is made of adapted properties within our housing stock and that these are let to those in greatest need
 - Ensuring the available budget for adaptations is used effectively

2. Policy objectives and scope

- 2.1 The primary objective of this policy is to enable the Council, within the financial and legislative constraints applicable to social housing, to identify housing solutions which best meet the assessed needs of tenants with disabilities.
- 2.2 This policy sets out the parameters within which the Kent County Council Occupational Therapist Team and the Council will operate. The scope of this policy extends to all tenants of the Council that have a disability and have had/are eligible for an assessment by an Occupational Therapist (OT).
- 2.3 The policy will also act as a guide to OTs and other professionals (including Council officers) providing clarity on what we are able to assist with in terms of adapting a tenant's home.
- 2.4 Through the implementation of this policy, we aim to operate a service that offers suitable, practical, and cost-effective solutions that best meet tenants' assessed needs.
- 2.5 The key principles of this policy are to:
 - provide a seamless service that puts tenants at the heart of the process
 - offer a range of options for tenants that are both achievable and realistic
 - find the best possible solution for tenants to meet their individual needs
 - operate legally and according to best practice
 - operate within the available budget and provide value for money
 - minimise waiting lists and waiting times
 - measure the impact of this policy in terms of real outcomes
 - work with the allocations team to make best use of the housing stock
 - ensure adaptations take into consideration any other Disabled Facilities Grant (DFG) application or provision
- 2.6 It is also a key aim of this policy to ensure that no tenant waits longer than 12 months for a 'Major' adaptation and no longer than 3 months for a 'Minor' adaptation to be progressed.

3. Legal/regulatory framework

3.1 In determining this policy, regard has been given to the relevant statutory provisions and requirements as set out in the following:

- The Housing Act 2004
- The Housing and Regeneration Act 2008
- The Equality Act 2010
- The Care Act 2014
- The Children and Families Act 2014
- The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015

4. Definitions

4.1 The Equality Act 2010 defines a person with disabilities as someone who has a physical or mental impairment which has a substantial and long-term adverse effect on his or her ability to carry out normal day-to-day activities.

4.2 A 'long-term adverse effect' specifically refers to disabilities that:

- have lasted for at least 12 months
- the effects of which will last for at least 12 months
- are likely to last for the remainder of a person's life

4.3 The Occupational Therapist is required to confirm that all three of the above criteria for disabilities apply to each assessment submitted to the Council for consideration.

The Policy

5. Adaptation Process Overview

5.1 For adaptation work to be carried out, tenants must request a referral to an Occupational Therapist (OT) approved by KCC Social Services. The OT will assess the level of disability need and, if applicable, make a referral to the Council. In some cases, the OT will request a joint visit with a Council Officer to consider the feasibility of a proposal they may wish to recommend.

5.2 Minor adaptations (see 5.4 below) may be requested directly by the tenant or other healthcare professional, with work being agreed at the discretion of the Assets and Major Works team at the Council.

5.3 Each case will be individually assessed on its own merits and the Council will decide what is reasonable, taking account of the need to make housing available to a wide range of people in need, over the long term.

5.4 The Council will categorise assessments as follows:

- **Minor Adaptations** - Works costing £1,000 or under and stairlifts up to £5,000 are considered routine and are progressed in referral date order within 3 months of receiving the referral from the OT.
- **Major Adaptations** - Works over £1,000 are sub-categorised by the OT as either 'critical' or 'substantial'. These are reviewed monthly with 'critical' taking higher priority:
 - 'Critical' major works will be carried out as soon as possible and are intended to be progressed within 6 months.
 - 'Substantial' (and therefore not critical) major works will be put on a waiting list and carried out the order in which the referral was received by the Council; these works intended to be progressed within 12 months.

5.5 This policy supports the best use of financial resources and property assets. This may result in adaptations being declined where the assessed needs cannot be met within the tenant's current home because either:

- the financial cost of the adaptation involved is too great; and/or
- the adaptation may potentially have a detrimental impact on the future use of the property; and/or
- the practical difficulties of adapting the property are outweighed by alternative solutions which may be more suitable for the tenant.

For a full explanation of limitations see section 16 below

6. Tailored solutions

6.1 It is recognised that tenants with disabilities will sometimes require specific, tailored solutions to meet their individual needs. Any adaptation work will therefore only be undertaken after careful consideration of a range of factors including:

- The current and future needs of the tenant(s) and their household
- The individual tenant's level of disability
- Professional assessment/recommendations of healthcare professionals
- Characteristics of the dwelling, its construction and internal arrangement
- Planning and building regulation requirements and legislation
- Budget provision and long-term property asset implications
- The most cost-effective means of achieving the required outcome
- Any alternative solutions that may address assessed needs
- The impact upon other adjoining tenants and/or communal spaces
- Fire risks, and other health and safety legislation

6.2 Tailored solutions also relate to cost. For example, where the construction type of a property makes it excessively costly to adapt (e.g. the lower limit of 10% or £5,000 more than the equivalent cost of the adaptation to a property of standard housing construction,) we may refuse the adaptation in favour of offering alternative housing that meets the applicant's needs, or which can be readily adapted at a lower cost.

7. Examples of adaptation work

7.1 The following is a list of examples of adaptation work that we may carry out to an individual flat or house (although this list is not exhaustive):

- Installation of grab rails in various locations throughout a property
- Installation of access steps/ramps to front and rear entrances
- Additional internal banister rails
- Additional external handrails
- Installation of lever taps
- Alterations to the height of electrical sockets and switches
- Fixed aids for visual and hearing impairment (doorbells/ fire alarm/ smoke detectors)
- Specialist Equipment (fixed rise/fall baths, shower stretchers, wash/dry toilets)
- Level access shower facilities
- Over bath shower facilities
- Kitchen adaptations
- Extensions (see 7.2 below)
- Work that would be eligible for funding under DFG legislation

7.1.1 The on-going maintenance and servicing of these adaptations will be funded from annual repair and maintenance revenue budgets. The renewal/ replacement of previously installed adaptations will be treated as a renewal funded from capital budgets.

7.1.2 Provision of appliances and portable specialist equipment will not be funded as these are considered to be either a tenant's responsibility or that of health and social services.

7.2 Extensions and Conversions

7.2.1 In some instances, extensions and/or conversions will be considered where these are within the financial limits contained within the DFG legislation, and:

- the property is capable of being adapted to meet a tenant's needs cost-effectively; and/or
- the adaptation is likely to have an on-going future demand and there is no other reasonable or viable alternative (including re-housing)

This also applies to an extension or conversion of an existing outbuilding, where ground floor facilities/access may be required.

7.2.2 Extensions and conversions often require planning permission and building regulation approval, as well as a detailed feasibility study, specification, and approval from the Council's Planning Team before being tendered and a contractor appointed to carry out the work. Assuming it is approved, work will be progressed as quickly as possible, but may take up to 24 months to complete.

- 7.3 We will not remove substantial adaptations (e.g. extensions and conversions) or previously installed major adaptations solely on the basis that the tenant no longer needs them, even if they (or a new non-disabled tenant) requests it.

8. Financial restrictions

- 8.1 Financial restrictions as defined in legislation are expected to be applied to all adaptations. In England the maximum entitlement is currently set at £30,000 per applicant.¹ Where costs for major adaptations, extensions and conversions exceed this prescribed limit they will not be approved.
- 8.2 In exceptional circumstances (where there are no reasonable alternative solutions, or any that are likely to arise within 36 months) they may be referred to the Council's Housing Leadership Team for consideration and review.
- 8.3 Approval and budget allocation will be at the sole discretion of the Council's Housing Leadership Team and may require a contribution from the tenant for any costs over the prescribed limit. Tenants must also be made aware that this may be subject to a 'means test' and that if a property increases in size, there may also be a subsequent increase in rent and/or property value.

9. Long-term diagnosis

- 9.1 The long-term diagnosis of a tenant's condition and the future use and occupation of the property will be key considerations when deciding the most appropriate solution or proposal.
- 9.2 We will work in close partnership with the OTs and KCC Social Care Services when developing adaptation proposals.

10. Redevelopment

- 10.1 Where a tenant living in an adapted property is being moved because of redevelopment or refurbishment of their home, essential adaptations will be carried out in the new home being offered. This is most likely to apply to the tenants of previously converted housing, older properties and Independent Living schemes which require refurbishment. It may include, for example, providing showers to tenants who have previously only had access to communal facilities.

11. Planned Maintenance

- 11.1 We will ensure, subject to funding constraints, that any necessary adaptation works are carried out through the Capital Programme. Our commitment to maintenance work that improves accessibility is intended to reduce the pressure on the adaptations budget. An example of this might be a programme to replace baths with level access shower facilities in Independent Living schemes and ground floor one-bedroomed flats.

1.1 ¹ Disabled Facilities Grant (DFG) delivery: Guidance for local authorities in England 2022

12. Communal areas and flatted accommodation

12.1 We recognise that where works are both essential and reasonably practical, we will consider essential access requirements to the communal areas of blocks of flats and estates. Such proposals may require the consent of other tenants and must not impair or compromise the safety of other tenants. Any such work will therefore be risk assessed and considered/agreed on a case-by-case basis.

13. Access and Egress

13.1 Suitable access will be considered for the main front door and/or existing rear door(s) to a property where this is reasonable and practical. If this is not viable the most economical provision will be explored, which may include other adaptations such as changing windows to doors. This will be at the discretion of the Council in conjunction with a recommendation with the OT.

14. Referrals relating to behaviour

14.1 We recognise that where a tenant has challenging behaviour as a result of their disability it can cause difficulties, putting additional strain on the tenant, their family, and/or neighbours.

14.2 In these circumstances it may be appropriate to provide additional space and/or specialist facilities and equipment, as recommended by an OT. This may take the form of an extension to the property.

14.3 All other available options will be considered before any extension to a property is agreed. We are only likely to consider an extension to a property on the grounds of behaviour where:

- the tenant is unable to share a bedroom for reasons of privacy, safety or due to a medical condition that affects their behaviour, and/or
- adequate additional space cannot be provided within the property by converting an existing space within it

14.4 For all referrals relating to behaviour, we will work with the OT to consider the best solution and only carry out an adaptation where there is a genuine and essential medical need that satisfies the requirements of this policy, and this only when all alternative options have been considered and exhausted.

15. Mobility Scooters

15.1 The Council has limited provision for tenants' mobility scooters in some Independent Living schemes. Where this is the case, the Council has responsibility for maintaining these storage areas.

15.2 For all other individual properties, where scooter storage is not provided, tenants are responsible for undertaking or paying for any necessary alterations to access paths/gates, hard standings, sheds, and the electrical supply. This, as well as any other associated works connected to accommodating their scooter.

- 15.3 Any work required to accommodate mobility scooters that is the tenant's responsibility is subject to the tenant receiving written permission from the Council's Housing Team and, where applicable, Building Control and Planning.
- 15.4 In all cases, mobility scooters must not be positioned in communal areas or stored near habitable properties, to ensure prevention of risk of fire as set out in the Council's Housing Compliance (Fire Safety) Policy 2021.

16. Limitations

16.1 Circumstances under which we will not undertake an Adaptation

This section of the policy only relates to adaptations exceeding £1,000. We will not adapt a property in the following circumstances:

- 16.1.1 Where the Council does not own the property
- 16.1.2 Where the property is used for temporary housing
- 16.1.3 Where the Council intends to dispose of the property within the next 36 months,
- 16.1.4 Where the property forms part of a redevelopment proposal
- 16.1.5 Where the property is subject to structural movement or environmental monitoring
- 16.1.6 Where the tenants are waiting for a transfer to another property
- 16.1.7 Where there is suitable alternative adapted, part adapted accommodation or where it is considered likely that a suitable property will become available within 12 months of the request being made
- 16.1.8 Where an adaptation would adversely affect the Council's ability to make the best use of the stock and to re-let the property in the future without removing or altering the adaptation(s)
- 16.1.9 Where the cost of the adaptation exceeds the equivalent maximum value applied to an equivalent DFG
- 16.1.10 Where the tenant's requirements are such that further adaptations will be required within 24 months and during that time it is considered likely that alternative suitable accommodation will be available
- 16.1.11 Where an adaptation would place others at risk (e.g. a communal stair-lift with no alternative access for other first floor tenants)
- 16.1.12 Where a tenant leaves a property (through their own choice or through eviction) that has previously been adapted for their needs within 5 years of any adaptation having been completed

Other limitations where the Council may not undertake adaptations:

16.2 Under-Occupancy

- 16.2.1 Where a tenant or their family is under-occupying a property by two or more bedrooms, adaptation requests will be refused.

- 16.2.2 Where a tenant is under-occupying a property by one-bedroom the Council will consider the practicalities and cost involved in adapting the under-occupied property and its future use against the potential benefits to the tenant and the Council of moving them to a suitable smaller home.
- 16.2.3 Where we feel a tenant's needs are best met by moving to a smaller suitable home, our overarching concern will always be to consider the wider impact of a potential move on the tenant's well-being and continuity of care. This will be judged on a case-by-case basis in collaboration with the OT and any other relevant professionals involved.
- 16.2.4 Where a tenant is under-occupying but has been granted under-occupation exemption via spare room subsidy, we will authorise adaptations providing the property is suitable to be adapted. Evidence of exemption must be provided.

16.3 Overcrowding

- 16.3.1 Where a tenant or their family are deemed to be overcrowded and there is every likelihood that they would be rehoused in a suitable alternative property within 24 months, we are unlikely to adapt the property except in exceptional circumstances, which have been recommended by the OT and approved by the Council.
- 16.3.2 Any referral for additional space, (for example an extra bedroom,) will not be deemed a valid adaptation on the grounds of social overcrowding. This will be classed as a Housing Needs issue and the Council will instead provide housing advice to help the tenant find a more suitable property that meets their need.

16.4 End of tenancy

- 16.4.1 Major adaptations will not be carried out where eviction action is pending or where the tenancy will not, or is not likely to continue, beyond a period of 12 months from the date upon which the recommended adaptation is received by the Council. This is to ensure that adaptations are not carried out at a property if the tenant that needs the adaptation is going to be moving.

16.5 Right-to-buy

- 16.5.1 We will not carry out adaptations to properties that are going through the right-to-buy process.
- 16.5.2 Once the right-to-buy process is complete, as a new homeowner any adaptation may be progressed by applying for adaptations through the Disabled Facilities Grant (DFG).

16.6 Suitability of property for adaptation

- 16.6.1 In some cases, a property may not be suitable for adaptation due to the characteristics of the building. For example, because of its age, location, internal layout, type of construction, surrounding buildings, or ground conditions. Where an adaptation cannot be carried out for any of these reasons, we will recommend moving the tenant to a more suitable property that can be adapted to meet their needs.

16.6.2 Adaptations will not be carried out where it is considered reasonable for a tenant to move to a more suitable Council property and/or where there is a reasonable expectation that this accommodation will become available within a period of 12 months from the date at which we are made aware of the tenant's assessed needs.

16.7 Unreasonable adaptations

There may be other circumstances when it is unreasonable for us to undertake an adaptation.

Examples may include (but are not limited to):

16.7.1 Where the cost of the adaptation is abnormally expensive, or where excessive structural alterations (beyond that of widening door openings, removal of non-load bearing internal walls and forming openings less than 1.2m wide in floors and walls) are necessary to facilitate the adaptation

16.7.2 Installing a level access shower to a flat above ground floor which cannot be accessed by an existing lift (see also 16.8 below)

16.7.3 Where the tenant's needs can be met through amendment of the original proposal/recommendation, such as fencing a proportion of a garden rather than the entire garden or using a ground floor second reception room as a bedroom

16.7.4 Where it requires alterations to common areas which would constitute a fire, and/or health and safety risk, or would negatively impact upon the use of the common area by other tenants

16.8 Level access showers above ground floor

16.8.1 New tenants with a disability or who are elderly are not usually housed in flats above ground floor level, as access may prove difficult for them. For disabled and elderly tenants currently living in flats above the ground floor, we will actively encourage rehousing the tenant in a ground floor property before considering any adaptation to install level access shower.

16.8.2 Where there is not a suitable ground-floor property available, we will assess the likelihood of a suitable property becoming available within 24 months and the long-term needs of the tenant, as well as their ability to access the property.

16.9 Pavement crossovers and hard standings

16.9.1 Pavement crossovers and hard standings for car parking are primarily aimed at wheelchair users and tenants with severe disabilities. Requests for a pavement crossover or hard standing are subject to approval by the Council's Planning Team and Kent County Council Highways, and they will only be progressed once such approvals are received.

16.10 Mutual Exchanges and Transfers

16.10.1 Where a Folkestone & Hythe District Council (FHDC) tenant requests a mutual exchange or transfer from their recently adapted property to another FHDC property that is not suitably adapted, we may not carry out further adaptations to the property. For example, where major adaptations have been undertaken within the previous 5 years. This will be subject to review and assessed on a case-by-case basis.

16.10.2 In all cases (including mutual exchanges and transfers from outside FHDC-owned properties) we will take account of the reasons for the move and work with the tenant(s) to consider the option that best meets the long-term needs and requirements of the tenant(s) and/or their family.

16.11 Stair lifts and through floor lifts in stand-alone properties

16.11.1 Stair lifts are classified as a minor adaptation, and these will be progressed where the property will accommodate the stair lift installation and the necessary power supply.

16.11.2 Through-floor lifts will be considered after all alternative solutions have been explored, including re-housing. These types of adaptations are subject to the constraints of the existing construction of the property and a fire risk assessment.

16.12 Specialist fixed and free-standing equipment

16.12.1 Specialist equipment such as rise and fall baths, bath and shower stretchers that are fixed to the structure of the property will be considered after all alternative solutions have been explored. These types of adaptations are subject to the constraints of the existing construction, layout of the property, budget availability and financial expenditure limits applicable to adaptations.

16.12.2 It should be noted that the cost of such specialist equipment and the limited supply source may require the Council to undertake additional financial approval processes including obtaining a 'waiver' for the purchase of these items.

16.12.3 We will not fund or install specialist free standing equipment as an adaptation as this is considered a Health and Social Care Service/ tenant responsibility.

16.13 Stair lifts in communal areas of blocks of flats

16.13.1 We will not authorise the installation of a stair lift in a communal staircase in a block of flats or the shared communal areas of properties. This is due to the increased risk of an impeded exit, to the disabled person, other users of the building, and the emergency services.

17. Other options available to tenants

- 17.1 In cases where a tenant's assessed needs and the recommended adaptation does not meet the requirements of this policy, tenants have the option to apply for DFG funding or consider other alternatives that may be available, such as funding through a charity, armed forces associations (where applicable) and/or self-funding.
- 17.2 All alternative funding options are subject to written permission from the Council and will only be agreed if the option is reasonable and meets the tenant's assessed needs.
- 17.3 If a tenant carries out their own work, they will also need permission in writing from the Council before any work is started. In these cases, the tenant must:
- Ensure the proposed work is carried out by a fully competent qualified contractor
 - Conform to the appropriate regulations and legislation
 - Be responsible for putting right any damage relating to the works being carried out
 - Contact us upon completion of any work so we can inspect it, to ensure it has been carried out to a satisfactory standard
 - Provide us with any relevant certificates of the work upon completion
 - Maintain and repair any equipment or fittings they have installed
- 17.4 If a tenant carries out their own work with written permission from the Council, we reserve the right to request that the property is returned to its original condition upon termination of the tenancy. Any such requirement will be made known to the tenant as part of the original written permission. The cost of this must also be met by the tenant.

Key Controls and Reporting

18. Communication and Consultation

- 18.1 We recognise the importance of effective communication with tenants regarding the adaptations process and as a commitment, we will:
- Provide clear and comprehensive advice and information to tenants, with an aim for a single point of contact,
 - Consult in person with tenants regarding major works and explain the scope of the work required and how long it will take to complete,
 - Contact tenants to confirm approval of recommended adaptations; when the work will be carried out, or that there is a waiting list,
 - Keep tenants informed of where they are on the waiting list and provide an approximate waiting time for their adaptations,
 - Inform tenants and explain why recommended adaptations have been

refused under the limitations of this policy,

- Where appropriate, provide tenants with colour choices (e.g. for major bathroom adaptations – paint, tiles, flooring etc. - within the Council specification)
- Work with occupational therapy and healthcare professionals on individual cases to ensure the most timely and cost-effective options are considered.

19. Complaints

- 19.1 If a tenant is unhappy with the work undertaken or the way they have been treated by a member of staff or contractor, this should be reported to the Major Works Surveyor in the first instance. We are committed to providing the best possible solution to tenants, which includes resolving any issues or concerns that may arise.
- 19.2 If a tenant remains dissatisfied with our response, or any action taken to resolve their issues or concerns, they may submit a formal complaint. This will be dealt with independently of the Adaptations service following the Council's Comments, Complaints and Compliments Policy.

20. Performance Monitoring and Review

- 20.1 We recognise the importance of working in partnership with tenants and stakeholders to develop and continually improve our services and raise standards. To demonstrate this we are committed to:
- Undertaking post-adaptation satisfaction surveys; to ensure we maintain performance and help inform future service improvements
 - Recording and reporting on the number of properties with adaptations and the type of adaptations completed
- 20.2 Performance of contractors will be monitored through both tenant satisfaction surveys and post-inspections to ensure timescales are being met and the quality of the work is of the highest possible standard.
- 20.3 Adaptation budgets and waiting lists will be also reviewed routinely as part of cyclical budgeting and contractual monitoring arrangements.
- 20.4 This policy and any associated procedures will be reviewed at least every three years. The review will ensure that a comprehensive service is being offered that meets tenants' requirements. The policy will also be reviewed in accordance with any future legislative changes as and when they occur, or if the policy is deemed to be unfit for purpose and/or no longer reflects tenants' changing needs.
- 20.5 Overall monitoring and review of this policy will be undertaken in consultation with staff, tenant groups, the KCC Occupational Therapy Service and other relevant partners and stakeholders.

21. Equality and Diversity

- 21.1 Through the management of this policy we aim to treat all tenants fairly, and with respect and professionalism regardless of their gender, race, age, disability, religion, sexual orientation and/or marital status.
- 21.2 An Equality Impact Assessment has been carried out to determine whether this policy could have a negative impact on any tenant/service user that unfairly discriminates or disadvantages them in the context of the Equality Act 2010.
- 21.3 Overall, this policy is intended to have a positive impact on equality, particularly in relation to tenants with physical disabilities, as the policy aims to improve tenants' accessibility in and around their homes.
- 21.4 Where there may be a barrier to accessing information about the service, we will make all reasonable adjustments to ensure all tenants and/or service users can understand the process and the options available to them.

Disabled Adaptations Policy 2022

Stage 1 Equality Impact Assessment

Directorate: Housing and Operations Service: Assets and Development

Accountable Officer: Roy Catling, Assets and Development Lead Specialist

Date of assessment: November 2022

Names & job titles of people carrying out the assessment:

Jonathan Hicks, Performance Specialist
Mick Hale, Planned Maintenance Specialist

Name of service/function/policy etc: Disabled Adaptations Policy
--

Is this new or existing? New Policy

Stage 1: Screening Stage

1. Briefly describe its aims & objectives

The purpose of this policy is to, wherever possible, adopt a consistent approach to the management of disabled adaptations across the HRA housing portfolio of Folkestone & Hythe District Council
--

2. Are there external considerations? (legislation/government directive etc.)

This policy sets out the parameters within which the Kent County Council Occupational Therapist (OT) Team and the Council will operate. The policy will act as a guide to OTs and other professionals (including Council officers) providing clarity on what we are able to assist with in terms of adapting a tenant's home.

3. Who are the stakeholders and what are their interests?

FHDC tenants with a disability that require adaptations to their home to meet their specific needs and have had/are eligible for an assessment by an Occupational Therapist (OT).

4. What outcomes do we want to achieve and for whom?

To improve the quality of life for our disabled residents and promote independent living. To operate a service that offers suitable, practical, and cost-effective solutions that best meet tenants' assessed needs

5. Has any consultation/research been carried out or relied upon?

This policy has undergone consultation internally with operational managers and staff within tenancy, neighbourhoods, supported housing, compliance and assets and major works. Externally we have sought the views of tenants through FHDC's

Strategic Tenants Advisory Panel (STAP) and KCC's Occupational Therapy (OT) Team.

6. Are there any concerns at this stage which indicate the possibility of inequalities/negative impacts? (Consider and identify any evidence you have - equality data relating to usage and satisfaction levels, complaints, comments, research, outcomes of review, feedback and issues raised at previous consultations, known inequalities) If so please provide details.

No.

7. Could a particular protected characteristic be affected differently in either a negative or positive way? (Positive – it could benefit, Negative – it could disadvantage, Neutral – neither positive nor negative impact or Not sure?)

	Type of impact, reason & any evidence
Disability	Positive. This policy is specifically aimed at improving outcomes for disabled people with a clinical need for adaptations. The service promotes independent living for disabled people improving their quality of life.
Race (including Gypsy & Traveller)	Neutral. This policy does not discriminate on the grounds of ethnicity, either directly or indirectly. It should have a positive benefit to all applicants regardless of their ethnicity
Age	Neutral/Positive (60+) This policy does not discriminate on the grounds of age, either directly or indirectly. However, the policy may provide greater benefits for older people who are more likely to be frail or have an impairment as a result of their age. The policy seeks to promote equality for elderly residents by providing aids and adaptations to promote independent living.
Gender	Neutral. This policy does not discriminate on the grounds of gender, either directly or indirectly. It should have a positive benefit to all applicants regardless of their gender
Transgender	Neutral. This policy does not discriminate on the grounds of gender, either directly or indirectly. It should have a positive benefit to all applicants regardless of their gender
Sexual Orientation	Neutral. This policy does not discriminate on the grounds of sexual orientation, either directly or indirectly. It should have a positive benefit to all applicants regardless of their sexuality.
Religion/Belief	Neutral. This policy does not discriminate on the grounds of religion or belief, either directly or indirectly. It should have a positive benefit to all applicants regardless of their religion or belief. However, timing of works could be an issue given different faith holidays/religious and holy days. Awareness of significant cultural and/or religious festivals and days recommended when planning work.

Pregnancy & Maternity	<p>Neutral. This policy does not discriminate on the grounds of pregnancy or maternity, either directly or indirectly. It should have a positive benefit to all applicants regardless of their pregnancy or maternity status.</p> <p>However, awareness and sensitivity recommended when planning work with regard to status of pregnancy and/or maternity status.</p>
Marriage/ Civil Partnership Status	<p>Neutral. This policy does not discriminate on the grounds of marriage or civil partnership, either directly or indirectly. It should have a positive benefit to all applicants regardless of their marital or partnership status.</p>

8. Could other socio-economic groups be affected e.g. carers, ex-offenders, low incomes?

No negative impact has been identified in relation to other socio-economic groups. The policy should have a positive benefit to all applicants regardless of their socio-economic background, income or status.

9. Are there any human rights implications?

No

10. Is there an opportunity to promote equality and/or good community relations?

Yes. The policy seeks to promote equality for disabled residents by providing aids and adaptations to improve access and/or promote independent living.

11. If you have indicated a negative impact for any group is that impact legal? (Not discriminatory under anti-discrimination legislation)

No

12. Is any part of this policy/service to be carried out wholly or partly by contractors?

Yes. For adaptation work to be carried out, tenants must request a referral to an Occupational Therapist (OT) approved by KCC Social Services. The OT will assess the level of disability need and, if applicable, make a referral to the Council. Adaptation work will be agreed by the Council and undertaken by Council approved contractors.

If yes have you done any work to include equality & human rights considerations into the contract already?

N/A

Please note that normally you should proceed to a Stage 2: Full Equality Impact Assessment Report if you have identified actual, or the potential to cause, adverse impact or discrimination against different groups in the community. (Refer to Quick Guidance Notes at front of template document)

13. Is a Stage 2: Full Equality Impact Assessment Report required?

No

14. Date by which Stage 2 is to be completed and actions

NA

Please complete

We are satisfied that an initial screening has been carried out and a full impact assessment is not required.

Completed by: Jonathan Hicks Date: 07 November 2022

Role: Performance Specialist

Countersigned by Director/Chief Officer: Date:

Please keep the signed hard copy with your team for auditing purposes and forward an electronic copy to policy@folkestone-hythe.gov.uk so that it can be published.

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This Report will be made public on 6 December 2022



Report Number **C/22/73**

To: Cabinet
Date: 14 December 2022
Status: Key Decision
Responsible Officer: Susan Priest, Chief Executive
Cabinet Member: Councillor David Monk, Leader of the Council

SUBJECT: PRINCES PARADE PROJECT - OPTIONS

SUMMARY: In November 2022, due to the significantly changed and difficult economic climate, the decision was taken to pause spending on the Princes Parade Project and for officers to re-evaluate available options and to propose a way forward (Report C/22/56). This report outlines a small number of headline options for consideration.

REASONS FOR RECOMMENDATIONS:

The Princes Parade Project is currently paused pending further review. A decision is needed on the future of the project to inform the council's budgeting and MTFs process and provide clarity for residents. For these reasons, this report focuses on the limited number of options that are realistically available at this stage.

RECOMMENDATIONS:

1. To receive and note report C/22/73.
2. To consider the options outlined in the report and agree to either:
 - Option A. Continue with the project, noting the changed financial package;
 - Option B. Do just the necessary works to implement the planning permission; or
 - Option C. Stop the project, while future land uses are considered.
3. To note that under Option B or C the site will remain secure with hoardings in place until more detailed work has concluded.

1. BACKGROUND

- 1.1. In January 2022, cabinet agreed to proceed with the Princes Parade Project (Report C/21/75) and a budget was agreed by Full Council in February (Report A/21/27).
- 1.2. In November 2022, the decision was taken to pause spending and review the project (Report C/22/56). The decision report details the reasons for the pause, which in summary are:
 - A high degree of economic uncertainty, coupled with exceptionally high inflationary pressures that have impacted on the council's overall ability to absorb modest funding pressures and financial risk within its budget and Medium Term Financial Strategy (MTFS).
 - Significantly increased project costs from successive delays caused by external factors, inflationary pressures on supply chains and the development market, scheme refinements to improve the performance of the leisure centre, unexpected additional costs some of which were borne from legislative changes, and the need for a sufficient financial contingency. These factors combined to increase the estimated costs of the full project to between £47m-£49m.
 - Recent significant and unforeseen increases in council borrowing costs which have risen within a short period of time from 2% to nearly 5%.
 - Substantial increases in utility tariff costs resulting from the war in the Ukraine and the potential impact on future revenue budgets if tariffs remain at this level when the new leisure centre becomes operational.
- 1.3. The decision report included the recommendation that '*officers re-evaluate available options in light of the current economic climate and propose a way forward.*'
- 1.4. There was also a need to complete this work within a relatively short period of time to inform the council's capital programme, budget, capital & investment strategies and MTFS process and provide clarity for residents. For these reasons, this report focuses on the limited number of options that are realistically available at this stage.
- 1.5. A petition related to the Princes Parade Project was presented at Full Council on 30 November 2022. It was agreed that the petition be referred to Cabinet, for consideration alongside the options report, and that stopping the project be included as an option for consideration. This is included as Option C in the report.

2. OBJECTIVES & CRITERIA

- 2.1. To support members' decision-making, officers identified a few broad objectives related to the interests of the council in achieving the Corporate Plan. These four objectives were defined as:

- *Affordability* – the overall financial affordability and necessity to minimise financial pressure on the MTFS.
- *Community Benefits* - delivery of the community and placemaking benefits from the project as outlined in the current Corporate Plan, i.e. to:
 - Build and open a new, modern leisure centre at Princes Parade.
 - Complete construction project for new Leisure Centre.
 - Secure a new operator & operating structure for the Leisure Centre.
 - Secure residential and commercial land sales for the remaining site and on South Road site to part-fund the scheme.
- *Compliance* – with legal, planning and environmental obligations with regards to site conditions.
- *Risk Management & Mitigation* - Understanding the risk profile of each option in order to minimise legal challenge or contractual dispute that could give rise to financial or reputational harm.

2.2. From these four objectives, more detailed considerations were identified to support decision-making:

- **Financial**
 - Minimising the financial pressure on the MTFS.
 - Minimising financial losses.
 - Compliance with Value for Money accounting considerations.
- **Deliverability**
 - Securing value in the land.¹
 - Complying with existing contractual and procurement parameters.
 - Complying with external funding offers and requirements.
 - Achievable within a reasonable² timeframe.
 - Achievable with the current level of internal management capacity.
- **Environmental**
 - Compliance with contaminated land requirements under Part 2A Environmental Protection Act 1990.
- **Community & Placemaking Benefits (Corporate Plan)**
 - Delivering a new leisure centre.
 - Improving overall amenity value - an accessible public space including a widened promenade, leisure facility and open parkland.
 - Delivering up to 150 new homes, 30% of which will be affordable.

3. SUMMARY OF OPTIONS

3.1. There are many potential options and variations of such. There was a need to focus on the realistic options available now to inform the current budgeting

¹ Land value expected to increase with an implemented planning permission (see Option B).

² 'Reasonable' in this context means within the period of the next MTFS four-year period.

process and to provide clarity for residents. For the purposes of the report the following options were considered:

- Option A – Continue with the project with a changed financial package;
- Option B – Do just the necessary work to implement the planning permission; and
- Option C – Stop the project while future land uses are considered.

3.2. **Option A – Continue with the project with a changed financial package** – this would see the project continue as planned with the delivery of the new road, new leisure centre, housing, and the public space improvements. This option would need the scheme to become affordable for the council by reducing the overall cost of the project either by reducing the build costs, increasing land sales receipts, or reducing borrowing requirements (or a combination of these factors).

3.3. **Option B – Do just the necessary work to implement the planning permission** – this would require all outstanding pre-commencement planning conditions to be satisfied and the permission implemented. This option considers what in practice would need to be done to affect this, and the potential added value arising.

3.4. **Option C - Stop the project while future land uses are considered** – this would immediately stop the project while more detailed work is undertaken. This option considers the extent of the immediate financial impact on the council of terminating the project and an assessment of any legal requirement to remediate the known land contamination.

3.5. Importantly, all of the three options above need to fall within a tolerable level of risk for the council at this time when there is continuing economic uncertainty, the extent of other delivery challenges in the corporate plan remain high, and the council's overall medium-term financial position has worsened.

3.6. Members can, of course, suspend their decision and ask officers to explore a further range of specified options. This however should be contemplated with a high degree of caution as:

- Input to the budget strategy, capital programme, capital & investment strategies for 2023/24 is required in January to prepare a balanced budget for members to consider.
- Input to the MTFs for the period 2024/25 to 2027/28 is required to inform the most significant financial document of the council.
- Satisfying the remaining planning requirements to protect the council's interests are on a critical path and need to be concluded and the planning permission implemented before expiry on the 18 July 2023.
- Clarity in communications is needed to reassure the local community, residents across the district and other stakeholder groups.

- External funding allocations, need to be managed proactively and with integrity to protect the council's reputation.

4. OPTION A – PROJECT CONTINUES

4.1. Option A is for the project to continue as planned. This option requires a significant change in financing to make the project viable within a tolerable level of risk. This would mean the council entering into contract(s) as soon as possible and committing to the sale of the land for residential and commercial development, and to the construction of the leisure centre, road and other works. The construction of the new leisure centre is integral to the delivery of the residential development and there is a financial and planning dependency on the land sale to partly fund the construction of the new leisure centre.

4.2. The current estimated cost of the project including a 3-5% contingency is £47-49m. The additional capital borrowing required, the impact of financing this borrowing on general fund revenues, and the council's overall financial position were the main factors supporting the decision to pause and review the project (Report C/22/56). The decision report summarised the financial position as follows:

- In January 2022, the project initially budgeted for capital borrowing of £6.625m, based on an interest rate of 2% (Report C/21/75).
- Financing of the capital borrowing in January was anticipated to be offset by operational savings from the closure of the existing Hythe Pool (around £165K p/a) and the average income expected from the new leisure operator (around £175K p/a).
- Scheme costs are now estimated at £47-49m. This would result in capital borrowing increasing to some £10.7m in total, which is further impacted by borrowing rates increasing to round 5%.
- There is also greater uncertainty in the income that could be expected from the leisure operator if the significant increases in utility costs experienced this year continue.
- The overall impact of the project on General Fund revenue budget within the period of the next MTFS (2024/25 to 2027/28), is now estimated as a pressure of £0.7m per annum, which totals a £2.7m pressure over the period of the MTFS. In the context of the council's overall financial position, this is not considered affordable or a prudent use of council resources and raises concerns about the high level of risk the council would be adopting.

4.3. For the project to proceed on an affordable basis, the capital financing element of the project cost would need to be eliminated, and associated delivery risks minimised. The initial focus was on reducing the additional capital borrowing requirements from those agreed in the January 2022 budget. Following advice from the council's Finance team in view of changing

project requirements, and emerging MTFs, it is considered necessary to in effect remove the assumed earlier capital financing element. The following actions were considered and discussed with relevant external parties:

- Reducing construction costs through further value engineering and/or supply chain contractor savings.
- Increasing the value of existing linked land sale receipts.

Construction Costs

4.4. The council met with the main construction contractor (BAM Ltd) to outline the financial concerns and to review the potential of reducing construction costs. A process of value engineering had already taken place through the earlier design phases of the project, however BAM responded with four possible options:

1. A revised contract price of £ 41,032,874, equivalent to £153,065 saving; OR
2. A further £1.6 million in potential value engineering savings. However, many of design changes proposed would need referral back to Planning and, in some instances, would potentially diminish the final build quality, OR
3. Re-phrasing the project with the road, drainage and services completed first, with the leisure centre delayed to coincide with the housing development to take advantage of expected lower cost supply chain work packages. To comply with the planning conditions linking the residential development to the building of the leisure centre (see para 5.11) this option would still require the council to commit to the construction of the leisure centre; OR
4. To remediate the contaminated land and return to green wildflower. This was costed at an estimated £7.6m. The extent of remediation if the project did not proceed is discussed more fully under Option C (paras 6.11 and 6.12).

4.5 The revised offers from BAM show that costs can be reduced but it does not fundamentally remove the overall financial strain nor risk from the project or reduce the need for borrowing.

Land Sale

4.6 Further discussions were held with Sunningdale as the prospective residential and commercial developer for the site with the intention of securing further value from the land sale receipts. An offer of an additional £5m was made (making a total land sale value of £25m for the Princes Parade site). The additional payment of £5m would be subject to the following conditions:

- The additional payment of £5,000,000 would only be payable on the third anniversary of the completion date.³
- The additional payment is in lieu of any overage provision agreed or sought by the Local Authority.

4.7 This revised offer is welcome. However, the revised land sale offer would still require the council to borrow £5m to complete the project and it does not fundamentally remove the overall financial risk from the project or reduce the need for borrowing to an acceptable level. In addition, it increases the council's exposure in terms of the proportion of the total funding package being associated to a single housing developer in a volatile economic market.

Financial

4.8. There are a number of financial risks associated with the project proceeding. When the project was originally approved on the 13 February 2019 it was estimated to cost £29m. The total estimated funding required for the scheme was £31.2m, which allowed for a modest contingency. The intended sources of funding for the project were:

- Capital receipts from the sale of residential land at Princes Parade and South Road in Hythe.
- Section 106 receipts.
- Community Infrastructure Levy.
- Brownfield Land Release Fund through One Public Estate.

This was therefore proposed as a fully funded scheme which was self-financing, allowed for a contingency for cost overruns, and required no direct capital or revenue financing support from the council. Cabinet approved the project on this basis on the 13 February 2019. The future capital receipts were estimated and subject to market risk, equally the S106 receipts were anticipated and subject to market risk and indexation.

4.9. As a result of this decision more detailed site work was undertaken and portfolio holders were regularly briefed prior to the further report to Cabinet on the 26 January 2022, which identified that additional expenditure would be required to implement the project. Additional funding of £15.2m was approved by cabinet and then council. The increase in costs were due to delays and inflationary cost pressures (of some £5.6m), additional site remediation and external works to address contamination (totalling some £6.8m), and other costs (of some £2.8m).

4.10. The relevant portfolio holders were advised in July 2022 that the sub-contractors' costs had further increased with regular updates provided in their meetings leading up to October 2022. The cumulative impact of these cost increases was to reduce the project contingency allowance to just £0.284m.

³ If Option A was agreed the completion date for the land sale agreement would likely be in January 2023 making the three-year anniversary January 2026.

- 4.11. In addition, the proposed leisure centre operator confirmed that the current increases in utility prices, if projected forward to when the new leisure centre opened, would result in a potential revenue cost of £0.175m per annum averaged over the period of the contract (Report C/22/56). This would be an unbudgeted ongoing pressure on the General Fund.
- 4.12. The overall rise in the level of interest rates also gives rise to a further unbudgeted ongoing pressure on the General Fund in the order of £0.200m per annum.
- 4.13. In addition to the known pressures there are a number of other financial, delivery and operational risks which may potentially impact on the project because of the continuing uncertainty in economic conditions:
- Inflation, mortgage rates and recessionary factors impacting on household budgets may also impact negatively on the future level of demand for leisure activities.
 - Inflationary pressures in the economy may continue to impact significantly on the build costs and the supply chains needed to deliver the project.
 - The impact of the recession and higher interest rates are impacting on the housing market, and this may adversely affect anticipated capital receipts, Section 106 receipts, and Community Infrastructure Levy receipts undermining external capital funding for the project.

The table below summarises the financial position of the project at key decision points:

Princes Parade Capital Project	Business Case	Revised Budget	Latest Estimate
	13/2/2019	26/1/2022	1/11/2022
	£m	£m	£m
Capital Expenditure	28.929	44.085	46.730 ³
Contingency	1.211	1.215	2.300 ⁴
Estimated Spend	30.140	45.300	49.030
Capital Financing			
Capital Receipts	20.785	26.600	26.600 ¹
Section106	6.192	6.725	6.802
CIL	1.185	3.150	3.150
Seapoint Canoe Club	0	0.200	0.200
Brownfield Land Grant	1.978	2.000	2.000 ²
Climate Change Reserve	0	0	0.100
External Funding	30.140	38.675	38.852
Net Borrowing required	0	6.625	10.178

Revenue Impact (MTFS)			
(Full Year Equivalents)			
Financing Costs	0	0.210	0.556
Freedom Leisure (Average)	(0.175)	(0.175)	0.288
Hythe Pool (Saving)	(0.165)	(0.165)	(0.165)
Annual Cost to MTFS	(0.340)	(0.130)	0.679

¹ As outlined in para 4.6 the residential developer has indicated that they would be able to increase the offer by £5m, subject to some conditions. The full impact of this, and any of the revised BAM proposals, have not been included in the calculations above. They will not however materially affect the overall affordability of this option at this time.

² As outlined in para 5.9 this sum may fall away if option B is selected.

³ The Council's main contractor BAM has put forward a number of suggestions ranging from: a reduction in costs from tendering of £0.153m, a £1.6m reduction by value engineering the Leisure Centre and a rephrasing of the project element none of these are believed by Officers to significantly address the affordability problem of Option A.

⁴ Based on a contingency at 5%.

4.14. Therefore, the estimated annual impact on the Council's revenue budget in a full year if Option A is implemented would be an additional cost of £0.679m per annum which would be £2.716m over the 4-year period of the MTFS (assuming full year impacts and averaged sum for the leisure operator tariff). There is no revenue budget for these revenue costs in the General Fund budget and if members are minded to progress Option A, then compensating savings would need to be identified within the revenue budget. The additional Freedom Leisure costs are based on the average over the initial 3.5 years.

4.15. In summary, the Princes Parade project due to many factors, has moved from a project which was conceived and planned on a self-financing basis with no impact on the council's revenue budget, to a project which is heavily supported by council borrowing and for which leisure operating costs would (if tariffs remain high) need to be supported by the council's revenue budget. Increases in interest rates and inflation also increase the level of risk and have reduced the council's overall ability to absorb financial risk within its General Fund budget. The improved costs and offers from both BAM and Sunningdale are welcome, but it does not change the overall financial risk from the project or reduce borrowing to an acceptable level.

Deliverability

4.16. The pre-commencement planning conditions requiring conclusion are well advanced, but there are a small number of outstanding issues on a critical path that need to be resolved before the main works contract with BAM could be signed and construction could begin.

- The final project budget needs to be determined including the contingency estimate. If there remains a requirement for an additional budget provision above that agreed by council in January 2022, then

further council approval will be needed. As there is no planned meeting of Council until 22 February 2023 an extraordinary meeting would be needed as soon as possible to allow contracts to be signed and to avoid any further cost increases pre-contract.

- The contract for the residential sale would need to be concluded before the main works can be signed. This is now well advanced.
 - The pre-commencement planning conditions (application Y17/1042/SH) would need to be discharged. There are two outstanding conditions – conditions 17 and 25 parts b and c. These conditions need to be discharged and ‘material’ works started onsite by 18 July 2023 when the current planning permission lapses. For clarity:
 - Condition 17 relates to the approval by the Local Planning Authority of a habitat creation plan. The details relating to Phase 1, which is for the initial ground preparation works, have been submitted and approved by the LPA. Details for the remainder of this condition relating to phases 2a and 2b of the project need to conclude, to be submitted and be determined.
 - Condition 25 relates to contamination and is split into several different parts. Some parts of this condition have been applied for and considered by the Planning & Licensing committee but only in respect of the access road. To implement the planning permission, it would also be necessary to submit further details for this condition relating to the leisure centre part of the site, and for the matter to be determined.
 - The license application to the Marine Management Organisation to discharge surface water run off onto the beach remains outstanding. This is now close to completion. For practical reasons this would need to be granted before the main construction commences.
- 4.17. Finalising the leisure operator contract has been paused whilst options for the main project are prepared and decisions made. In the meantime, the council has received a legal challenge from one of the potential bidders that withdrew at an early stage in the tender process. They are objecting to the proposed contract modification to the cap and transfer the utility tariff risk considered by Cabinet (Report C/22/24).
- 4.18. The merits of this challenge are being considered by the council’s legal team and if the project proceeds a decision would be made whether to continue with the existing contract award or to re-run the leisure operator procurement process during the build process. This potential requirement to re-procure would not prevent the main works contract with BAM being signed but a further procurement exercise would need to be concluded in sufficient time before operation of the facility.

Environmental

- 4.19. As outlined above in para 4.16 planning conditions 17, 25b and 25c need to be discharged. The MMO license application would need to be granted for the surface water run-off. Ecology onsite would continue to be monitored and the land managed. During all phases of the project, contamination would be monitored, and the approved mediation plans and works fully implemented.
- 4.20. Air Monitoring would continue as works onsite progress and as per the site remediation plans.

Community and Placemaking

- 4.21. Option A is the only option that would fully deliver the current Corporate Plan aspiration and objectives of delivering a new leisure centre, widened promenade, and improved open public space and new homes, 30% of which would be affordable homes.

5. OPTION B – NECESSARY WORK UNDERTAKEN TO IMPLEMENT PLANNING PERMISSION

- 5.1. Option B considered whether just the necessary works could continue in the short term in order to give time for more favourable market conditions to emerge before the council enters any of the main contracts.
- 5.2. As a minimum under this option, the council would need to lawfully implement the planning permission to ensure it remains extant. All pre-commencement conditions attached to the detailed permission would need to be approved and 'material' works on site would be needed to implement the planning permission. This could secure an enhanced land value for the council while keeping the intent to deliver open for the future

Financial

- 5.3. This re-phased option would reduce the imminent pressure on the revenue position in the MTFs and could potentially minimise financial losses from terminating the project in this financial year although, subject to final-end use, these may only be deferred to some future point. External audit opinion has not yet been sought and so care is needed in considering this element in decision-making.
- 5.4. There is a financial risk for the council if the project were to be ended permanently rather than re-phased to enable it to continue when conditions become favourable as proposed in this option. In those circumstances any capital expenditure which does not create an asset or enhance or extend the useful life of existing asset (i.e. the council's land) could not be treated as capital expenditure and met from capital resources. It would then be necessary to meet any capital expenditure incurred on the project, to the council's General Fund revenue budget.

5.5. The table below sets out the council's total spend since 2016/17 on the project and the current split between charges to the revenue budgets and the capital budgets.⁵ Attached as Appendix 1 is breakdown of the project costs showing the main categories of spend.

Year	Capital Spend £	Capital funded £	Revenue funded £
2016/17	368,952		368,952
2017/18	237,140		237,140
2018/19	104,326		104,326
2019/20	456,879	456,879	
2020/21	140,416	140,416	
2021/22	2,093,353	2,093,353	
2022/23	1,706,757	1,706,757	
Total	5,107,823	4,397,405	710,418

5.6. The council has spent in total £5.1m on this project. However, of this spend £0.7m has been charged in previous years to the General Fund revenue budget. Therefore, the risk to the Council specifically relates to the capital funded element of £4.4m. The detailed figures are set out in the table. It should be noted that the figures for 2022/23 are a combination of what the Council has spent to date plus the Council's best estimate of what outstanding payments and commitments still may yet be rendered.

5.7. There are external economic factors that would support a re-phase option:

- The impact of high inflation.
- The continued war in the Ukraine and its impact on energy costs.
- Interest rates at 5-6%.
- Indications of a downturn in the housing market.

5.8. In the current circumstances there are considerable financial benefits from taking a strategic pause and doing just the necessary works to implement the planning permission. This would reduce the immediate financial risks to the council whilst enabling the development value and community benefits of the project to be retained within the extant planning permission.

5.9. It should be noted that if the project is re-phased, the Brownfield Land Release Fund (BRLF) of £2m would need to be repaid to the One Public Estate programme (Cabinet Office) as it is only allocated for a specific purpose to enable the release of local authority owned land for housing by end March 2024 or earlier and must address market failure.

⁵ It was not possible in the time available to prepare this report to present an analysis of spend prior to this date.

- 5.10. In the time available to prepare the report, care has been taken to identify all possible costs but there may be some additional unexpected cost pressures from a decision to delay or re-phase the project.

Deliverability

- 5.11. A general re-phasing of the project would need to take account of the site planning conditions (application Y17/1042/SH). Conditions 38 and 48 closely link the housing development to the construction and opening of the leisure centre. As it stands, re-phasing the development on the basis that the residential development progressed (and possibly completed) before the deferred construction of the leisure centre, is not possible under the existing the planning conditions.
- Condition 38 – *“No construction works on any dwelling or other building hereby permitted by the outline part of the planning permission shall commence until the foundations for the leisure centre have been completed.”*
 - Condition 48 – *“No more than 50 dwellings of the residential development hereby permitted shall be occupied until the leisure centre building hereby permitted is open to the public.”*
- 5.12. Other deliverability issues include whether a new procurement exercise would be required to comply with the Public Contract Regulations 2015, and it is prudent at this stage to anticipate that a new procurement exercise would be needed in whole or in part.

Environmental

- 5.13. The environmental considerations from this option would relate to discharging the pre-commencement planning conditions.
- 5.14. Princes Parade was not previously listed on the Public Register of contaminated land for the purposes of Part 2A of the Environmental Protection Act 1990. Extensive site testing was carried out in the preparatory stages of the project to discharge the planning conditions for site remediation for contamination. With this new data, there is a need to reassess the land and whilst this is completed, as a precaution the site hoarding should remain in place to secure the site.
- 5.15. Air Monitoring would only be undertaken when works necessitate excavation of the site and monitoring is required as per the site remediation plans.
- 5.16. The Seabrook Bridge / footpath could remain open until works necessitate its closure.

Community and Placemaking

- 5.17. This option could deliver the community and placemaking benefits in the longer term through securing the planning permission. Delivering the remaining community benefits would be delayed from the original

programme, but the intention would still be to deliver them at a future point in time.

- 5.18. Delaying works on this allocated site would challenge our ability to satisfy our five-year land supply and other alternative sites may have to be found.

Securing the Planning Permission

- 5.19. A re-phased option based on the original delivery programme is not possible, but it is potentially viable to discharge the remaining pre-commencement planning conditions (condition 25b and 25c) and to undertake the necessary works to secure value and legally implement the planning permission. Members should note however that there is a critical path which would need to be followed and this does not allow for any slippage, delay, or process frustration. Delivery remains an extremely high-level risk. The deadline to implement planning permission (application Y17/1042/SH) is 18 July 2023.

- 5.20. The advantages of implementing the planning permission are:

- It keeps options open about the future development of the site within the terms of the existing planning permission and allows for possible variations.
- It would deliver value for the council in the development of the site, as land with planning permission will hold a greater value.

- 5.21. The actions needed to secure the planning permission on the site are as follows and under this option the site would need to remain secure with the existing hoardings in place, ecology managed, and ground cleared periodically.

- Habitat creation plan for phases 2a and 2b submitted and approved by the LPA (Condition 17).
- LPA approves the remediation plan for the 'road' phase of the project (Condition 25c).
- Site investigations carried out for the main site and site remediation plan prepared and approved (Condition 25b).
- LPA approves remediation plan for 'main site' phase (Condition 25c).
- 'Material' operations completed onsite sufficient to implement the planning permission. A material operation can include any works of construction, demolition, digging foundations, laying out or constructing a road and a material change in the use of the land (Section 86.2 Town and Country Planning Act 1990).

- 5.22. The costs of completing the actions are split between ongoing maintenance costs and the cost of implementing the planning permission. Costs are estimated as below.

Ongoing Maintenance Costs

- Ecology management and surveys - £17,000 (up to 2024)
- Flailing the land £12k every two months - £72,000 p/a
- Securing hoarding and fencing estimate - £30,000 p/a
- Total £ 119,000

Implementing Planning Permission

- Implementation of planning and material works estimated - £250,000

5.23. A revenue budget would need to be allocated for the ongoing site maintenance. If option B is selected, then the detailed budget being presented to Cabinet in January will incorporate this growth item. The planning implementation cost could be funded from the Princes Parade capital budget.

5.24. There is a high level of risk in delivering all the actions needed. The timetable is tight, and it would be critical that the LPA discharges its statutory functions efficiently in reviewing site remediation plans and providing technical advice, etc. Members should note that under accounting regulations it is not permissible to delay the project indefinitely to avoid capital write off to revenue. If members choose Option B they will re-visit the decision within the next accounting period.

6. OPTION C – PROJECT STOPS & SITE FUTURE IS REVIEWED

6.1 Option C would see the current project immediately stopped at Princes Parade. It became clear when scoping this option that any decision to end the project would automatically lead to further decisions about the future uses of the land with the associated costs and necessary budget.

6.2 In the time available it was not possible, in any significant detail, to examine options on the future use of the site. It is therefore recommended that if the decision is taken to stop the current project, then the site should remain secure with hoardings in place, ecology managed, and ground cleared periodically until the council has had the opportunity to fully consider the possible options in relation to the future of the site. Modest revenue costs would be incurred. This will take some time considering the resource available and the imminent local elections. It is therefore unlikely that options will be able to be put before members for decision before the autumn of 2023. There are also the environmental considerations related to the site and legal obligations as landowner to be considered as described in para 6.11.

6.3 If this is the chosen option, more detailed and specialist work will need to be commissioned from a range of external parties to consider what might be in the council's best interest to pursue on the site, for example:

- The potential use of the site in the national biodiversity credit scheme.
- The whole site landscaped as an accessible open public park.

- The whole site remediated and returned to wildflower meadow, or similar.
- Residential and commercial development with local amenity value.
- Disposal of the complete Princes Parade site.

This activity will require a new dedicated project budget, which would be the subject of a separate report.

Financial

- 6.4 The council has incurred significant expenditure over a number of years on the project to date. This was broadly estimated in the decision notice report (Report C/22/56) in the region of £4m-£5m. An updated exercise has been carried out to review the costs incurred on the project following the decision. The table in para 5.5 and Appendix 1 provides the latest estimate of the impact on the council's General Fund if it is decided to terminate the project. This is anticipated to result in £4.4m of costs being met from the revenue budget.
- 6.5 Several indicative alternatives are set out in para 6.3 above. If it is decided to pursue alternatives/changed uses for the Princes Parade site such as para 6.3 sets out, then not all the work which has been carried out on the site to date may be abortive work. In that case some or part of the related costs already incurred could still be able to be charged as capital expenditure. However, it is not possible to estimate this at this stage as it would be dependent on decisions about any future planned use of the site and the work required to implement those decisions.
- 6.6 Therefore, at this time the worst-case scenario for ending the project under this option is that the estimated accumulated capital spend of £4.4m which has been or planned to be met from capital resources will have to be met from the council's revenue budget. As with Option B, a revenue budget of £119k would need to be allocated for the ongoing site maintenance. If Option C is selected, then the detailed budget being presented to Cabinet in January will incorporate this growth item (see 5.22).
- 6.7 It should be noted that if the project is stopped, the Brownfield Land Release Fund (BRLF) of £2m would need to be repaid to the One Public Estate programme (Cabinet Office) as it is only allocated for a specific purpose to enable the release of local authority owned land for housing by end March 2024 or earlier and must address market failure.
- 6.8 In the time available to prepare the report, care has been taken to identify all possible costs but there may be some additional unexpected cost pressures from the decision to stop the project.

Deliverability

- 6.9 The immediate actions needed to keep the site secure are outlined in para 5.22 and are relatively simple to enact.

- 6.10 The deliverability of other options, or uses of the site post terminating this project, would require detailed consideration and further reporting through 2023 and beyond.

Environmental

- 6.11 Princes Parade was not previously listed on the Public Register of contaminated land for the purposes of Part 2A of the Environmental Protection Act 1990. Extensive site testing was carried out in the preparatory stages of the project to discharge the current planning conditions for site remediation for contamination. With this new data, there is a need to reassess the land and whilst this is completed as a precaution the site hoarding should remain in place to secure the site.
- 6.12 There is a risk that the land may require more extensive remediation to deal with the contamination than considered previously, but this depends on the proposed end-use of the land. For example, BAM have provided a provisional quote estimate of £7.6m on the basis that the site may need to be remediation, re-capped and re-graded, but the extent and associated cost of the works would depend on the nature of the end uses and the required remediation to support those land uses.
- 6.13 Air Monitoring would only be undertaken when works necessitate excavation of the site and monitoring is required as per the site remediation plans
- 6.14 The Seabrook Bridge / footpath could remain open until works necessitate its closure.

Community and Placemaking

- 6.15 The community and placemaking objectives as set out in the Corporate Plan would not be achieved. Stopping works on this allocated site would give rise to concerns about satisfying our five-year land supply and other sites, as a substitute, may have to be found.

7. CONCLUSION

- 7.1. The Princes Parade Project is a complex project that has been developed over many years and it is now facing numerous risk areas triggered by external economic pressures. Specifically, in this financial year alone, the project has needed to contend with significant inflationary pressures on project costs and supply chains, the rapid rise in utility tariffs, and increased cost of borrowings. At the same time these factors have also greatly impacted on the council's own budgets and its ability and resilience to absorb any financial risk within its General Fund. The cumulative and compounded impact of these factors has necessitated the project pause while options are considered.
- 7.2. A presentation will be given to cabinet to elaborate on matters contained within this report.

8. RISK MANAGEMENT ISSUES

8.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
The costs of the project places an unsustainable pressure on the MTFS.	High	High	<p>Option A would present a high risk of placing an unsustainable pressure on the MT which would be difficult to mitigate and can currently not be sustained.</p> <p>Option B and C would not place the same level of pressure or risk on the MTFS.</p>
The impact of costs incurred on the general fund revenue budget.	High	High	<p>All options present a risk in this regard. Option A in terms of the ongoing financial commitment to the Council, which with its current MTFS gap it is unable to meet unless a compensating saving is identified. There are smaller revenue consequences of option B and C, which relate to ongoing maintenance requirements.</p> <p>For Option B the broader implications would depend on the scope of a re-phased project and its timeline.</p> <p>For Option C depending on the</p>

			resulting decision on the use of the land, it is likely that significant capital costs would need to be met from the council's revenue reserves.
The scheme is unable to be delivered within the agreed capital programme budget within the timescale.	High	Medium	<p>This is only relevant for Option A.</p> <p>It is recommended if Option A was to proceed then it should have a contingency of 5%.</p> <p>Extensive work has already taken place to determine the full costs of the project.</p>
The Council proceeds with a scheme with insufficient contingency available.	High	Medium	Under Option A contingency has been set at 5%.
The risk of community benefits of the project not being achieved.	High	High	<p>Only Option A continuation of the project would see the corporate plan objectives being delivered.</p> <p>Option B would re-phase the project but this would depend on economic factors being favourable in the future.</p> <p>Option C would end the project and the community benefits would not be delivered although other options may be considered.</p>

Statutory obligation to remediate contaminated land.	High	High	<p>Option A would have a implemented a site remediation plan.</p> <p>Option B and C would need further work on the current status of the site in terms of assessment under Part 2A EPA 1990.</p> <p>As a precaution, the site should remain secured and hoarding remain in place until any outstanding assessment of contamination is concluded looking at current use and future use of the site.</p> <p>The cost of remediation will depend on the extent of works required. BAM have provided a provisional cost of £7.6m for a capping scheme.</p>
Planning permission lapses – increased asset value is not secured.	High	High	<p>Option A would see this risk mitigated if permission was enacted before 18/7/23.</p> <p>Option B would see this risk mitigated if permission was enacted before 18/7/23.</p> <p>The assumption under Option C is that planning permission would not be implemented and</p>

			increased asset value not fully secured.
Planning permission lapses – delays in compliance with pre-commencement conditions or starting 'material' works onsite.	High	High	Implementation timetable drawn up. Proposal to engage with current planning/ecological consultants with site knowledge. Works specification to be prepared and procured at an advanced stage.
Volatility in the housing market leads to residential developer withdrawing or renegotiating leading to funding gap in scheme.	High	Medium	Offer would be secured by legal agreement.
Repayment of the Brownfield Land Release Fund (BRLF) if the scheme is delayed beyond March 2024.	Low	High	If the project does not proceed, then the funding would need to be re-paid. There are no additional penalties.
Utility costs continue to rise and the Operator Management fee rises further before the centre is able to open, creating a further revenue pressure to the general fund.	High	Medium	Financial assessment of the project has been revised to remove any dependency on the leisure operator income to fund borrowing. The cost of the ongoing operation, on the assumption that utility tariffs remain at current levels, would

			be paid from the saving achieved from closing the current pool and transferring operations to the new facility. The saving is estimated at £165K p/a.
Leisure Operator Contract – Challenge to current contract award and the need to potentially re-tender.	Medium	Low	Legal review of the contract modification. If necessary, the contract will be re-tendered. If there is insufficient competition in a re-tender process, then options to run the service in-house may need to be considered.

9. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

9.1 Legal Officer's Comments (AK)

Some of the potential Legal implications are outlined in the main body of the report. Legal advice and support will be required and should be sought by officers leading this project regardless of which option is selected by the Council.

9.2 Finance Officer's Comments (CS)

The financial considerations of the various options are detailed in the main body of the report. Members must take the decision on which option to proceed with, in the context of the Council's Medium Term Financial Strategy and the broader economic climate.

Significant market volatility and the associated risks cannot be underestimated at this time. Many of these risks are relevant to this specific project as well as the Council's broader financial landscape. The Chancellor's fiscal statement did not significantly change the Council's financial position from that previously reported through the MTFs, and limited information remains available in terms of the future of Local Government funding.

In addition, the markets are showing significant inflation, challenges for the leisure and housing markets and interest rate increases. All of which have a direct impact upon this project at this time.

Members should consider their fiscal responsibilities to the Council in determining the decision placed before them. Whilst all options have a financial consequence, to proceed with Option A at this time would be unsustainable for the council financially, without significant structural changes.

Members are reminded that the council has limited and finite reserves available. The earmarked reserves are projected to have a balance of £14.9m at 31 March 2023, however there are a number of existing commitments against these. In addition, £6.1m is projected to be in the General Fund reserve at 31 March 2023. Should Option C be the preferred option, detailed work would need to be carried out to determine the necessary sum of reserves required to cover the resulting write off.

9.3 **Diversities and Equalities Implications (AR)**

There are no diversities or equalities implications from this report.

9.4 **Climate Change Implications (CS)**

The climate change implications of Option A (project continues) were first reviewed in Report C/21/75. Overall, there would be positive climate change impact from the development of a new leisure centre, provided low carbon technologies are incorporated in running of the leisure center in particular the new swimming pool as it would replace the existing facility which has no carbon reduction measures in place mainly due to the age of the facility.

The climate change implications of Option B assuming the project was successfully re-phased would be similar to Option A.

The climate change implications of Option C would depend on the future options for use of the land and would need to be considered at that point.

10. **CONTACT OFFICERS AND BACKGROUND DOCUMENTS**

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

Andy Blaszkowicz, Director – Housing & Operations
Telephone: 01303 853684
Email: andy.blaszkowicz@folkestone-hythe.gov.uk

Andrew Rush, Chief Officer - Place & Regulatory Services
Telephone: 01303 853271
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Simon Baxter, Chief Officer – Development
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The following background documents have been relied upon in the preparation of this report:

Appendices:

Appendix 1: Princes Parade Project Costs Schedule

Princes Parade Project Costs Schedule

Summary - Capital Costs

Total Consultancy Appointments		£ 2,534,788
Total Confirmed Works		£ 2,750,077
Costs To Be Refunded Or Not Incurred If Project Ends		-£ 1,059,008
Abortive/Ongoing Costs		£ 171,547
Total #		£ 4,397,405

In addition £ 710,418 revenue spend was incurred 2016/17 - 2018/2019 as part of the project development costs.

Costs Committed as at 01/11/22

Core Team Faithful & Gould

Cost Consultant	F+G	£ 240,200
Principal Design (CDMC)	F+G	£ 54,481
Project Manager	Hadron	£ 293,986
Architect	GT3	£ 268,269
Civil and Structural Engineer	Engenuniti	£ 160,288
MEP Engineer	ME Engineering	£ 163,662
Landscape Architect	Mark Hanton	£ 48,468
Sub-total		£ 1,229,354

Other Consultants (Through F+G/Pagabo)

Variation 1 - Ecology (Planning Conditions)	Lloyd Bore	£ 21,235
Variation 2 - Pool consultant	Sheerwater	£ 7,647
Variation 3 - Fire Engineer (Stage 2,3,4)	Salus	£ 10,588
Variation 4 - Acoustic consultant (stage 2-3)	Cundall	£ 9,294
Variation 5 - Ecology (Coordinate on site works)	Lloyd Bore	£ 118,756
Variation 6 - Extended Programme (inc. in Core Team Fees)		
Variation 7 - Additional Ecology Scope (inc. in Variation 1 and 5)		
Variation 8 - Acoustic Consultant (Stage 4)	Apex	£ 8,635

Variation 9 - Omit Acoustic Consultant fees	Cundall	-£	4,271
Variation 10 - Fire Engineer (Additional scope)	Salus	£	3,529
Variation 11 - Archaeologist	Iceni	£	8,181
Variation 12 - Western Park design (additional scope)	Mark Hanton	£	39,347
Variation 13 - M&E redesign (additional scope)	ME Engineering	£	14,706
Variation 14 - Archaeology Geomodel	Iceni	£	3,294
Variation 15 - Heritage Design	Mark Hanton	£	5,765
Variation 16 - Additional PM & QS fees (Dec, Jan, Feb 22)	Hadron/F+G	£	33,543
Variation 17 - Additional PM & QS fees (construction phase)	Hadron/F+G	£	110,022
Variation 18 - Additional Ecology Fees (see Ecology Consultant tab)	Lloyd Bore	£	99,941
Variation 19 - Archaeological watching brief	Iceni	£	8,878
Variation TBC - Additional PM & QS fees (additional month due to delay)	Hadron/F+G	£	12,225
Sub-total		£	511,316

Other Consultants (Direct by Council)

Legals (Building Contract) - original appointment	Blake Morgan	£	20,327
Legals (Building Contract) - further work	Blake Morgan	£	8,500
Operator Procurement (original appointment, plus additional legals)	TSC	£	58,116
Planning consultant - Conditions discharge (inc. additional fee)	Tibbalds	£	69,429
Heritage consultant (final cost)	Martin McKay	£	975
Building control fees - Plan fee	Council	£	6,847
Southern Water (foul waste) - Quote fee	Southern Water	£	1,850
Southern Water (foul waste) - Design Fees	Southern Water	£	17,328
Southern Water (foul waste) - Connection and adopting fees	Southern Water	£	895
BT - Registration fee	BT	£	1,424
KCC S38 & S278 fees	KCC	£	5,500
Planning fees - PPA	Council	£	47,265
Natural England - Badger licence	Natural England	£	404
Road Stopping Up Inquiry fees - See separate tab	Various	£	284,011
Ecology Contractor (On site works)	Council	£	73,578
Residential legal fees (£16,000 fee allowance)	Browne Jacobson	£	16,000
Residential agency fee (£98,500 fee allowance)	BNP	£	98,500

FHDC media and comms specialist (allowance)	Council	£	21,472
Legal fees for Radnor Estate licence	Bottle Hatfield	£	3,516
MMO advert	KM Media Group	£	15
MMO fees	MMO	£	3,630
Land registry fees	Land Registry	£	9
Miscellaneous - Project Development Costs/Council Recharges/Legal Fees	Council	£	54,529
Sub-total		£	794,119

TOTAL CONFIRMED APPOINTMENTS

£ 2,534,788

BAM - PCSA - Preconstruction Fees/Costs

Contractor pre-construction fee		£	412,393
Variation 001 - Promenade Testing		£	16,783
Variation 002 - Utility Searches		£	628
Variation 003 - Reptile fencing & badger sett		£	126,749
Variation 004 - CCTV to badger sett construction - Rejected		£	-
Variation 005 - Rev A - Badger sett closure		£	21,309
Variation 006 - Heras fencing to site perimeter		£	101,171
Variation 007 - Site Strip		£	154,710
Variation 008 - Site hoarding		£	658,743
Variation 009 - Canoe club design, MMO licence fee, embankment testing		£	19,268
Variation 010 - UKPN Management Fees		£	5,030
Variation 011 - Southern Water Management Fees		£	67,738
Variation 012 - Remediation Consultancy Fees from LBHGEO		£	22,712
Variation 013 - Vegetation clearance		£	11,402
Variation 014 - Lighting Control to S38 Road		£	-
Variation 015 - Closure of newly constructed badger setts		£	10,781
Variation 016 - Disposal of Giant Hogweed		£	24,641
Variation 017 - Further SI requirements as requested by RPS (budget)		£	72,149
Variation 018 - CCTV (pre-contract costs) - Rejected		£	-
Variation 019 - Additional testing / consultancy fees associated with c.25 - TBC		£	10,158
Variation 020 - 2nd round of vegetation clearance/ flailing - TBC		£	12,126

Sub-total		£ 1,748,490
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Utility Provider/Connection Works (below exclude VAT)

Affinity Water - full amount less VAT on applicable items		£ 232,637
UKPN - Initial payment		£ 46,459
Southern Water - Full amount		£ 625,632
SGN - (£97,696.42 full amount, minus £837.48 refund)		£ 96,859
Sub-total		£ 1,001,587

TOTAL CONFIRMED WORKS **£ 2,750,077**

Costs To Be Refunded Or Not Incurred If Project Ends*

Utility Refund - Affinity Water		-£ 233,202
Utility Refund - UKPN		TBC
Utility Refund - SWS		-£ 453,499
Utility Refund - SGN		TBC
Faithful & Gould Fees Not Incurred - Nov 2022 onwards		-£ 316,557
Blake Morgan Legal Fees		-£ 6,500
Residential Agency Fee		-£ 49,250
Sub-total		-£ 1,059,008

Abortive/Ongoing Costs*

BAM - Abortive Costs Claim		£ 94,947
SWS - Storage of materials cost (6 months)		£ 10,225
Securing Site/Hoarding Maintenance		£ 30,000
Flail Cutting 3 x £12,125 (6 months)		£ 36,375
Unforeseen/Unexpected Abortive Costs		TBC
Sub-total		£ 171,547

*Best Available Information At Time Of Writing