

## **Folkestone Parks & Pleasure Grounds (FPPG) Trustees Meeting**

Addendum to Item 4 FPPG/20/01 - Wednesday 20<sup>th</sup> January 2021

### FPPG Beach Hut Project Update

In October 2019 the Trustees approved a capital project for the future of the beach huts at Marine Parade at a projected cost of £500k. The Council approved a capital contribution (loan) of £500k to the Charity in November 2019 which is to be repaid over a period of 10 years.

Section 3.2 of the report makes reference to the beach huts scheme and how it impacts the 2021/22 Budget and supports the ongoing financial stability of the charity.

The scheme is almost complete and has resulted in an uplift in the number of beach chalets. There is a higher than anticipated demand for the chalets and they are expected to be leased out for use in Summer 2021 on two-year term.

The overall cost of the scheme has increased by £43k as the cost to renovate the 27 existing beach huts was higher than originally anticipated. This has been reported to Cabinet via in-year monitoring and the latest update to the MTCP is being presented to Cabinet at its meeting also on 20 January 2021.

This addendum seeks to make the Trustees aware of the projected overspend of the scheme and seeks approval to request an additional loan from Folkestone & Hythe District Council for £43k to fund the remainder of the beach huts programme of works in 2020/21.

An addendum will also be made to the Cabinet paper C/20/65, seeking approval from Cabinet for the additional loan to be made available to FPPG Charity.

While there has been a slight overspend on the project, it is not anticipated that this will have a material impact on the charity given the ten year payback period of the loan and the long-term income generation that the scheme will deliver.

The Trustees are asked to :

- 5. To note the position reported regarding the increased beach huts expenditure and approve the request of an additional loan of £43k from FHDC to be made.**