



# Agenda

Meeting: **Overview and Scrutiny Committee**  
Date: **14 February 2023**  
Time: **7.00 pm**  
Place: **Council Chamber - Civic Centre, Folkestone**

To: **All members of the Overview and Scrutiny Committee**

The committee will consider the matters, listed below, at the date, time and place shown above. The meeting will be open to the press and public.

Members of the committee, who wish to have information on any matter arising on the agenda, which is not fully covered in these papers, are requested to give notice, prior to the meeting, to the Chairman or appropriate officer.

This meeting will be webcast live to the council's website at <https://folkestone-hythe.public-i.tv/core/portal/home>. Although unlikely, no guarantee can be made that Members of the public in attendance will not appear in the webcast footage. It is therefore recommended that anyone with an objection to being filmed does not enter the council chamber.

Please note there are 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 3 - 4)**

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

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

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

Contact James Clapson – Tel: 01303 853267  
Email: [committee@folkestone-hythe.gov.uk](mailto:committee@folkestone-hythe.gov.uk) or download from our  
website: [www.folkestone-hythe.gov.uk](http://www.folkestone-hythe.gov.uk)

3. **Minutes (Pages 5 - 8)**

To consider and approve, as a correct record, the minutes of the meeting held on 17 January 2022.

4. **Minutes of the Finance and Performance Scrutiny Sub Committee (Pages 9 - 14)**

To consider and approve, as a correct record, the minutes of the meeting held on 10 January 2023.

5. **Princes Parade - Motion from Council (Pages 15 - 32)**

This report responds to the motion referred by council and outlines how expenditure on the Princes Parade project reached an estimated £4-5m in November 2022 from the £2.56m reported to cabinet in January 2022 and reflects on lessons learned.

6. **Update on the work carried out on the Homes for Ukraine Scheme and current status of the scheme. (Pages 33 - 40)**

Members will receive a presentation on the work carried out by Folkestone and Hythe District Council on the Homes for Ukraine Scheme and the current status of the scheme.

7. **Review of self-contained holiday lets and waste collection for holiday let businesses**

Following a Motion agreed by Council on 24 November 2021 (Item 46) a presentation will be provided reviewing the impact of self-contained holiday lets on the local rental market. The presentation will also review the Motion agreed by Council on 30 November 2022 (Item 47) that looked at waste collection arrangements for self-contained holiday lets and the option of setting up a commercial waste operation.

## **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

## Overview and Scrutiny Committee

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

### 1. **Declarations of Interest**

There were no declarations of interest.

### 2. **Minutes**

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

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

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

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

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

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

During consideration of the item it was noted that:

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

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

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

During consideration of the item it was noted that:

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

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

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# Minutes

## Finance and Performance Scrutiny Sub-Committee

Held at:	Council Chamber - Civic Centre, Folkestone
Date	Tuesday, 10 January 2023
Present	Councillors Peter Gane, Connor McConville (Chairman), Patricia Rolfe and Rebecca Shoob
Apologies for Absence	None
Officers Present:	James Clapson (Case Officer (Committee)), Jonathan Smith (Senior Accountant), Charlotte Spendley (Director of Corporate Services), Brian Thompson (Interim Chief Financial Services Officer) and Lee Walker (Capital and Treasury Senior Specialist)

### 1. **Declarations of interest**

Councillor Rolfe and Councillor McConville both declared a DPI as they are directors of Oportunitas Ltd. A dispensation has been applied.

Councillor Shoob declared a DPI as she is a director of Otterpool Park LLP.

All members remained in the meeting, taking part in discussions and voting on all items.

### 2. **General Fund Capital Budget Monitoring 2022/23**

Mr Walker introduced report C/22/74 that provided an updated projection of the current financial position for the General Fund capital programme profiled for 2022/23. It was based on expenditure to 30 November 2022, and identified variances compared to the latest approved budget.

During consideration of the item, the following points were noted:

- Inflation costs was not expected to have a material impact on delivery of the programme for this year as many of the costs have been fixed. Rises in inflation could have more of an impact on schemes in future years.

- Detail regarding the Council's interest repayment costs were included in the treasury management report
- Mr Walker felt that the summary of risks, shown in the table at paragraph 5.1 of the report, were a reasonable reflection of the risks faced by the council.

The Sub-Committee members noted the report.  
(Voting figures: 4 for, 0 against, 0 abstentions).

### 3. **Quarter 3 22/23 General Fund Revenue Budget Monitoring**

Mr Thompson introduced report C/22/76. The monitoring report provided a projection of the end of year financial position of the General Fund revenue budget at quarter three (Q3), based on expenditure and income to 30 November 2022. The report showed an improved position for Q3, with an underspend now forecast until financial year end. The reporting format had been re-aligned to improve the presentation of the budget monitoring information for Q3.

During consideration of the item, the following points were noted:

- Officers were praised for the improved presentation of the report, the report was much easier to understand.
- The budget underspend had largely come through the receipt of additional income, efforts had been made to protect front line services and their associated budgets.

The Sub-Committee members noted the report.  
(Voting figures: 4 for, 0 against, 0 abstentions).

### 4. **Quarter 3 22/23 Housing Revenue Account Budget Monitoring**

Mr Smith introduced report C/22/79. The monitoring report provided a projection of the end of year financial position for the Housing Revenue Account (HRA) revenue expenditure and HRA capital programme, based on net expenditure to 30 November 2022. It was noted that there was typographical error in the first sentence of paragraph 2.2 of the report, the projected decrease in net expenditure should be £2.977m.

During consideration of the item, the following points were noted:

- The delays in the delivery improvement works detailed in section 3 of the report were unfortunate and needed to be addressed. Mr Smith advised that the costs associated with the work would get carried forward into future years and offered to feed back the comments to the housing relevant teams.

The Sub-Committee members noted the report.  
(Voting figures: 4 for, 0 against, 0 abstentions).

### 5. **General Fund Revenue Detailed Draft Budget 2023/24**

Mr Thompson introduced report C/22/77. The report set out the Council's Draft General Fund budget for 2023/24. It was noted that the Government announced the provisional Local Government Settlement on 14 December 2022, this indicated that the Council would receive around £1.695m of additional funding. The additional funding and an increase in council tax base, had reduced the budget gap to £2.048m for 2023/24.

During consideration of the item, the following points were noted:

- There was a five point plan to address the budget gap; this would include mid-year savings targets, and it was likely that some of the Councils reserves would also need to be used.
- When the council tax base is calculated, an adjustment is made to account for the number of people expected to move on to the council tax reduction scheme.
- The strategic development budget had been realigned into other services.
- The economic development budget had decreased, this was primarily due to the completion of the high streets fund. The fund would not be available in future years.
- The operations budget had increased due to changes of reporting lines within the service. This did not lead to an overall increase or decrease to the Council's budget.
- Mr Thompson offered to raise the following questions with colleagues and provide a response to the Sub-Committee outside of the meeting (responses have been attached as an annex to the minutes):
  - What was budget line FE70 – Democratic Representation Recharges?
  - Why did budget line BG53 – Unauthorised Encampments have no budget allocation?
  - Did budget line ER02 – Tall Ships, need a budget; the event had not taken place last year?
  - What did the income on budget line CE55 – Community Events relate to?
  - Why did the administration costs for Economic Development seem high compared to the overall budget for that service?
  - How was the increase to the council tax base calculated?
- Employee costs for Otterpool Park LLP no longer had a budget allocation, this was because all employees were now direct employees of Otterpool Park LLP.
- Community Safety employees had been bought into the Environmental Health service heading, so there was no longer any budget allocated to Employees under heading GL21.
- Estimates for income from parking were based upon the managers experience, and factored in a service demand element. The weather could have an impact on the levels of income generated by car parks, therefore robust budget monitoring will be required throughout the year.

The Sub-Committee members noted the report.  
(Voting figures: 4 for, 0 against, 0 abstentions).

**6. Housing Revenue Account Draft Budget 2023/24**

Mr Smith introduced report C/22/78. The report set out the Housing Revenue Account Revenue and Capital Budget for 2023/24. It also proposed an increase in weekly rents and an increase in service charges for 2023/24.

During consideration of the item, the following points were noted:

- The proposed increase in rents and service charges would not be supported by all Members.
- People with a shared ownership agreement could face an increase in mortgage payments in addition to the proposed increase in rents.
- Considering the costs of living crisis, it was important that the Council provided tenants with debt support information. This could help reduce the number of people who fell into bad debt.
- The recent increase in energy costs at sheltered housing accommodation highlighted the importance of making energy performance improvements in these properties
- Although the Sub-Committee would note the report, this did not imply that all the Sub-Committee members endorsed the report's recommendations.

The Sub-Committee members noted the report.  
(Voting figures: 4 for, 0 against, 0 abstentions).

**7. Update to the General Fund Medium Term Capital Programme to 2027/28**

Mr Walker introduced report C/22/75. The report updated the General Fund Medium Term Capital Programme (GFMTCP) for the five-year period ending 31 March 2028. The GFMTCP was required to be submitted to full Council for consideration and approval as part of the budget process. It was noted that there had been two updates to the report following its publication in the agenda, these updates can be seen in the Cabinet 25.1.23 agenda, namely;

1. There had been an increase to the budget for Street Lighting, from £745,000, to £793,000.
2. There was an additional section in report that provided information about Otterpool Park LLP loan funding arrangement.

During consideration of the item, the following points were noted:

- The report attempted to address the uncertainty around inflation and interest rate changes.
- The Treasury Management Strategy had assessed the likely impact of increased borrowing costs on the Council going forward.
- The extra budget for the street light project would be funded from capital receipts.
- The Council often went into partnership with other organisations to deliver temporary accommodation schemes. If the budget was found to be insufficient, then a report would come forward requesting additional funds.

The Sub-Committee members noted the report.

(Voting figures: 4 for, 0 against, 0 abstentions).

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This Report will be made public on 6 February 2023



Report Number **OS/22/08**

**To:** Overview & Scrutiny  
**Date:** 14<sup>th</sup> February 2023  
**Status:** Non-Key Decision  
**Responsible Officer:** Dr Susan Priest, Chief Executive  
**Cabinet Member:** Cllr Monk, Leader of the Council

**SUBJECT:** PRINCES PARADE – MOTION FROM COUNCIL

**SUMMARY:**

This report responds to the motion referred by council and outlines how expenditure on the Princes Parade project reached an estimated £4-5m in November 2022 from the £2.56m reported to cabinet in January 2022 and reflects on lessons learned.

**REASONS FOR RECOMMENDATIONS:**

The matter has been referred to this committee following the council meeting on 30<sup>th</sup> November 2022 and council has asked OSC to consider the lessons arising.

**RECOMMENDATIONS:**

1. To receive and note report OS/22/08.
2. To offer reflections and lessons for consideration in the future management of large complex projects.

## 1. BACKGROUND

### 1.1 On 30<sup>th</sup> November 2022 council considered the following motion:

“Council notes the decision on 1 November 2022 by the Leader to pause all spending on the Princes Parade project to allow officers to reevaluate the project.

Council notes report C/22/56 and the potentially serious impacts on the council's finances of stopping the project and the likely even worse impacts of continuing with the project.

Council notes the vote of the council meeting of 26 June 2019 to withdraw the planning application.

Council believes that in order to avoid a similar situation arising again, there should be an investigation into how expenditure on the project was allowed to reach £4-£5m from the £2.56m that had been spent by January 2022 despite the fact that the capital receipts had not been secured. This investigation should include a detailed timeline including when problems were first identified in order to establish if there was an earlier point at which the project should have been paused, plus the extent to which the details and risks of the project were adequately communicated to councillors.

Council therefore proposes that the Overview & Scrutiny Committee should consider this issue.

Council understands that the priority of the officers needs to be re-evaluating the project and securing the council's financial position but that it is vital to now capture the lessons learned from Princes Parade, particularly given the severe financial implications for the council and taxpayers of decisions that were made.

Council proposes that OSC invites the three councillors for the Hythe ward to take part.”

### 1.2 Council resolved that *“Overview & Scrutiny be asked to consider capturing the lessons learned from Princes Parade, particularly given the severe financial implications for the council and taxpayers of decisions that were made, and that the three ward members for Hythe be invited to take part”* (minute 48/2022).

## 2. PROJECT ARRANGEMENTS & OVERSIGHT

2.1 The Princes Parade project has been extensively documented over many years as a complex project bringing forward the provision of a new leisure centre, housing and public open space for the benefit of residents across the district.

2.2 A number of formal reports have been made to support decision-making and a dedicated area of the council's website has been established and



updated to act as the primary channel for information relating to the project  
<https://www.folkestone-hythe.gov.uk/princesparade>

- 2.3 Numerous reports have been made to Cabinet and the recommendations, and associated minutes, show the extent of decision-making by the Executive and those matters that have been delegated for decision to Officers. The recent reports and recommendations of particular note are:

C/21/75 – Princes Parade

<https://www.folkestone-hythe.gov.uk/moderngov/documents/g4950/Public%20reports%20pack%2026th-Jan-2022%2017.00%20Cabinet.pdf?T=10>

C/22/24 – Variation to the Leisure Operator Agreement (restricted)

<https://www.folkestone-hythe.gov.uk/moderngov/documents/g5087/Public%20reports%20pack%2020th-Jul-2022%2017.00%20Cabinet.pdf?T=10>

C/22/56 – Princes Parade Project Update

<https://www.folkestone-hythe.gov.uk/moderngov/ieDecisionDetails.aspx?ID=2717>

C/22/73 – Princes Parade Options

<https://www.folkestone-hythe.gov.uk/moderngov/documents/g5136/Public%20reports%20pack%2014th-Dec-2022%2017.00%20Cabinet.pdf?T=10>

- 2.4 To support the day-to-day delivery of the project there is a dedicated project board and officers hold regular (generally monthly) project meetings involving contractors deployed on the project. The terms of reference for the group are:

- To oversee the project from the perspective of the council;
- To be kept updated as to the progress of the scheme and to be informed of any issues arising;
- To take a view across the council as to any remedial actions which are required to address any issues;
- To review the overarching project plan to monitor progress of the scheme;
- To provide continuity as the scheme progresses through to delivery stage;
- To give a wider corporate perspective on issues arising out of the project;
- To monitor key risks of the project; and
- To review the communications plan and any issues arising out of this.

- 2.5 Membership of the project board involves the:

- Chief Executive;
- Director of Transition & Transformation (until April 2022);
- Director for Housing & Operations;
- Director Corporate Services & S151;
- Director of Place;

- Assistant Director, Governance, Law & Monitoring Officer; and
  - Other officers as required.
- 2.6 The purpose of the project board is to monitor the direction, progress and decision-making of the council by:
- Monitoring the direction of the project and its budget, taking corrective action where necessary;
  - Monitoring the progress of the project against its objectives, project plan and programme;
  - Monitoring the governance arrangements relating to this project;
  - Identifying issues and addressing any decision-making requirements;
  - Monitoring protocols for working arrangements between the applicant and LPA roles of the council; and
  - Promoting and encouraging innovative solutions and efficient and effective ways of working.
- 2.7 In addition, officers regularly discuss aspects of the project with consultants and contracted expert advisers and these take a variety of formats and frequencies ranging from daily telephone conversations through to weekly / fortnightly meetings.
- 2.8 As executive responsibilities span several Portfolios, a dedicated programme of regular (i.e., largely monthly) portfolio holder briefings are held with officers and external consultants to update and advise Members of progress on all aspects of the project.
- 2.9 During 2022, seven joint portfolio holder meetings were held which involved the following councillors:
- Cllr Monk – Leader of the Council
  - Cllr Mrs Hollingsbee – Deputy Leader and Portfolio Holder for Communities
  - Cllr Godfrey – Portfolio Holder for Housing & Special Projects
  - Cllr Collier - Portfolio Holder for Property Management & Grounds Maintenance
- 2.10 Portfolio holder briefings involve officers drawn from the project board and external consultants and cover issues such as:
- Programme related matters
  - Project costs and funding related matters
  - Planning related matters
  - Carbon / Net Zero related matters
  - Leisure Centre Operator related matters
  - Project risks
- 2.11 In addition, regular formal questions are asked by councillors and members of the public at Council meetings. Through the period in question (Jan 2022 to Nov 2022) 16 formal questions regarding Princes Parade were put with all responses made publicly available. An extensive number of project-related questions continue to be asked by ward members with written responses given to address those queries where appropriate. A total of 12 FOI / EIR project-related requests (i.e. 7 EIR and 5 FOI) were also made

and addressed during the 2022 period. These are available on the website in a searchable format at

<https://folkestonehythedc.force.com/pr/s/information-requests-register>

- 2.13 Members are also reminded that CLT requested a review of Princes Parade project arrangements, and it was a matter included in the EKAP work plan to the period 30<sup>th</sup> September 2021, and formally reported to A&G on the 21<sup>st</sup> December 2021 (report AuG/21/16). No recommendations were made at that time.

### **3. EXPENDITURE TIMELINE**

- 3.1 Appendices 1-3 of the December 2022 cabinet report C/22/73 details the Project Cost Schedule. It includes:
- Appendix 1- a summary of capital costs incurred on the project analysed between transactional expenditure payments and committed expenditure made prior to 31/12/2021, and transactional expenditure payments and committed expenditure made after the 1/1/2022 (figures were current at the time of writing);
  - Appendix 2 - a detailed breakdown of transactional expenditure payments for the period from 1/1/2022 to the 17/1/2022;
  - Appendix 3 - a breakdown of expenditure made under the BAM – PCSA preconstruction agreement.
- 3.2 Members may also wish to note that report C/21/75 which approved the additional budget for the project in January 2022 clearly identified that significant capital expenditure would be required within the coming few weeks of that decision, and specifically in para 2.3.3 of that cabinet report noted:

*“2.3.3 It is anticipated that should a favourable decision be made for the Council by the end of January, then approximately £2 million of further investment delivering the scheme will be spent in the ensuing 6 week period (for example on utilities) without the process having been fully closed. Moreover, during this period should a JR of the decision be allowed, there will be a significant amount of further spending as the scheme progresses. In order to maintain progress delivering the scheme, Cabinet is asked to confirm their intentions to maintain momentum and to press ahead while accepting this risk, with further legal advice being taken and reported to the Leader and relevant portfolio holders, depending on the outcome of the Secretary of State’s decision and if any further challenge is lodged and progressed. Not to progress the scheme at risk will mean further delays with the potential loss of planning due to permissions effectively being “timed out” in particular in relation to the residential planning permission.”*

- 3.3 In the motion presented to Council, reference was made to the project proceeding before capital receipts were secured. The important issue for a project of this magnitude is that funding and contracts align and, in this case the planning conditions constrain the developer’s ability to fully develop the residential development without simultaneous construction of the Leisure Centre by the Council – thus securing the public benefit in perpetuity. Linking delivery of the leisure centre with the residential

development through the use of planning conditions has made this alignment more challenging to secure asset sales value early so it was intended that the exchange of contracts for the residential element would have taken place simultaneously with the entering into the Works Contract for the Leisure Centre.

- 3.4 Members are reminded that the Finance Officer Comments in the January cabinet paper specifically identified this risk and asked members to note it: *"The identified funding for the scheme includes £26.6 million from residential land sales with further details outlined in section 2.6. Officers are working on Heads of Terms with the developers, but Members should note the financial risk of progressing with the main contractual commitments without secured capital receipts."*
- 3.5 Members are also advised that it was necessary to align signing the Works contract at a point when the council had:
- (1) cleared the pre-commencement conditions;
  - (2) put in place the MMO License;
  - (3) agreed the road design, s.38 and s.278 agreements; and
  - (4) secured Radnor Estates agreement to entering into a license for the outfall sewer.
- 3.6 The necessary sequencing was discussed amongst officers and understood by members and, in terms of lessons learned it is clear that future projects would need to consider the implications of planning conditions and delivery mechanisms/options in greater detail to promptly realise and achieve best value in its asset disposals is best avoided.
- 3.7 It is also well documented that this scheme was funded from a wide range of capital receipts/asset disposals, with some being generated in the form of secure Section 106 receipts representing 26% of the funding. The majority of funding was to be provided by residential land sales at the Princes Parade and the Hythe Pool sites and it should be noted that whilst the Motion refers to £2.56m spent prior to 31/12/2022, deeper analysis shows actual capital expenditure made up to 31/12/2022 was lower at £1.996m with a further £2.251m spent and committed after this date.

#### **4. RISK MANAGEMENT & OVERSIGHT**

- 4.1 The project has had numerous risk logs and registers, both detailed and strategic in nature, created and maintained over time that are regularly reviewed both at project board, at joint portfolio holder briefings and reported to various committees. The logs include various details including:
- Risk identification number
  - Current status
  - Date
  - Risk description
  - Risk owner
  - Project impact
  - Project risk stage
  - Risk response strategy

- Contingency plan
  - Risk probability
  - Risk impact
  - Overall score
- 4.2 In addition, the project risk was escalated to have a dedicated entry on the council's corporate risk register which was reported to Audit & Governance Committee in report AuG/22/11 on 28<sup>th</sup> July 2022. The covering report to the corporate risk register noted "Failure to Deliver Strategic Project Princes Parade – this new risk recognises the critical phase of the project, and the key license and contract agreements required to secure the delivery of this project".
- 4.3 Furthermore, Audit & Governance committee meeting in December 2022, report AuG/22/18 notes a further escalation by re-scoring risk from high to extreme, while noting "the change is necessary given the current review of the scheme and future options, along with the updated MTFs and wider economic landscape".
- 4.4 Members of A&G with risk oversight are:
- Cllr Mrs Berry (Chairman)
  - Cllr P Martin
  - Cllr Davison
  - Cllr Fuller
  - Cllr Mullard
  - Cllr Shoob
  - Independent Member Andy Vanburen
- 4.5 In addition, at key decision-making points in the project external specialist consultants were intentionally invited to participate in committee meetings to support members and to address questions of concern or identified risk. At the January 2022 cabinet meeting the following consultants were extensively involved:
- Stephen Jepson, Hadron, Project Management
  - Dan Brenchley - BAM, Construction
  - Dean Lucas – Faithful and Gould, Quantity Surveyor
  - Seamus Lefroy-Brooks - LBHGEO, a remediation expert
  - Simon Molden – The Sports Consultancy, leisure advisor
- 4.6 Risks facing the project continue to be considered, with portfolio holder briefings and relevant committee reports giving details as the current decision relating to the project progresses, i.e., option B – do just the necessary works to implement the planning permission.

## **5. REFLECTIONS & CAPTURING LESSONS**

- 5.1 The following section includes broad reflections from the officers and members most closely involved in the project to date in order to capture transferable lessons. They have been grouped for ease into two categories of: (a) Project Management & Oversight; and (b) Risk Management & Risk Communication.

## A PROJECT MANAGEMENT & OVERSIGHT

- a. Robust project management arrangements have been in place, with dedicated Project Managers (Hadron) contracted to support the council. As the project has taken so long to deliver, there has been several changes of internal project leadership at Director and Chief Officer level. Three Directors and two Chief Officers have been involved since the major decision to proceed was taken in February 2019 (report C/18/69). For large complex capital projects of significance, securing the continuity of senior-level resource with development expertise is worthy of future consideration.
- b. There has been a willingness by officers to draw on relevant experts in developing and delivering this complex project, including direct support to Members through their attendance at Committees etc., to provide information on matters of technical detail. Access to this expertise has been through contractual relationships. Demands have been higher than expected and specifying the need for responses to technical queries should be considered in future large contract awards to ensure timely responses and broader communications on progress.
- c. In July 2022 at the portfolio holder briefing Members were advised that there were serious financial and operational concerns being reported from significant changes in the economic climate. At that stage the impact was not able to be fully quantified as matters were dynamic. As many of the council's large complex capital projects span several years, it is appropriate to factor in changes to the economic cycle and context when planning and budget setting.
- d. In July 2022 Cabinet was advised (report C/22/24) that due to the extent and nature of the changing economic climate the leisure operator was unwilling to contract under the full terms of the procurement exercise undertaken in the autumn of 2021. Members made the decision to alter the award and the impacts on the broader leisure operating environment at that time were unclear. Gathering intelligence on broad market and competitor performance may have resulted in a larger section of analysis in the cabinet report, but with limited options available it is difficult to conclude a different decision would have been made, but the value of horizon scanning is clear.
- e. In July 2022 Members were advised that BAM would not commit at that time to the original contact offer, but the overall costs could be contained within the contingency allowance. However, the council was not in a position to enter a contract with BAM at that time due to delays in securing the relevant license from the Marine Maritime Organisation (MMO) and the residential land sales contract committing the council to delivering the leisure facility. The need to align these matters was clear to protect the council's interests. Extensive work was done on costings but some unforeseen costs, e.g. the necessity to meet new legislative requirements since January budget decisions were made, had now to be included. In future, consideration to be given to the level of

contingency budgeted at the start of large complex capital programmes where delivery spans several years.

- f. Between August and October 2022 it became apparent that the operating context was increasingly putting intolerable pressures on various aspects of the project and in September 2022 it was clear that the project budget was insufficient with the contingency significantly depleted. In future consideration should be given to the level of contingency in budget setting for large capital projects spanning several years as in this case, the advice from consultants was that 3-5% would be sufficient. However, extreme inflationary pressures experienced by the council during 2022 of some 10% and interest rate increases from 2% to 5% for council borrowing had not been forecast in January 2022 at the time the council's budget, including contingency, for this project was set.
- g. During September and October 2022 the Council's MTFS was being prepared and the scale of financial pressures on the council was increasingly being understood. It is not possible to substantially conclude the MTFS earlier in the year and in September CLT concluded the need to consider the feasibility of continuing with all strategically significant council projects. Strategic reviews of a wide range of projects are currently underway to consider affordability, value for money etc., as reported in the Budget Strategy 2023/24 in report C/22/69  
<https://www.folkestone-hythe.gov.uk/moderngov/documents/g5136/Public%20reports%20pack%2014th-Dec-2022%2017.00%20Cabinet.pdf?T=10>
- h. In October 2022 Members were formally advised that officers were recommending a pause to the project. A decision notice was drafted to that effect (report C/22/56) recommending that officers re-evaluate available options in light of the current economic climate to propose a way forward. The project was paused on 1<sup>st</sup> November 2022.

## B RISK MANAGEMENT & RISK COMMUNICATION

- a. Risk management has been taken seriously throughout the project, documented and reported at various levels, including being formally escalated to Audit & Governance in reports throughout 2022. The Risk Register was not considered by A&G at its September meeting meant so there was a period between July to December without this reporting oversight. As a consequence, the escalation from high to an extreme level of risk could potentially have been reported earlier at the September meeting, however it is usual for the corporate risk register not to be considered at September A&G meetings. In future quarterly reporting of the corporate risk register to A&G should take place.
- b. Financial risks were regularly reported as part of the project management arrangements and to joint portfolio holders and through the range of formal reports. Each cabinet report includes extensive Finance Officer's comments and relevant officers attended every meeting to address queries or questions. The financial pressures were

identified as being unbearable, in the context of the emerging MTFs, in October and reported to members that same month through an individual decision notice considered by the Leader. This was in advance of formal MTFs reporting to cabinet and was done as soon as CLT were confident in the analysis being robust enough to be relied upon. Members agreed the MTFs in November 2022 (report C/22/61).

- c. On 14<sup>th</sup> December 2022 Cabinet was presented with three options to consider (report C/22/73) and an extensive risk management section was included in the report. As the decision has now been made to progress option B, the risk registers will continue to be updated regularly through 2023 and reported through the normal channels.

## **6. RISK MANAGEMENT**

- 6.1 Matters of risk and risk management are the subject of the report and reflections included in the main body of the report.

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

### **7.1 Legal Officer's Comments (AK)**

There are no direct legal implications arising from this report. Having said this, it is essential to continue to obtain legal advice during every stage of this project.

### **7.2 Finance Officer's Comments (CS)**

There are no direct financial implications of this report or the recommendations made.

### **7.3 Diversities and Equalities Implications (CS)**

There are no direct implications arising from this report.

### **7.4 Climate Change Implications (AT)**

No climate change implications arising directly from this report - the report provides a review of the project to provide lessons for future development schemes.

## **8. 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 853714  
Email: [andy.blaszkowicz@folkestone-hythe.gov.uk](mailto:andy.blaszkowicz@folkestone-hythe.gov.uk)

Simon Baxter – Chief Officer Development  
Telephone: 01303 853345



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

**Appendices:**

- Appendix 1- a summary of capital costs incurred on the project analysed between transactional expenditure payments and committed expenditure made prior to 31/12/2021, and transactional expenditure payments and committed expenditure made after the 1/1/2022 (figures were current at the time of writing).
- Appendix 2 - a detailed breakdown of transactional expenditure payments for the period from 1/1/2022 to the 17/1/2022.
- Appendix 3 - a breakdown of expenditure made under the BAM – PCSA preconstruction agreement.

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## APPENDIX 1

### Princes Parade Summary of Project Capital Expenditure

<b>Capital Expenditure charged to Project</b>	<b>£m</b>
Capital Expenditure made before 31/12/2021	1,996
Add: Outstanding Commitments before 31/12/2021	564
<b>Committed Expenditure incurred as at 31/12/2021</b>	<b><u>2,560</u></b>
Capital Expenditure made between 1/1/2022 to 31/12/2022	2,475
Less: Outstanding Commitments settled between 1/1/2022 to 31/12/2022	-564
<b>Committed Expenditure incurred between 1/1/2022 to 31/12/2022</b>	<b><u>1,911</u></b>
<b>Committed Expenditure</b>	
Expenditure currently estimated awaiting final invoices	-224
<b>Total projected Capital Expenditure as at 17/1/2022</b>	<b><u>4,247</u></b>

Note: Revenue Spend of £710k was made in earlier years

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## Princes Parade

## Detailed Analysis of Expenditure Transactions 1 January 2022 to 17 January 2023

Payment date	Payment to	Description	Capital Expenditure £
<b>Capital Expenditure to 31/12/2021</b>			<b>1,996,287.24</b>
04/01/2022	AGWOOD	Gm11400-Service- Purchase of 1 X New Major Mj27-180 Gb Flail Collector	9,500
17/01/2022	TIBBALDS PLANNING AND URBAN DESIGN	Fs01236-Service-Princes Parade - Planning Consultancy Services	4,837
20/01/2022	THE SPORTS CONSULTANCY	Co03083-Service-Consultancy For Princes Parade Leisure Centre Contract	3,291
02/02/2022	FAITHFUL & GOULD LTD	Sd00462-Lead Consultant, QS, Proj Man, Building/Landscape Architect, Struct/Civil /Mech/Elec Engineers	22,362
09/02/2022	KCC	Closing of Public Rights Of Way-Administration	35
14/02/2022	KENT COUNTY COUNCIL	S278/S38 Engineering Appraisal/Administration Road- closing old & opening new road	10,000
16/02/2022	THE SPORTS CONSULTANCY	Co03083-Service-Consultancy For Princes Parade Leisure Centre Contract	2,667
21/02/2022	TIBBALDS PLANNING AND URBAN DESIGN	Fs01236-Service-Princes Parade - Planning Consultancy Services	18,443
23/02/2022	SWECO UK LTD	Fs01308-Service-Attendance At Public Inquiry 19/10/21-22/10/21	18,304
07/03/2022	BUCKLES SOLICITORS LLP	Ce01222-Service-Legal Advice Princes Parade 7 Jan-15 Feb 2022	2,102
10/03/2022	FHDC	Planning Performance Agreement-1st Installment Princes Parade	44,045
10/03/2022	THE SPORTS CONSULTANCY	Fs01236-Service-Princes Parade - Planning Consultancy Services	2,667
14/03/2022	FAITHFUL & GOULD LTD	Sd00462-Lead Consultant, QS, Proj Man, Building/Landscape Architect, Struct/Civil /Mech/Elec Engineers	11,181
30/03/2022	TIBBALDS PLANNING AND URBAN DESIGN	Fs01236-Service-Princes Parade - Planning Consultancy Services	4,837
31/03/2022	FHDC	Grounds Maintenance-Seasonal Princes Parade	13,500
31/03/2022	FHDC	Grounds Maintenance-Second Seasonal Princes Parade	15,000
31/03/2022	FHDC	Spray Boom	250
31/03/2022	FHDC	Princes Parade Capitalised Interest 21/22	1,197
08/04/2022	BAM CONSTRUCTION LTD	Fs01210-Pre Construction Services Agreement (PCSA)	490,458
08/04/2022	FAITHFUL & GOULD LTD	Sd00462-Lead Consultant, QS, Proj Man, Building/Landscape Architect, Struct/Civil /Mech/Elec Engineers	12,225
08/04/2022	SPORTS CONSULTANCY	Co03083-Service-Consultancy For Princes Parade Leisure Centre Contract	2,624
08/04/2022	TIBBALDS PLANNING AND URBAN DESIGN	Fs01236-Service-Princes Parade - Planning Consultancy Services	4,837
07/04/2022	AFFINITY WATER	Affinity Water Princes Parade-New Water Connection for Development	233,876
07/04/2022	SOUTHERN GAS NETWORKS	Sgn-Princes Parade-New Gas Connection for Development	97,696
08/04/2022	BAM CONSTRUCTION LTD	Fs01210-Pre Construction Services Agreement (PCSA)	-490,458
08/04/2022	FAITHFUL & GOULD LTD	Sd00462-Lead Consultant, QS, Proj Man, Building/Landscape Architect, Struct/Civil /Mech/Elec Engineers	-12,225
08/04/2022	SPORTS CONSULTANCY	Co03083-Service-Consultancy For Princes Parade Leisure Centre Contract	-2,624
08/04/2022	TIBBALDS PLANNING AND URBAN DESIGN	Fs01236-Service-Princes Parade - Planning Consultancy Services	-4,837
08/04/2022	FAITHFUL & GOULD LTD	Sd00462-Lead Consultant, QS, Proj Man, Building/Landscape Architect, Struct/Civil /Mech/Elec Engineers	12,225
20/04/2022	BUCKLES SOLICITORS LLP	Ce01229-Service-Legal Advice S47 Application Princes Parade I	2,028
25/04/2022	BUCKLES SOLICITORS LLP	Ce01230-Service-S247 Application Legal Advice Development Of	600
26/04/2022	SOUTHERN WATER SERVICES LTD	Sd00860-Service-Southern Water - Main Foul Sewer Diversion for Development	625,632

04/05/2022	THE SPORTS CONSULTANCY	Co03083-Service-Consultancy For Princes Parade Leisure Centre	2,667
10/05/2022	UK POWER NETWORKS (OPERATIONS) LTD	Sd00864-Service-Princes Parade - Ukpn Phase 1 Power 10% Supply Deposit for new power supply	46,459
10/05/2022	INVICTA LAW	Sd00863-Service-Legal Services - Princes Parade KCC Agreement S38/S278 Legal Cost	2,500
23/05/2022	BAM CONSTRUCTION LTD	Fs01210-Pre Construction Services Agreement (PCSA)	483,208
08/06/2022	FAITHFUL & GOULD LTD	Sd00462-Lead Consultant, QS, Proj Man, Building/Landscape Architect, Struct/Civil /Mech/Elec Engineers	27,719
27/06/2022	FAITHFUL & GOULD LTD	Sd00462-Lead Consultant, QS, Proj Man, Building/Landscape Architect, Struct/Civil /Mech/Elec Engineers	18,895
29/06/2022	FHDC-SALARY RECHARGE FROM COMMUNICATIONS	P1 Salary Recharge -Communications Team Dealing with Public and Member Engagement	1,941
29/06/2022	FHDC-SALARY RECHARGE FROM COMMUNICATIONS	P2 Salary Recharge -Communications Team Dealing with Public and Member Engagement	1,941
29/06/2022	FHDC-SALARY RECHARGE FROM COMMUNICATIONS	P3 Salary Recharge -Communications Team Dealing with Public and Member Engagement	1,941
15/07/2022	FAITHFUL & GOULD LTD	Sd00462-Lead Consultant, QS, Proj Man, Building/Landscape Architect, Struct/Civil /Mech/Elec Engineers	27,766
02/08/2022	BOODLE HATFIELD LLP CLIENTS ACCOUNT	Ce01200-Outfall Drainage -Additional Fees Deed Of Easement of Foreshore	1,516
02/08/2022	BOODLE HATFIELD LLP CLIENTS ACCOUNT	Ce01197-Outfall Drainage-Deed Of Easement Relating To Part Of The Foreshore	2,000
08/08/2022	FAITHFUL & GOULD LTD	Sd00462-Lead Consultant, QS, Proj Man, Building/Landscape Architect, Struct/Civil /Mech/Elec Engineers/Ecologist	31,672
19/08/2022	FHDC	Land Charges-Title Deed Search- July 2022	3
24/08/2022	BROWNE JACOBSON LLP	Sd00880-Service-Princes Parade Residential Site Disposal - Legal Fees	10,057
27/09/2022	FHDC	Land Charges-Title Deed Search- August 2022	6
03/10/2022	FAITHFUL & GOULD LTD	Sd00462-Lead Consultant, QS, Proj Man, Building/Landscape Architect, Struct/Civil /Mech/Elec Engineers	16,023
03/10/2022	MARINE MANAGEMENT ORGANISATION	Sd00886-Service-Marine Management License Application	2,013
05/10/2022	KM MEDIA GROUP LIMITED	Sd00884-Service-Princes Parade Advertisement for MMO Licence Public Consultation	15
14/10/2022	SOUTHERN GAS NETWORKS	Sgn 2258922 Accounts Payable Credit Note	-837
17/10/2022	MARINE MANAGEMENT ORGANISATION	Sd00886-Service-Marine Management License Application	1,617
24/10/2022	CANTERBURY CITY COUNCIL	Sd00889-Service-Princes Parade - Technical Work regarding Outfall Drainage	495
03/11/2022	FHDC-SALARY RECHARGE FROM COMMUNICATIONS	Sm P4 Salary To Ng19 P/Parade- Dealing with Public and Member Engagement	1,941
03/11/2022	FHDC-SALARY RECHARGE FROM COMMUNICATIONS	Sm P5 Salary To Ng19 P/Parade (Fm Comms)	1,884
03/11/2022	FHDC-SALARY RECHARGE FROM COMMUNICATIONS	Sm P6 Salary To Ng19 P/Parade (Fm Comms)	1,884
03/11/2022	FHDC-SALARY RECHARGE FROM COMMUNICATIONS	Sm P7 Salary To Ng19 P/Parade (Fm Comms)	1,884
14/11/2022	BROWNE JACOBSON LLP	Sd00880-Service-Princes Parade Site Disposal - Legal Fees	3,500
15/11/2022	BLAKE MORGAN LLP	Co03125-Service-Legal Services Finalisation/Execution of the Princes Parade Building Contract	2,000
01/12/2022	AFFINITY WATER PRINCES PARADE	Affinity Water Princes Parade- Refund	-233,202
01/12/2022	BAM CONSTRUCTION LTD	Fs01210-Pre Construction Services Agreement (PCSA)	811,411
09/01/2022	TIBBALDS PLANNING AND URBAN DESIGN	Fs01236-Service-Princes Parade - Planning Consultancy Services	6,432
12/01/2022	FAITHFUL & GOULD LTD	Sd00462-Lead Consultant, QS, Proj Man, Building/Landscape Architect, Struct/Civil /Mech/Elec Engineers	25,054
12/01/2022	FAITHFUL & GOULD LTD	Sd00462-Lead Consultant, QS, Proj Man, Building/Landscape Architect, Struct/Civil /Mech/Elec Engineers	15,902

**Capital Expenditure per GL**

**4,470,869**

Estimated Outstanding Invoices and Commitments 16/1/2022

Utility Refund - SWS	Per SB costs	-453,499
SGN - Utilities Refund	Per SB costs	-26,176
FHDC Salary Recharge - Communications	Per SB costs	8,054
Residential Agency Fee - 50%	Per SB costs	49,250
BAM - Abortive costs claim	Per SB costs	64,743
BAM -PCSA Final Implementation	Per SB costs	133,777

**Total**

**4,247,018**

**BAM Pre Construction Services Agreement**

Change Reference	Description	Total
PCSA	PCSA Agreement	£ 412,393.00
001	Testing to determine promenade build up inc ground bearing strength of formation layer	£ 16,782.85
002	Utility Searches/ Fees/ Applications	£ 628.09
003	Badger Set Construction & Ecological Fencing	£ 126,748.72
004	<del>CCTV to Protect Ecological Fencing During Trapping Period</del>	
005	Closure of Existing Badger Setts	£ 21,308.76
006	1. Heras Fencing/ 2. Chestnut Pale Fencing/	£ 101,170.77
007	Site Vegetation Clearance inc Tree Removal	£ 154,709.85
008	Site Hoarding	£ 658,743.09
009	Additional Fees	£ 19,267.79
010	UKPN Works (advanced payment)	
011	Southern Water Works (advanced payment)	
012	Remediation Consultancy Fees from LBHGEO	£ 22,712.08
013	Vegetation Clearance/ flail mowing following re-growth	£ 11,401.72
014	Additional Lighting Control Requirements to S38 Road as requested by KCC Highways	£ 1,662.41
015	Closure of new Badger Setts	£ 10,781.44
016	Disposal of Giant Hogweed and various Trees & Vegetation removal	£ 24,641.29
017	Additional testing as requested by RPS	£ 72,149.07
018	<del>CCTV Monitoring Following Reports of Site Intruders</del>	
019	Additional Testing and Consultancy Fees associated with RPS	£ 10,157.63
020	Further Flail Mowing to avoid ecological habitat build up	£ 12,125.20
021	Additional Testing and Consultancy Fees associated with RPS	£ 976.46
022	EA Approval Works/ Testing & Design by Cognition	£ 33,215.88
023	Halting Site Operations, Making safe and Demobilisation. New Canoe club offices	£ 90,857.91
	<b>TOTAL</b>	<b>£ 1,802,434.02</b>

**Payment made by FHDC to BAM**

28/09/2021	Instalment 1	£309,295.00
23/05/2022	Instalment 2	£483,207.74
01/12/2022	Instalment 3	£811,411.35
		<hr/>
		£1,603,914.09
	Outstanding	
	BAM - Abortive costs claim	£64,743.09
	BAM -PCSA Final Implementation	£133,776.83
		<hr/>
		<b>£1,802,434.01</b>

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OSC 14<sup>th</sup> February 2023

## F&HDC Ukraine Response Update

Jyotsna Loney (Health, Wellbeing & Partnerships  
Senior Specialist)

Paul Birken (Refugee Resettlement Coordinator)

# Homes for Ukraine Scheme

**Scheme opened on 18 March 2022**

**Current numbers: 73 Hosts and 173 Guests (26th Jan 2023)**

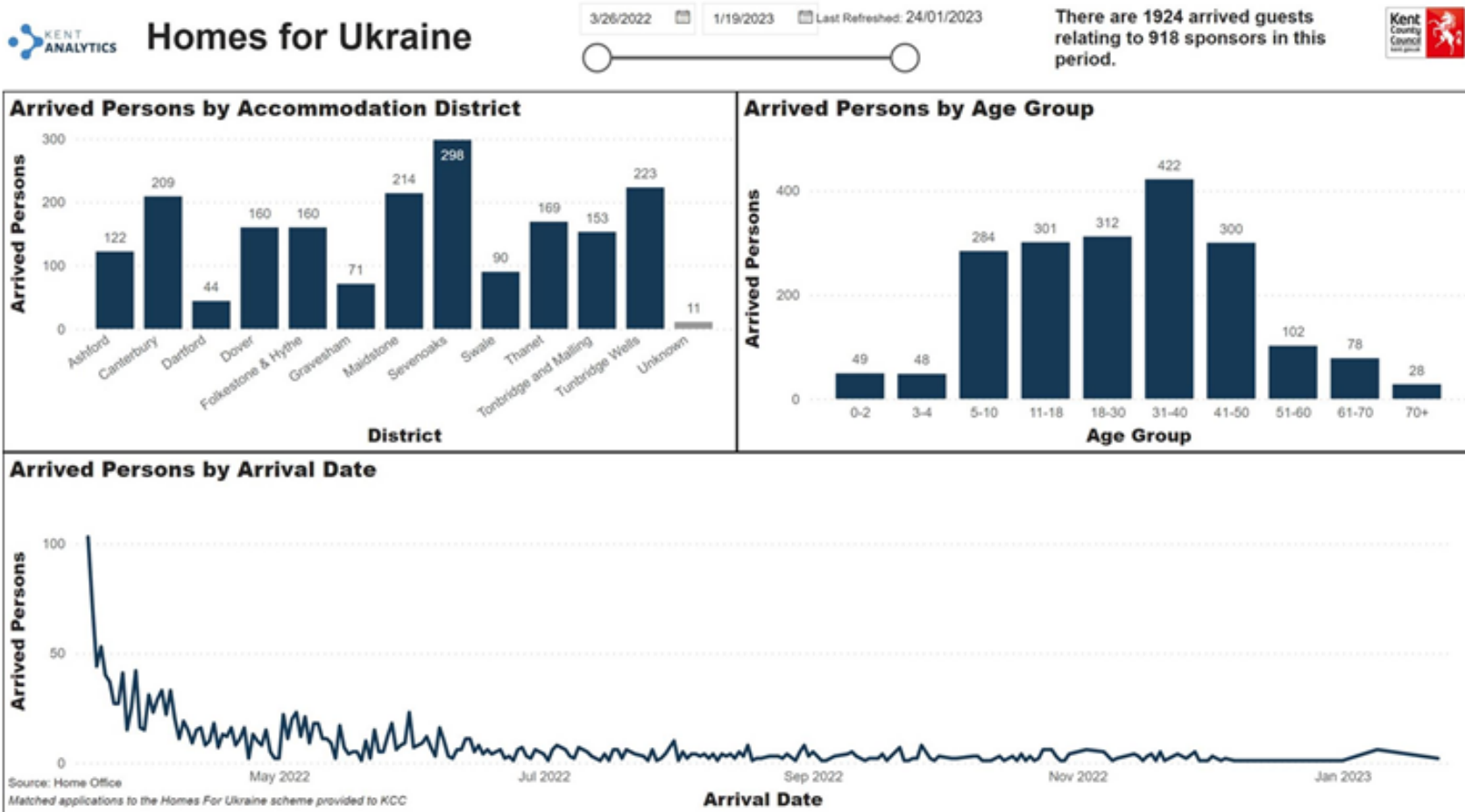
**Initial activity included:**

- **Humanitarian response (donations and community compassion)**
- **Setting up UCSN and National/Regional networks (DLUCH / VPCC)**
- **Secondment role for Refugee Resettlement Coordinator**
- **Information dissemination (Websites / translated documents)**
- **Data exchange (Foundry system)**
- **Dedicated inbox for enquiries**
- **Receipt of host information**
- **Property & Safeguarding checks**
- **Managing Host/Guest relationships and onward activity**

# Current Demographics

Number of hosts in the District: 73

Number of guests (with granted visa status): 173



# Settling in the Ukraine Community

## Managing Host/Guest relationship

- Host/Guest payments, relationship breakdowns (very few).

## Cultural orientation including:

- Free tickets / entry to National Trust sites, Leas Cliff Hall & Howletts and Port Lympne.
- Free sim cards and mobile devices.
- Welcome Ukraine Event at Quarterhouse on 1 September 22
- Ongoing drop-ins at Community Hubs / Churches
- Community Events including two charity events in Hythe
- Celebrating Ukraine culture

## Integrating into the community:

- ESOL / other English classes
- Work readiness support (SEK Group)

# 2023 Priorities

- **Support Ukrainians adapt to life in the UK with:**
  - **Help to access private rental accommodation.**
  - **Employability support.**
  - **Ongoing welfare.**
- **Support current and prospective H4U Hosts and Guests by:**
  - **Providing ongoing support.**
  - **Continuing local drop-in sessions within the community.**
  - **Remaining informative (Ukraine Newsletter and Website)**
- **Establish long-term requirement for Refugee Resettlement Coordinator role.**

# Local Authority Housing Fund

- **10 properties**
- **Short-term tenancy (held within housing revenue account)**
- **Specifically for Ukrainian and Afghan settlement cases**
- **Covers 40% cost of purchase and 50% for larger properties**
- **20k per property additionally to get property into habitable condition**
- **Do not provide white goods, carpets etc**
- **DLUCH has already made a provisional allocation to the Council of £1.2million**
- **DLUCH evaluating submissions and will come back by 14th Feb**
- **New build and acquisitions alongside this funding stream from Central Government**
- **Deadline is March 2024**

# Any Questions

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