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Agenda

Meeting: **Cabinet**
Date: **24 June 2026**
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 allocated on a first come, first served basis. The Chamber doors will be opened 15 minutes prior to the meeting start time.

1. **Apologies for Absence**

2. **Declarations of Interest (Pages 3 - 4)**

   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 5 - 10)**

   To consider and approve, as a correct record, the minutes of the meeting held on 25 March 2026.

Queries about the agenda? Need a different format?

Contact Jemma West – Tel: 01303 853369
Email: committee@folkestone-hythe.gov.uk or download from our website
www.folkestone-hythe.gov.uk

Date of Publication: Tuesday, 16 June 2026

4. **Damp and Mould Policy 2026-2027 (Pages 11 - 42)**

This report summarises the Housing Landlord Service's Damp and Mould Policy and seeks Cabinet agreement. This is a new HRA policy in line with the implementation of Awaab's Law from 27th October 2025. Awaab's Law establishes strict timeframes for social landlords to address hazardous conditions such as damp and mould. The law applies initially to the social rented sector, requiring landlords to investigate and remedy emergency hazards within 24 hours of becoming aware of them, and significant damp or mould hazards within 10 working days.

5. **Private Sector Housing Civil Penalties Policy and CPN generator (Pages 43 - 88)**

This report seeks approval to adopt the Association of Chief Environmental Health Officers (ACEHO) Civil Penalty Enforcement Policy and to enter into an agreement with Justice for Tenants (JfT) to use their Civil Penalty Notice (CPN) Generator. This will enable the Council to fully enforce the new provisions under the Renters' Rights Act 2025 and continue to effectively discharge our existing housing enforcement duties.

6. **Corporate Plan Annual Report (Pages 89 - 144)**

This report presents an annual report on the Council's Corporate Plan 2025-2030, highlighting progress made against the commitments in the plan. It also presents the Corporate Action Plan 2025-26, showing the completion status for every action, and the proposed for Action Plan for 2026-27, for approval.

7. **Oportunitas Limited Business Plan 2026/27 to 2030/31 and Q3 Financial Update (Pages 145 - 178)**

This report considers the proposed business plan for Oportunitas Limited (the company) submitted by its Board for the 5-year period from 2026/27 to 2030/31. The report meets the requirement contained in the Shareholder's agreement between the company and the Council.

8. **Analogue to Digital Implications for the Lifeline 365 Service (Pages 179 - 188)**

This report details the impact of the analogue to digital switchover on the Lifeline365 service, and the actions recommended to ensure that the Council provides a continuing effective and resilient service to its Lifeline Customers.

Declarations of Interest

Disclosable Pecuniary Interest (DPI)

Where a Member has a new or registered DPI in a matter under consideration they must disclose that they have an interest and, unless the Monitoring Officer has agreed in advance that the DPI is a 'Sensitive Interest', explain the nature of that interest at the meeting. The Member must withdraw from the meeting at the commencement of the consideration of any matter in which they have declared a DPI and must not participate in any discussion of, or vote taken on, the matter unless they have been granted a dispensation permitting them to do so. If during the consideration of any item a Member becomes aware that they have a DPI in the matter they should declare the interest immediately and, subject to any dispensations, withdraw from the meeting.

Other Significant Interest (OSI)

Where a Member is declaring an OSI they must also disclose the interest and explain the nature of the interest at the meeting. The Member must withdraw from the meeting at the commencement of the consideration of any matter in which they have declared a OSI and must not participate in any discussion of, or vote taken on, the matter unless they have been granted a dispensation to do so or the meeting is one at which members of the public are permitted to speak for the purpose of making representations, answering questions or giving evidence relating to the matter. In the latter case, the Member may only participate on the same basis as a member of the public and cannot participate in any discussion of, or vote taken on, the matter and must withdraw from the meeting in accordance with the Council's procedure rules.

Voluntary Announcement of Other Interests (VAOI)

Where a Member does not have either a DPI or OSI but is of the opinion that for transparency reasons alone s/he should make an announcement in respect of a matter under consideration, they can make a VAOI. A Member declaring a VAOI may still remain at the meeting and vote on the matter under consideration.

Note to the Code:
Situations in which a Member may wish to make a VAOI include membership of outside bodies that have made representations on agenda items; where a Member knows a person involved, but does not have a close association with that person; or where an item would affect the well-being of a Member, relative, close associate, employer, etc. but not his/her financial position. It should be emphasised that an effect on the financial position of a Member, relative, close associate, employer, etc OR an application made by a Member, relative, close associate, employer, etc would both probably constitute either an OSI or in some cases a DPI.

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Folkestone & Hythe District Council

Minutes

Cabinet

Held at:	Council Chamber - Civic Centre Folkestone
Date:	Wednesday, 25 March 2026
Present:	Councillors Mike Blakemore, Polly Blakemore, James Butcher, Gary Fuller, Jim Martin (Chair), Connor McConville, Tim Prater (Vice-Chair), Stephen Scoffham, Rebecca Shoob and Jeremy Speakman.
Apologies for Absence:	None.
Officers Present:	Susan Priest (Chief Executive), Ewan Green (Director of Strategy & Resources), Andy Blaszkowicz (Director of Housing and Operations), Alan Mitchell (S151 Officer and Director of Finance), Andrew Rush (Chief Officer – Regulatory & Community Services), Jonathan Smith (Chief Officer – Financial Services), Fred Miller (Transportation Manager), Jonathan Hicks (Governance, Performance & Risk Manager), Gavin Edwards (Senior Performance Officer), Tom Harding (Neighbourhood Services Manager), and Jake Hamilton (Committee Services Officer).
Others Present:	None.

NOTE: All decisions are subject to call-in arrangements. The deadline for call-in is Thursday, 2 April 2026 at 5pm. Decisions not called in may be implemented on Tuesday, 7 April 2026.

84. **Declarations of Interest**

Prior to consideration of the report on the proposed Neighbourhood Management Policy (Minute No. 87), Councillor Fuller made a voluntary declaration that he was a council tenant. As the policy had no direct beneficial or financial impact, Councillor Fuller remained present for the consideration of the item.

85. **Minutes**

The minutes of the meetings held on 11 February 2026, were submitted, approved, and signed by the Leader.

86. **Capital Grant Agreement for Folkestone Sports Centre**

The report detailed the proposed capital grant to be provided to The Sports Trust to support a programme of works to enable the re-opening of the swimming facilities at Folkestone Sports Centre. The proposed capital grant is in total £2,421,250.

Members queried why a capital grant was proposed instead of a loan, and it was explained that a loan would be financially unviable and restrict funding options, whereas a grant provides a sustainable route to reopening the pool. Members also asked about risks of delay and cost overruns; it was confirmed that any overspend would fall to The Sports Trust and that consultants were in place to manage programme and cost risks, with the project still expected to reopen in summer 2026.

Proposed by Councillor Mike Blakemore
Seconded by Councillor Jim Martin; and,

RESOLVED:

1. **To receive and note report C/25/92.**
2. **To approve the award of a capital grant of £2,421,250 to The Sports Trust for works required to re-open Folkestone Sports Centre.**
3. **To approve the Draft Grant Agreement as the conditions for the grant award.**
4. **To authorise the Director of Housing and Operations to complete and enter the grant agreement.**

(Voting Figures: 10 For, 0 Against, 0 Abstentions)

REASONS FOR DECISION:

The purpose of the capital grant is to re-open the swimming pool at Folkestone Sports Centre for community use. This will improve the provision of swimming within the district with the resulting health and social benefits.

87. **Proposed Housing Neighourhood Management Policy**

This report introduces the proposed new Housing Neighbourhood Management Policy. It sets out the background to the policy, the consultation that has taken place in its drafting so far and recommends that the policy be approved by Cabinet for formal adoption.

During the discussion a member expressed concern about the policy's wording in relation to mobility scooters, noting that the phrasing used was unsuitable and did not reflect the essential need for a mobility scooter.

An amendment was proposed by Councillor J Martin and seconded by Councillor Fuller, with the agreement of Councillor Shoob:

AMENDMENT: To adopt the proposed Housing Neighbourhood Management Policy, following a review of the wording therein.

The amendment was approved by affirmation of the meeting.

Proposed by Councillor Rebecca Shoob,
Seconded by Councillor Jim Martin; and,

RESOLVED:

1. **To receive and note report C/25/91.**
2. **To adopt the proposed Housing Neighbourhood Management Policy, following the review of the wording.**

(Voting Figures: 10 For, 0 Against, 0 Abstentions)

REASONS FOR DECISION:

To ensure the Council Landlord service has an up-to-date policy – developed with tenant consultation – that sets out our commitments in key service areas relating to the management of housing land and communal areas.

88. **Policy Framework for the Initiation, Implementation and Administration of Controlled Parking Zones**

The report outlined proposed changes to the initiation, implementation, and administration of Controlled Parking Zones (CPZs) as set out in the new policy framework document (Appendix 1), and seeks Cabinet approval for its adoption. An easy read version of the policy framework is attached as appendix 3.

Members sought clarification on the 60% support threshold and how it would operate where response levels were low, with confirmation that all residents would be consulted and that 60% of respondents would determine whether a scheme progresses. The wording referring to a "sufficient" level of support was discussed, with a proposal to amend this to "significant" for greater clarity. Members also queried whether motorcycle permits should be charged at a reduced rate due to their size, and it was noted that permit pricing would be set through the Council's fees and charges process. Further clarification was provided that business needs, such as those of local garages, would continue to be considered on a case-by-case basis according to local parking capacity.

Following the discussion an amendment was proposed by Councillor Fuller, seconded by Councillor Prater and passed:

AMENDMENT: To replace the word "sufficient" with "significant" when referring to initial resident support.

(Voting Figures: 10 For, 0 Against, 0 Abstentions)

Proposed by Councillor Polly Blakemore,
Seconded by Councillor Jim Martin; and,

RESOLVED:

1. **To receive and note report C/25/76; and,**
2. **To agree to adopt the new CPZ policy framework, with the amendment to replace 'sufficient' with 'significant'.**

(Voting Figures: 10 For, 0 Against, 0 Abstentions)

REASONS FOR DECISION:

Cabinet was asked to agree to the recommendations because:

- A new policy document is needed to address the current issues surrounding on-street parking and to proactively consider future challenges.
- There has been a significant increase in the number of CPZ applications received. Many of the applications are for single roads, and if implemented, could simply displace parking into adjacent roads.

89. **Risk Management Policy & Strategy/Corporate Risk Register**

This report presents an updated Risk Management Policy and Strategy for Cabinet approval. It also presents an overview of the Corporate Risk Register, for information.

Members noted that the Cyber Assessment Framework is only one part of the Council's cyber-security work, with Cyber Essentials certification achieved and options being explored to expand the security operations centre's role. Clarification was also sought on preparedness for extreme weather and climate impacts, with confirmation that the risk concerns maintaining service delivery, supported by updated emergency planning and ongoing climate-related programmes. Members additionally queried whether geopolitical instability and rising fuel costs should feature in the risk register; it was confirmed these would be managed initially as operational or partnership risks and escalated if impacts became significant.

Proposed by Councillor Tim Prater,
Seconded by Councillor Jim Martin; and,

RESOLVED:

1. **To receive and note report C/25/90.**
2. **That Cabinet notes and approves the updated Risk Management Policy and Strategy at Appendix 1.**
3. **That Cabinet notes and approves the Corporate Risk Register Overview at Appendix 4.**

(Voting Figures: 10 For, 0 Against, 0 Abstentions)

REASONS FOR DECISION:

To ensure Cabinet is made aware of any changes to the policy and strategy and is fully appraised of the current strategic risks facing the Council.

90. **Treasury Management 2025/26 Quarter 3**

The report provided an update on the Council's Treasury Management activities that have taken place during 2025/26 against the agreed strategy for the year. The report also provides an update on the treasury management indicators approved by Cabinet earlier this year.

Proposed by Councillor Tim Prater,
Seconded by Councillor Jim Martin; and,

RESOLVED:

1. **To receive and note report C/25/88.**

(Voting Figures: 10 For, 0 Against, 0 Abstentions)

REASONS FOR DECISION:

Cabinet was asked to agree the recommendation because:

The CIPFA Code of Practice on Treasury Management and the Council's Financial Procedure Rules require Members to receive a report on the Council's treasury management activities during the year.

91. **Quarter 3 Performance report 2025/26**

The report provided an update on performance for the third quarter of the year, covering the period from 01 October to 31 December 2025 (Q3). The report highlights progress made against the agreed set of Key Performance Indicators (KPIs) for 2025-26, approved by Cabinet on 16 July 2025.

A Member noted strong performance in information governance and complaints, despite a slight rise in complaint volumes. It was confirmed that street-cleansing performance was off target due to temporary staffing shortages, which have now been resolved. Members requested further detail on environmental fixed penalty notices, UKSPF support levels, and ASB trends, with updates to be provided following discussion with service teams.

A point was raised regarding future reporting of leisure usage figures once Folkestone Sports Centre reopens. Members suggested consideration of monitoring district-wide swimming participation in the future. It was noted that this suggestion would be taken under advisement and explored further as part of the development of the revised KPI's for future performance reporting.

Proposed by Councillor Tim Prater,
Seconded by Councillor Jim Martin; and,

RESOLVED:

1. **To receive and note report C/25/87;**
2. **To note the Corporate Performance Report Q3 at Appendix 1; and,**
3. **To note the Housing Performance Report Q3 at Appendix 2.**

(Voting Figures: 10 For, 0 Against, 0 Abstentions)

REASONS FOR DECISION:

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.

This Report will be made public on 16 June 2026

Report Number **C/26/04**

To:	**Cabinet**
Date:	**24th June 2026**
Status:	**Non key**
Responsible Officer:	**Mick Hale, Assets Lead Manager – HRA** **Andy Blaszkowicz – Director, Housing & Operations**
Cabinet Member:	**Cllr Rebecca Shoob**
SUBJECT:	**HOUSING DAMP AND MOULD POLICY 2026-2027**

SUMMARY:

This report summarises the Housing Landlord Service's Damp and Mould Policy and seeks Cabinet agreement. This is a new HRA policy in line with the implementation of Awaab's Law from **27th October 2025**. Awaab's Law establishes strict timeframes for social landlords to address hazardous conditions such as damp and mould. The law applies initially to the social rented sector, requiring landlords to investigate and remedy emergency hazards within 24 hours of becoming aware of them, and significant damp or mould hazards within 10 working days.

REASONS FOR RECOMMENDATIONS:

To provide detail on the requirements under the new regulations relating to Awaab's Law and ensure future compliance with that legislation. The Council is bound by legislation to address all emergency hazards and all damp and mould hazards that present a significant risk of harm to tenants within the fixed time frames.

This policy is also linked to the Housing Service's formal response to the Housing Ombudsman Damp and Mould Self-Assessment.

RECOMMENDATIONS:

1. **To receive and note report C/26/04.**
2. **To approve the Housing Damp and Mould Policy.**

1. BACKGROUND

1.1 The Ministry of Housing, Communities and Local Government introduced the Regulation known as 'Awaab's Law' in memory of the case regarding 2-year-old Awaab Ishak, who died tragically in 2020, as a result of a severe respiratory condition due to prolonged exposure to mould in his home. Awaab's parents had complained repeatedly to their social landlord in the three years prior to Awaab's death, but no action was taken by their social landlord to treat the mould.

1.2 The legislation was enacted through the Social Housing (Regulation) Act 2023, which amended the Landlord and Tenant Act 1985, allowing the government to issue the Hazards in Social Housing (Prescribed Requirements) (England) Regulations 2025. These regulations set out the legal obligations for social landlords, and non-compliance can result in enforcement actions, compensation claims, or legal proceedings by tenants.

1.3 Awaab's Law is being implemented in phases; the first phase, effective from 27 October 2025, focuses on damp and mould hazards. Subsequent phases in 2026 and 2027 will extend the law to cover additional housing hazards that present a significant risk of harm. Social landlords are expected to prepare for these future expansions while continuing to meet their existing legal duties to maintain safe and habitable homes.

1.4 F&HDC Asset team are already working towards compliance with the additional responsibilities, and this new policy and procedure will be scheduled for review when the law is due to be extended later in 2026 to include:

- Excess cold and excess heat
- Falls associated with baths etc., on level surfaces, on stairs and between levels
- Fire and electrical hazards
- Domestic and personal hygiene and food safety.

1.5 In 2027 the legislation will extend to all remaining HHSRS hazards (Housing Health and Safety Rating System), not including overcrowding. HHSRS is a risk-based evaluation tool used in England and Wales to help local authorities identify and protect against potential risks and hazards to health & safety in properties. The system was introduced under the Housing Act 2004 and applies to social and private rented properties. The policy will be reviewed again to include this in 2027.

2. CONSULTATION

2.1 STAP (Strategic Tenant Advisory Panel) were consulted on this important tenant facing policy on 21 April 2026. The Tenants' Scrutiny Panel have chosen the subject of F&HDCs approach to tackling damp and mould as their scrutiny project which commenced in April 2026.

3. RISK MANAGEMENT ISSUES

3.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
Cabinet do not approve the Policy.	High	Low	Cabinet approves the Policy to allow for clear governance and compliance with new legislation.

4. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

4.1 Legal Officer's Comments (OS)

The primary legislation for Awaab's Law was first introduced through the Social Housing (Regulation) Act 2023, and inserts (or in legal terms 'implies') into social housing tenancy agreements a term that requires social landlords to comply with the requirements that are set out in these Regulations. This means all social landlords have to meet the requirements in the Hazards in Social Housing (Prescribed Requirements) (England) Regulations 2025.

4.2 Finance Officer's Comments (LW)

Existing budgets set within the HRA will cover the costs of any works identified. A report will be provided at the end of this financial year (2025-2026) to show additional spend following the introduction of Awaab's Law.

4.3 Diversities and Equalities Implications (BW)

An Equality Impact Assessment has been produced and is detailed in these documents.

4.4 Climate Change Implications (AT/HS)

There are no climate change implications arising from this policy.

5. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

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

Mick Hale – Housing Assets Lead Manager
Telephone: 01303 853000
Email: mick.hale@folkestone-hythe.gov.uk

Barbara Wilkins – Repairs Manager
Telephone: 01303 853000
Email: barbara.wilkins@folkestone-hythe.gov.uk

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

Appendices:
Appendix 1: Damp and Mould Policy
Appendix 2: Equality Impact Assessment
Appendix 3: Awaab's Law Overview & Process
Appendix 4: Easy Read Damp and Mould Policy.

DAMP & MOULD POLICY

HOUSING

Date of policy	21/01/2026
Date for review	21/01/2027
Policy author	Barbara Wilkins, Repairs Manager
Policy owner	Mick Hale, Housing Asset Lead Manager
Approved by	Gill Butler, Chief Officer Housing
Risk register rating	2/3 - 6
Associated documents	Awaab's Law Procedure. Damp and Mould – Housing Ombudsman Self-Assessment Repairs and Maintenance Policy (under review).

Revision history			
Version	Date	Revision description	Policy author
1	21/01/2026	New Policy	Barb Wilkins

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NEW POLICY / POLICY REVIEW	
New policy	Yes
Early review – change in legislation	Yes – October 2026 for phase 2
Early review – significant changes in practice	
Review due – significant changes	October 2026
Review due – cosmetic changes or unchanged	
Other reason	

Reason for new policy / summary of changes:
Introduction of Awaab's Law

CONSULTATION	
List of people/roles who have been consulted	Date
Chief Officer – Housing Housing Assets Lead Manager Neighbourhood Services Manager Tenant Engagement & Independent Living Manager Assets & Major Works Manager Compliance Manager Retrofit Manager	January & February 2026
Corporate Leadership Team	26th March 2026
Strategic Tenant Advisory Panel	17th March 2026

EQUALITY IMPACT ASSESSMENT	Completed	Date
	Yes	February 2026

DATA PROTECTION IMPACT ASSESSMENT	Completed	Date
	N/A	

DISSEMINATION		
Role	Awareness	Essential
All Housing Assets Staff		Yes
All Housing Operations Staff		Yes
All Housing Customer Support Staff		Yes

TRAINING		
Role	Trainer	Date completed
All Housing Assets Staff		
All Housing Operations Staff		
All Housing Customer Support Staff		
External Contractors		

MONITORING AND COMPLIANCE		
Method	Responsibility	Frequency
Review of data held	Asset Managers	Periodically
Review	Asset Managers	Annually
Formal Review	Senior Managers/Cabinet	3 years

Agenda

1. Purpose of the Policy

1.1 Folkestone and Hythe District Council are committed, as a Council and Registered Social Landlord, to providing our tenants with homes maintained to a high standard. Good quality, safe and secure homes contribute to tenants' wellbeing and ability to live happy and healthy lives in their surroundings.

1.2 This policy sets out our approach to preventing, wherever possible, the adverse effects of damp and mould on tenants' lives and our action plan to tackle and manage the causes. Damp and mould can arise as a fault in the building structure, mechanical, electrical and plumbing installations, or as a result of the way in which tenants live in the property.

1.3 This policy outlines how we will work with our tenants to resolve damp and mould issues, taking action where necessary to rectify issues, and providing support and guidance to help make changes to manage condensation and reduce the possibility of damp and mould occurring in tenants' homes.

1.4 This policy aims to resolve damp and mould hazards that present a significant risk of harm to our tenants, as well as protect the structure and quality of our properties.

We will:

- Take reports of damp and mould seriously, making sure we meet all our responsibilities as a landlord to provide accommodation that is fit for our tenants and their families to live in.
- Use an approach that is proportionate to remove any mould and eliminate the immediate hazard. Undertake effective investigations and implement all reasonably practicable repair solutions to manage damp, mould, and condensation within the home.
- Utilise specialist external advice and services where needed.
- Focus on working in partnership with tenants, ensuring that the needs of the household are considered in our investigations and decision making.
- Ensure that our tenants have access to and/or are provided with advice and guidance on managing and controlling condensation and mould.
- Signpost residents who are experiencing difficulties managing their heating costs to charities and other support agencies for assistance.
- Ensure that the fabric of the Council's property is protected from deterioration and damage resulting from damp and condensation by carrying out preventative maintenance.
- Ensure staff are trained and skilled to be able to identify cases of damp and mould as well as the causes.
- Engage with our contractors to report to the Council any significant and obvious presence of damp when they are attending residents' homes to carry out repairs and servicing work.

2. Policy objectives and scope

2.1 This policy applies only to Housing Revenue Account (HRA) dwellings and communal areas, owned and managed by the Council. This does not include damp and mould in leasehold flats, unless there is a repair required which is the landlord's responsibility. The Damp and Mould Policy forms part of the wider repairs and maintenance service. Further information on the wider repairs service can be found in our Repairs and Maintenance Policy.

2.2 This policy should be used by all Council staff and contractors working on the Councils' behalf. This will ensure they fully understand the obligations placed on the Council to maintain a safe home environment for our tenants, and where appropriate, leaseholders in their homes. It is the responsibility of all staff to ensure that any concerns are reported to the relevant team, and we actively encourage a one team approach.

3. Legal/ Regulatory Framework

3.1 The scope of this policy is covered by the following legislation including:

Housing Act 1985
Homes (Fitness for Human habitation) Act 2018
Landlord and Tenant Act 1985 Section 11 – Repairs and Maintenance
Housing Act 2004 – Housing Health and Safety Rating
Social Housing Regulation Act 2023
Regulator of Social Housing Safety and Quality Standard
Right to Repair Regulations 1994
Housing Ombudsman Service Report – Spotlight on Damp and Mould
Decent Homes standards
Awaab's Law via Social Housing (Regulation) Act 2023

3.2 **Internal Policies;** these may impact and inform the delivery service set out in the Damp and Mould Policy:

Repairs Policy
Tenancy Agreement
Housing Asset Management Strategy
Rechargeable Works Policy
Complaints Policy
Awaab's Law Procedure.
Repairs and Maintenance Policy.
Housing Fair Access Policy

4. Responsibility

4.1 The Council is responsible for, the maintenance, repair and replacement of the structure and common parts of our HRA properties. The Council will work with residents where damp and/or mould is present to identify solutions and actions to resolve the problem.

4.2 We will treat all residents with respect, dignity, and fairness, and ensure that our response to damp and mould reflects our commitment to safety, transparency, and service excellence.

4.3 We will provide an effective responsive repair service which will also include advice on preventative measures.

4.4 We will ensure that our residents know how and where to report repairs. We will promote our repairs reporting platforms via social media, tenant newsletters and on our council website.

4.5 We will record and review all damp, mould and condensation complaints to make sure any learning is incorporated into policy review and practices. We will revise our approach to the way we manage damp, mould and condensation in our homes as necessary.

Tenants' responsibilities include but are not limited to:

4.6 Reporting damp and mould as soon as it becomes apparent, (including severe condensation levels in a property).

4.7 Regularly checking for, and reporting any leaks, or faulty heating, windows, or extractor fans.

4.8 Heating rooms adequately, ideally between 18 and 20 degrees and keep humidity between 40-60%.

4.9 Keeping the home well ventilated, for example opening windows when cooking/ showering, keeping trickle vents open.

4.10 Regularly wiping down any moisture from surfaces such as windows and window sills.

4.11 Follow the advice available on our website for condensation control [What is damp and mould? | My Home for condensation, damp and mould | Folkestone & Hythe District Council]

4.12 We understand that some households may face challenges with some of these responsibilities. We will work with tenants, provide guidance, and signpost them to available support, for example financial assistance, to help them maintain their home and prevent damp and mould.

4.13 Tenants must allow access to both FHDC staff and their contractors to ensure maintenance and servicing checks are carried out.

4.13 **Leaseholders** are responsible for maintaining the inside of their property. Damp and mould issues that occur as a result of a building defect or repairs required, should be reported to the council.

Personal Claims

4.14 Folkestone & Hythe District Council is not responsible for damage to personal property which has been damaged by unreported damp or mould. This also includes white goods, carpets and furniture.

4.15 We encourage our tenants and leaseholders to have adequate contents insurance to protect their belongings.

4.16 Folkestone & Hythe District Council have teamed up with Thistle Tenant Risks, to offer a Home Contents Insurance Scheme, designed specifically for tenants in social housing. All of our tenants are eligible to apply. The scheme is designed to meet the demands and needs of social housing residents looking to purchase home contents insurance. For further information please visit our website Council tenant household insurance | Folkestone & Hythe District Council.

5. The Policy

5.1 Damp and Mould

Damp is the accumulation of moisture within a property which can affect parts of the home like walls, floors, ceilings, and foundations, as well as home furnishings such as carpets, curtains, wallpaper, furniture, and clothing.

Damp can also lead to the growth of mould. Mould, a type of fungus, can form on any surface where there is excessive moisture present. Mould can cause adverse health effects as well as damage to buildings. A range of factors can lead to damp in homes.

5.2 **Condensation** occurs when warm air meets a colder surface, for example window frames and reveals, corners and low points on walls, behind sofas or wardrobes. This is the most common form of damp. Condensation can be caused by poor ventilation including not opening windows, blocking vents, not using extractor fans, and restricting air circulation around furniture. Insufficient heating and not heating the home which is often due to fuel poverty. High humidity is generated through activities such as cooking without covering pans and drying laundry indoors. Cluttered spaces, such as cupboards and wardrobes where a lack of space around possessions and storage prevent air flow.

5.3 **Penetrating damp** is caused by moisture entering the property from outside due to leaking or cracked pipework, blocked guttering, damaged roof, defective brickwork or rendering and gaps around window frames. All of these issues can be remedied.

5.4 **Rising damp** occurs when moisture from the ground travels upwards through building components in contact with the ground, such as walls and floors. Common causes are blocked cavities and damp-proof courses breached by soil or paving. In some instances, defective damp proof courses may also be the cause.

5.5 **Traumatic damp** can be caused by leaking water from waste and heating pipes, overflowing baths or sinks, burst pipes or defective water storage vessels inside the building. Traumatic damp can also originate from outside the property, for example from another building or from environmental flooding.

5.6 The Impact of Damp and Mould

5.6.1 Exposure to mould spores can cause a wide range of symptoms including rashes, itchy eyes, sneezing, coughs, dizziness, and nausea. The long-term effects of mould exposure can be more severe for vulnerable people, people with respiratory conditions and those with a weakened immune system. The elderly, children and those with existing allergies are all considered to be more susceptible to mould exposure, and it is acknowledged that living in poor environmental conditions can also impact on an individual's sense of well-being and mental health.

5.6.2 The Council advises any residents who are concerned about any symptoms they are experiencing, which they believe to be a result of exposure to damp and mould, to consult a healthcare professional at the earliest opportunity.

5.6.3 There are a variety of housing conditions that can potentially put residents at an increased risk of exposure to damp and mould, these include:

- Homes with inefficient or ineffective heating systems.
- Heating systems that are too expensive to run.
- Homes with inefficient ventilation.
- Homes which are overcrowded.

5.7 Our Housing Stock

5.7.1 The Council has a portfolio of just under 3500 homes. The age and construction type of the building can be contributing factors in the occurrence of damp and mould. Poor thermal performance can create difficulties for tenants to provide sufficient heating and ventilation, creating ideal conditions for condensation and mould growth.

5.7.2 Building 'defects' can also be a problem e.g., leaking pipes or roofs, blocked gutters, or down pipes, defective damp courses, etc. These types of repairs are designated as responsive repairs and carried out by the repairs service contractors.

5.7.3 Through the HRA Asset Management Strategy, we are committed to maintaining our properties to the Decent Homes Standard and providing homes that are 'fit for human habitation' both at the start, and during, any tenancy.

5.7.4 We have a 5-year rolling programme for stock condition surveys which are completed for all HRA homes.

5.7.5 Retrofit & Net. Zero Carbon reduction works are being carried out to those homes with a poor EPC rating to ensure the council can achieve our stated ambition for all our properties to reach EPC C by 2030.

6. Key controls and reporting

6.1 Repair process

6.1.1 The Council will ensure that our processes for dealing with damp and mould are effective and within the required timeframes set out in Awaab's Law:

- Investigate any potential **emergency hazards** and, if the investigation confirms emergency hazards, undertake relevant safety work as soon as is reasonably practicable. The investigation and the work must both take place within **24 hours** of becoming aware of the hazard.
- Investigate any potential **significant hazards** within **10 working days** of becoming aware of them;
- Produce a written summary of investigation findings and provide this to the tenant within **3 working days** of the conclusion of the investigation.
- Undertake relevant safety work within **5 working days** of the investigation concluding if the investigation identifies a significant hazard.
- Begin, or take steps to begin, any supplementary preventative work to prevent a significant or emergency hazard recurring within **5 working days** of the investigation concluding if the investigation identifies a significant or emergency hazard. If steps cannot be taken to begin work in **5 working days** this must be done as soon as possible, and work must be physically started **within 12 weeks**.
- Satisfactorily complete supplementary preventative works within a reasonable time period.
- Secure the provision of suitable alternative accommodation for the household, at the social landlord's expense, if relevant safety work cannot be completed within specified timeframes.
- Keep the tenant updated throughout the process and provide information on how to keep safe.

6.1.2 We will investigate the causes of damp and mould and commit to carrying out the required actions to ensure the root cause is effectively dealt with.

6.1.3 Emergency investigations will be carried out within 24 hours, to confirm whether there is a significant or emergency hazard, and will also, if possible, identify the required work to make a property safe and prevent the hazard from recurring. We will ask contractors for an immediate mould wash to be carried out.

6.1.4 Standard investigations will be carried out within 10 working days of a report.

6.1.5 Following an investigation, works orders will be raised with the relevant contractor.

6.1.6 Our existing Repairs and Maintenance contract already operates to timescales that sit within those determined by Awaab's Law. These are 4 hours, 24 hours, 3 working days and 16 working days depending upon the severity. We monitor these as part of the contractual KPI's, and they form part of the monthly meeting agenda.

6.1.7 We will install Environmental monitoring systems to homes where required which will provide a greater understanding of the internal environment and allow us to monitor factors that may increase the risk of damp and mould. Our tenants can also download a phone App which will alert them to changes within the home such as a high humidity or lack of heating.

6.2 This policy will be reviewed on an annual basis, or where necessary, in line with changes in legislation or best practice. Minor changes may be made with the approval of the Director of Housing and Operations with the Cabinet portfolio holder for housing. The policy will be reviewed annually and subject to a formal review every 3 years.

7. Equality and Diversity

7.1 An Equality Impact Assessment has been carried out to determine whether this policy may have an impact on any member of staff, tenant, leaseholder or contractor, which could unfairly discriminate or disadvantage them in the context of the Equality Act 2010. No issues have been identified that could have a negative impact upon any protected characteristics.

7.2 Overall, the intention of the policy is to ensure that we are interacting with all our tenants in a fair and consistent manner. However, allowances have been made within this policy to consider an individual's vulnerability (particularly around disability and mental health capacity) when advising on measures to help reduce condensation and prevent damp and mould.

Stage 1 and 2 Equality Impact Assessment Templates

Directorate: Housing Service: Asset

Accountable Officer: Gill Butler
Chief Officer – Housing
Telephone & e-mail: 01303 853300
gill.butler@folkestone-hythe.gov.uk

Date of assessment: January 2026

Names & job titles of people carrying out the assessment:
Barbara Wilkins, Repairs & Maintenance Manager Email: Barbara.wilkins@folkestone-hythe.gov.uk

Name of service/function/policy etc: **Damp and Mould Policy**
Is this new or existing? **New**

Stage 1: Screening Stage

1. Briefly describe its aims & objectives

Damp and mould policy to operate in line with the implementation of Awaab's Law which came in effect on 27th October 2025.

2. Are there external considerations? (legislation/government directive etc.)

Awaab's Law

3. Who are the stakeholders and what are their interests?

F&HDC tenants.

4. What outcomes do we want to achieve and for whom?

Folkestone and Hythe District Council are committed, as a Council and Registered Social Landlord, to providing our tenants with homes maintained to a high standard. Good quality, safe and secure homes contribute to tenants' wellbeing and ability to live happy and healthy lives in their surroundings.

5. Has any consultation/research been carried out or relied upon?

Yes

If **yes** please provide details and outcomes, if **no** please outline any planned activities

The draft policy has been shared with staff, Tenant Scrutiny Panel and Corporate Leadership 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 issues have been identified that could have a negative impact upon any protected characteristic. **We will deal with all tenants in a fair and consistent manner with allowances for individual's vulnerability (particularly around disability and mental health capacity).**

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	**Neutral/Negative – We will ensure an individual's vulnerability (particularly around disability and mental health capacity), is flagged with staff and contractors, so that the service received can be tailored accordingly. See item 15.**
Race (including Gypsy & Traveller)	Neutral
Age	Neutral – as above
Gender	Neutral
Transgender	Neutral
Sexual Orientation	Neutral
Religion/Belief	Neutral
Pregnancy & Maternity	Neutral
Marriage/ Civil Partnership Status	Neutral

8. Could other socio-economic groups be affected e.g. carers, ex-offenders, low incomes?

Low incomes homes and the effect of fuel poverty.	**No**	

9. Are there any human rights implications?

No perceived human rights implications

10. Is there an opportunity to promote equality and/or good community relations?

Yes/No (if yes how will this be done?)
N/A

11. If you have indicated a negative impact for any group is that impact legal? (not discriminatory under anti-discrimination legislation)

Yes/No (please explain)
N/A

12. Is any part of this policy/service to be carried out wholly or partly by contractors?

Yes
Contractors have been informed of their responsibilities under Awaabs Law.

If yes have you done any work to include equality & human rights considerations into the contract already?

Human rights are already embedded in our policies and procedures, we ensure all tenants have equal access to services regardless of background. Reasonable adjustments are made where necessary which already include communication methods and flexible appointments. FHDC staff undergo human rights training and can identify when rights may be at risk.

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?

Yes

14. Date by which Stage 2 is to be completed and actions

The Equality Impact Assessment has not identified any actual or the potential to cause, adverse impact or discrimination against any protected characteristics. We will continue to consider any potential equality implications as the project progresses.

Stage 2: Full Equality Impact Assessment Report

15. Summarise the likely negative impacts for relevant groups identified in the screening process (Refer to Stage 1, Questions 7-8, start to think about possible alternatives)

Disability – the negative impact would very much depend on the disability. Physical disability could impact the ability to maintain the home, reliance on others to clear condensation for example. Mental health capacity may limit an understanding of mould and damp, its causes and measures to reduce condensation.

16. What consultation/involvement activities have taken place or will need to take place with groups/individuals from each relevant protected characteristic or equality group? (refer back to Stage 1, Question 5)

We have ensured that staff have been trained on the courses of damp and mould and have the ability to share and advise at a level where residents can have an understanding. We have shared best practise on the effects of damp and condensation on our website and tenant's newsletters.

17. What other research has been or will need to be carried out to help you with the assessment?

We will continue to adapt and evolve in line with Awaab's Law. This year will see the implementation of phase 2:

- **excess cold and excess heat**
- **falls associated with baths etc., on level surfaces, on stairs and between levels**
- **structural collapse, and explosions**
- **fire, and electrical hazards**
- **domestic and personal hygiene and food safety**

Again in 2027 when the regulations will extend to all remaining HHSRS hazards (not overcrowding).

18. Results of research/consultation (what does it tell you about the negative impacts?)

Awaab's Law has been consulted across all aspects of the Housing Service, its tenant groups and its external contractors.
This is ongoing, to date there have been no negative impacts. We will continue to monitor the impact of Awaab's Law on the repairs and maintenance service. Arrangements are in place to assess service performance and its impact on

residents and stakeholders on a continuing basis. To date, this work has identified no adverse impacts arising from the delivery of the service. The findings will continue to be reviewed, and any emerging issues will be addressed.

19. Conclusions & Action Planning
You should explain what and how negative impacts have been reduced or removed and how positive impacts are to be improved or included.

Your final decisions or recommendations may include making immediate changes, stopping or proceeding with a new policy, justifying a decision or adding objectives/targets to the service development plan/equality scheme (long term changes).

You could use the template below to record your conclusions/actions. You should also make reference to any additional monitoring or research that is still required, or was not retrievable at the point of assessment, but will be required in subsequent reviews or in order to complete actions.

Impact/Issue	Action/Objective/Target or Justification	Will this remove negative impact?	Resources	Lead Officer & Timescale

20. How will you monitor, evaluate and check the policy in the future?

As Awaab's Law is extended the policy will be checked and updated.

21. When will a review take place?

Late 2026 when phase 2 of Awaab's Law is implemented and again in 2027.

Please complete

We are satisfied that a full impact assessment has been carried out.

Completed by: Barb Wilkins Date: 19.03.26

Role: Repairs Manager

Countersigned by Director/Chief Officer: Date: 30.03.2026

Please keep the signed hard copy with your team for auditing purposes and forward an electronic copy to policy@folkestone-hythe.gov.uk for publication.

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Awaab's Law Overview & Process

Introduction

Awaab's Law will come into force for the social rented sector from **27 October 2025**. From this point FHDC will have to address **all emergency hazards** and **all damp and mould hazards** that present a significant risk of harm to tenants to fixed timeframes.

"Living in hazardous conditions can have a substantial impact on people's health, safety and wellbeing. While many landlords take timely and effective action to address hazards, Awaab's Law serves as a legal backstop for the cases where social landlords are failing to make repairs quickly enough and leaving their tenants at risk."

Awaab's Law also applies to temporary and supported accommodation occupied under a tenancy, that is social housing let by a registered provider. Awaab's Law does not apply to temporary accommodation, supported accommodation, or other housing occupied under a licence.

Awaab's Law does not apply to long leaseholds or other owner-occupied accommodation and low-cost home ownership homes, including shared ownership.

Awaab's Law applies to the types of hazards prescribed by the HHSRS (other than overcrowding) but does not require a full HHSRS assessment. Please see link below for further information:

Assessing the hazards | Folkestone & Hythe District Council

The enforcement of Awaab's Law is also different to the HHSRS. Where a hazard in scope of Awaab's Law is also subject to local council enforcement, social landlords must comply with whichever timeframe for repairs is the shorter.

Requirements on social landlords

The Regulations mean landlords must:

- investigate any potential **emergency hazards** and, if the investigation confirms emergency hazards, undertake relevant safety work as soon as reasonably practicable, both within 24 hours of becoming aware of them
- investigate any potential **significant hazards** within 10 working days of becoming aware of them
- produce a written summary of investigation findings and provide this to the named tenant within 3 working days of the conclusion of the investigation
- undertake relevant safety work within 5 working days of the investigation concluding, if the investigation identifies a significant hazard
- begin, or take steps to begin, any further required works within 5 working days of the investigation concluding, if the investigation identifies a significant or emergency hazard. If steps cannot be taken to begin work in 5 working days this must be done as soon as possible, and work must be physically started within 12 weeks
- satisfactorily complete works within a reasonable time period
- secure the provision of suitable alternative accommodation for the household, at the social landlord's expense, if relevant safety work cannot be completed within specified timeframes

- keep the named tenant updated throughout the process and provide information on how to keep safe

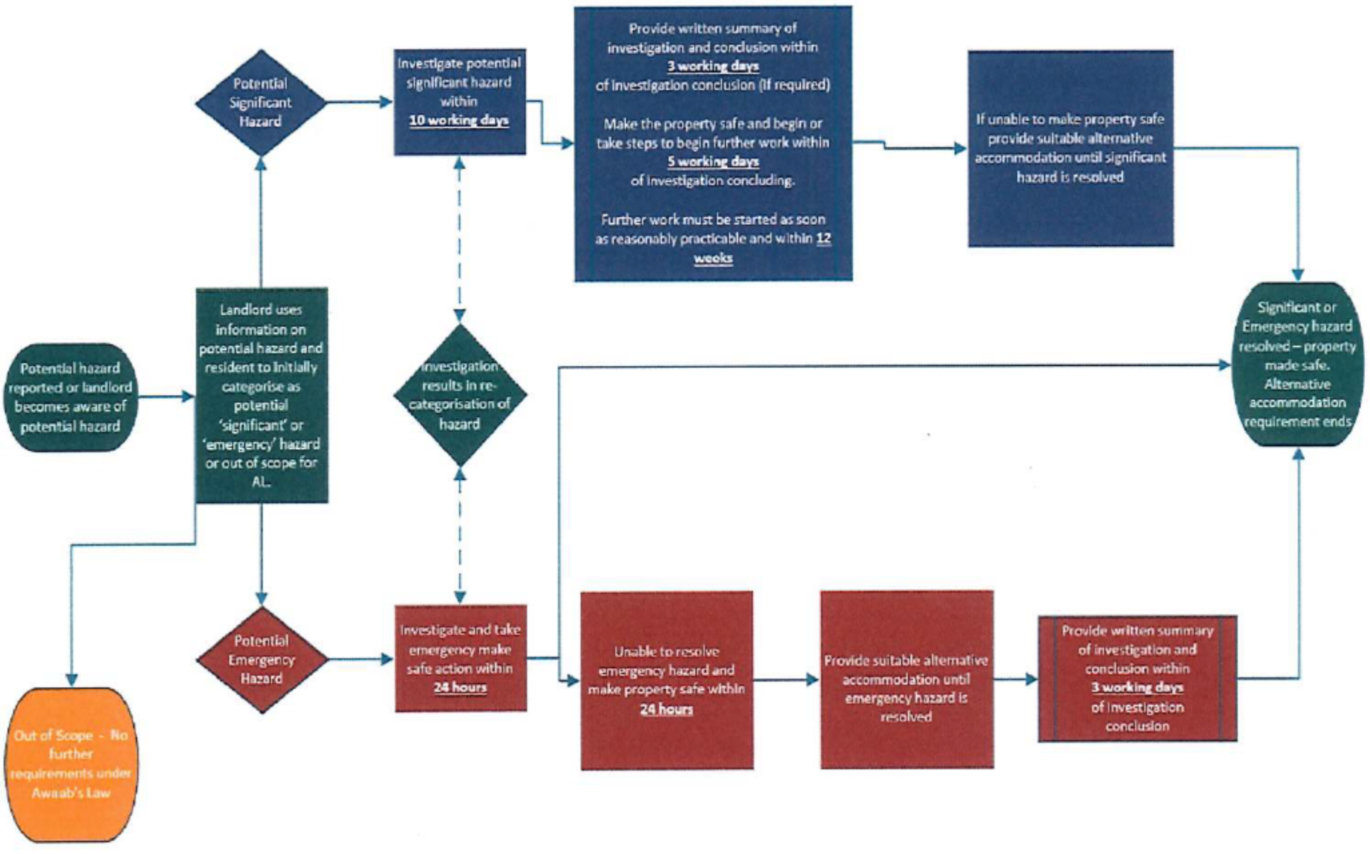
Upon becoming aware of a potential hazard, social landlords should use all available information to initially determine if the hazard is a potential significant or emergency hazard and take steps to complete relevant safety work within stated timeframes.

Under Awaab's Law, social landlords have a defence if they have taken all reasonable steps to comply with the requirements but have been unable to comply for reasons beyond their control (Section 10A(5) of the Landlord and Tenant Act 1985).

Below process chart provides a simplified overview of the process and timeframes under Awaab's Law for addressing significant or emergency hazards. It does not include renewed and further investigations.

Diagram 1 - Awaab's Law Process Flow

Note : Does not include, renewed and further Investigation timeframes



The route a potential hazard will follow:

Route one (blue): Where the social landlord believes there is a significant hazard

<u>Step 1:</u>

A potential hazard is reported, or the landlord becomes aware of a potential hazard. The social landlord reviews available information about the hazard and the resident's circumstances. Based on this, they make an initial assessment to decide whether the issue is a potential '**significant**' or ‘**emergency**’ hazard, or if it falls outside the scope of Awaab’s Law. **This is Day Zero in the Awaab’s Law timeline.**

Step 2:

If a potential significant hazard is identified, the landlord must carry out an investigation within **10 working days**. If the investigation confirms an emergency hazard the landlord should follow the process for emergency hazards, for the purpose of this diagram this is route two.

Step 3:

If the landlord’s investigation (completed within 10 working days) confirms a significant hazard, they must:

- provide a written summary of the investigation and its findings to the resident within **3 working days of the conclusion**
- complete relevant safety works and begin or take steps to begin any further supplementary works to prevent the hazard from reoccurring within **5 working days** of concluding the investigation
- where further supplementary works are required and it is not possible to begin them within 5 working days, the landlord must start these as soon as reasonably practicable and within **12 weeks** of the investigating concluding

If the investigation finds an emergency hazard the landlord should follow the process for emergency hazards, for the purpose of this diagram this is route two.

Step 4:

If the property cannot be made safe, the landlord must offer suitable alternative accommodation until the significant hazard is fully resolved.

Step 5:

The significant hazard is resolved, all required safety works are completed, and the obligation to provide alternative accommodation under Awaab’s Law ends.

Route 2 (red): Where the social landlord believes there is an emergency hazard

Step 1:

A potential hazard is reported, or the landlord becomes aware of a potential hazard. The social landlord reviews available information about the hazard and the resident’s circumstances. Based on this, they make an initial assessment to decide whether the issue is a potential ‘significant’ or ‘emergency’ hazard, or if it falls outside the scope of Awaab’s Law. **This marks day zero in the Awaab’s Law timeline.**

Step 2:

A potential emergency hazard is identified. The landlord must investigate the issue within **24 hours.**

Step 3:

If the landlord’s emergency investigation confirms an emergency hazard, they must:

- complete all relevant safety works and make the property safe within 24 hours

- if the property cannot be made safe within 24 hours, the landlord must offer suitable alternative accommodation until the required safety works are completed
- provide a written summary of the investigation and its findings within 3 working days of the conclusion (if required)

Step 4:

The emergency hazard is resolved, all required safety works are completed, and the obligation to provide alternative accommodation under Awaab's Law ends.

Route 3 (orange): Where the social landlord believes the issue is out of scope of Awaab's Law

Step 1:

A potential hazard is reported, or the landlord becomes aware of a potential hazard. The landlord reviews the information about the potential hazard and the resident's circumstances and determines that the issue is outside the scope of Awaab's Law.

Examples of an emergency hazard:

An emergency hazard is one that poses 'an imminent and significant risk of harm' to the health or safety of the tenant in the social home. An 'imminent and significant risk of harm' is defined as 'a risk of harm to the occupier's health or safety that a reasonable social landlord with the relevant knowledge would take steps to make safe within **24 hours**. This means issues that could cause immediate harm to the health or safety of tenants if not addressed quickly.

Examples of hazards that could be emergency hazards requiring emergency action include, but are not limited to:

- gas leaks
- broken boilers
- total loss of water supply
- electrical hazards such as exposed wiring
- significant leaks
- broken external doors or windows that present a risk to home security
- prevalent damp and/or mould that is having a material impact on a tenant's health, for example their ability to breathe
- significant structural defects or disrepair

Significant hazard

A 'significant hazard' is one that poses a 'significant risk of harm' to the health or safety of a tenant of the social home. A 'significant risk of harm' is defined as 'a risk of harm to the occupier's health or safety that a reasonable lessor with the relevant knowledge would take steps to make safe as a matter of urgency'.

Scope of Awaab's Law

For a hazard to be in scope of the Awaab's Law repair requirements, it must:

a) be a part of buildings or land for which the social landlord is responsible
b) be in the landlord's control to fix
c) not be damage that is a result of breach of contract by the tenant
d) result from defects, disrepair or lack of maintenance
e) be a significant or emergency hazard

Buildings or land for which the landlord is responsible

For Awaab's Law to apply, the hazard must be a deficiency in a building or land that the social landlord is responsible for.

Deficiency is a wide term and covers:

- defects such as a lack of thermal insulation in the structure of the home that leads to excessive mould growth
- disrepair such as a broken window or door that could lead to excess cold
- lack of maintenance such as a deteriorating damp proof course

Addressing a hazard outside of the social landlord's control or responsibility

Hazards are only in scope of Awaab's Law repair requirements if they arise from a deficiency in the social home or other building or land for which the social landlord is responsible. An example such as a noise hazard caused by anti-social behaviour outside the building would therefore not be in scope.

Damage due to breach of contract by the tenant

Hazards that are the result of a breach of contract on the part of the tenant, such as causing deliberate damage to the property, using fixtures and fittings inappropriately (for example blocking ventilation fans), or where the tenant has made alterations to the property (for example removing or replacing internal doors) without consent from the landlord, are not in scope of Awaab's Law.

Timeframes under Awaab's Law begin as soon as the landlord becomes aware of a potential hazard or a material change to a potential hazard.

Types of investigations

Under Awaab's Law there are 4 key types of investigations.

1. Standard investigations – to be carried out within **10 working days** of becoming aware of a potential hazard.
2. Renewed investigations – an in-person inspection after a remote investigation and within **10 working days** of the request.
3. Further investigations - where the standard, emergency or renewed investigation is unable to determine the extent of, or underlying cause of, a significant or emergency hazard. In this circumstance a further investigation must be completed **as soon as reasonably practicable.**
4. Emergency investigations – to be carried out within **24 hours** to confirm whether there is a significant or emergency hazard and must also, if possible, identify the required work to make a property safe and prevent the hazard from recurring.

Our Preparation

Our Asset teams have undertaken training in preparation for Awaab's Law coming into effect. The Repairs and Maintenance (R&M) team already have robust procedures in place for inspecting reports of damp and mould within our properties.

We already utilise Housemark Photobook for surveys and have amended our reporting form which will be shared with our tenants as part of the new protocol for the provision of a written summary. This will also be shared with our contractors Mears.

Our existing contract with Mears already operates to timescales that sit within those determined by Awaab's Law. These are 4 hours, 24 hours, 3 working days and 16 working days. We monitor these as part of the contractual KPI's and they form part of the monthly meeting agenda.

Mears have a dedicated national Damp and Mould team who have amended their in-house system to allow for direct reporting from the operatives whilst in our tenant's homes via their handheld devices. The Property Health Check form consists of 4 questions:

1 – Are there any safety hazards or risks that could impact the resident's health or safety?

2 – Is there anything in the property that requires immediate attention or escalation to the landlord?

3 – Do you notice anything in the property that suggests the resident may struggle with safety, accessibility or maintaining their living conditions?

4 – Are there any visible signs of damp, mould or poor ventilation in the property?

Operatives have received training on the use of the app, what to look for and how to respond.

They have instigated a triage process which all staff have received formal training for. Mears MCM now has a dashboard to allow supervisors and our team to view the progress of orders raised. This will also provide a heat map so we can interrogate issues within certain areas. They have additional reporting cards to be given to tenants to provide an update on further works. Mears also have a designated team of operatives who can attend to mould wash and treat affected areas within 24 hours of reporting.

We have updated our website to allow for direct reporting of damp and mould, please see link below:

What is damp and mould? | My Home for condensation, damp and mould | Folkestone & Hythe District Council

All reports will come through a designated mailbox for action by the R&M team.

Our contractors across all teams have been advised to ensure that they too are compliant with Awaab's Law as not all aspects will necessarily sit within the R&M team, and all are responsible for reporting any concerns whilst attending our properties. Visiting officers from the council are also responsible for reporting any concerns immediately.

For further information please see link below:

Awaab's Law: Draft guidance for social landlords - GOV.UK

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Easy Read: Damp and Mould Policy

This policy explains the Damp and Mould Policy in easy-to-read language.

Purpose of this policy

- We are the landlord for council housing (Housing Revenue Account homes).
- We want your home to be safe, dry, and in good repair.
- We will work with you to stop damp and mould, and to deal with it quickly if it happens.
- Damp and mould can be caused by problems with the building (for example a leak), or by condensation (moist air inside the home).

Who this policy is for (scope)

- This policy is for council homes and shared communal areas that we own and manage.
- It does not usually cover damp and mould inside leasehold flats, unless the cause is something we are responsible for repairing (for example the roof, outside walls, shared pipes, or communal areas).
- This policy is for all Council staff and contractors who work on our homes.

Laws and rules we follow

- We must keep council homes safe and fit to live in.
- We must do some repairs by law.
- We follow Awaab's Law (rules about investigating and fixing serious damp and mould problems within set times).
- We also follow national guidance from housing regulators and the Housing Ombudsman.

Responsibilities (who does what)

What we will do

- Repair and look after the structure of our council homes and shared parts (for example roofs, outside walls, shared areas).
- Treat you with respect and take your report seriously.
- Make it clear how to report repairs.
- Keep records of damp and mould reports and use them to improve our service.

What tenants should do

Tenants should: report damp or mould quickly; report leaks and broken heating/windows/fans; heat and ventilate the home as well as possible (aim for about 18 to 20°C if you can); use extractor fans and keep vents open; open windows for a short time when cooking or showering; wipe water from windows and sills; follow our advice online; let us and our contractors in to inspect and do repairs; and tell us if you need extra support.

Leaseholders

Leaseholders are responsible for looking after the inside of their home. If you think damp or mould is caused by something the Council must repair (for example the roof, outside walls, shared pipes, or a building defect), report it to us.

Damage to belongings (personal claims) and insurance

- We are not usually responsible for damage to your belongings if damp or mould was not reported to us.
- This can include items like carpets, furniture, and electrical items.
- We recommend you have contents insurance to protect your belongings.
- Information about the Council's contents insurance scheme is later in this document.

What happens when you report damp or mould

Step 1: We assess the risk

- We will decide how urgent the problem is.
- Some cases are an **emergency** (very serious and needs urgent action).
- Some cases are a **significant hazard** (serious and needs prompt action).

Step 2: Investigation and safety work (timescales)

- **Emergency:** we will investigate and (if needed) do safety work within **24 hours** of becoming aware.
- **Significant hazard:** we will investigate within **10 working days** of becoming aware.
- We will give you a **written summary** of what we found within **3 working days** after the investigation ends.
- If we find a significant hazard, we will do the safety work within **5 working days** after the investigation ends.
- If more work is needed to stop the problem coming back, we will start it as soon as possible. If it cannot start within 5 working days, it must start within **12 weeks**.
- If we cannot keep you safe in your home while we do the work, we will look at suitable temporary accommodation.
- We will keep you updated and explain what you can do to stay safe.

Step 3: Fixing the cause

We will find and fix the root cause (the real reason) for the damp or mould. We may arrange an immediate mould clean ("mould wash") while longer repairs are planned. We will raise repair orders with our contractors. In some homes we may install monitors to help understand temperature and humidity, and some residents may use an app that gives alerts.

Different types of damp (simple guide)

- **Condensation:** water forms when warm air hits a cold surface (often windows and cold walls). This is the most common cause of mould.
- **Penetrating damp:** water gets in from outside (for example damaged roof, gutters, brickwork, or gaps around windows).
- **Rising damp:** moisture from the ground moves up into walls or floors.
- **Traumatic damp:** sudden water leaks inside the home (for example burst pipes or overflowing baths/sinks) or flooding.

Health and safety

- Mould can affect health. Some people may get symptoms like coughs, sneezing, itchy eyes, skin rashes, dizziness, or nausea.

- It can be worse for children, older people, and people with breathing problems or a weakened immune system.
- If you are worried about your health, contact a healthcare professional.

Preventing damp and mould in our homes

- Some homes are more likely to get damp and mould because of their age, design, or how well they keep heat in.
- We do planned maintenance and repairs (for example roofs, gutters, pipes) to help prevent problems.
- We carry out regular home condition surveys.
- We are improving some homes through energy efficiency and retrofit work (to help homes stay warmer and reduce condensation).

Reviewing this policy

We review this policy every year. We may also update it sooner if laws or good practice change. A formal review takes place every 3 years.

Equality and fairness

- We aim to treat everyone fairly and consistently.
- We will consider individual needs, including disability and mental health, when giving advice and support.
- We have checked this policy for equality impacts and did not find issues that would unfairly disadvantage people.

Getting help and advice

If you are worried about damp or mould, report it to us as soon as you can using our usual repairs reporting routes. You can also read our advice online about condensation, damp and mould here: What is damp and mould? | My Home for condensation, damp and mould | Folkestone & Hythe District Council.

If you feel unwell and think it may be linked to damp or mould, contact a healthcare professional.

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This Report will be made public on 16 June 2026

Report Number **C/26/09**

To:	**Cabinet**
Date:	**24th June 2026**
Status:	**Key decision**
Responsible Officer:	**Kerry Petts, Private Sector Housing Manager**
Cabinet Member:	**Cllr Rebecca Shoob**

SUBJECT: PRIVATE SECTOR HOUSING CIVIL PENALTY POLICY AND CPN GENERATOR

SUMMARY: This report seeks approval to adopt the Association of Chief Environmental Health Officers (ACEHO) Civil Penalty Enforcement Policy and to enter into an agreement with Justice for Tenants (JfT) to use their Civil Penalty Notice (CPN) Generator. This will enable the Council to fully enforce the new provisions under the Renters' Rights Act 2025 and continue to effectively discharge our existing housing enforcement duties.

REASONS FOR RECOMMENDATIONS:

The council is under a statutory duty to consider issuing civil penalties in relation to housing-related breaches and offences. New statutory guidance published following the enactment of the Renters' Rights Act 2025 amends the current suggested approach to imposing the civil penalties and provides guidance on the newly introduced breaches and offences. The council's existing civil penalty policy became redundant on 1st May 2026 and requires renewal.

The council must adopt a new policy, which must have regard to the new statutory guidance. To align with most local housing authorities in England, and to promote consistency, the council proposes to adopt the model civil penalty policy published by the Association of Chief Environmental Health Officers (ACEHO). At a recent meeting, it was reported that all other local authorities in Kent have agreed, in principle, to propose adopting the model policy.

RECOMMENDATIONS:

1. **To receive and note report C/26/09.**
2. **Agree to adoption of the proposed "Policy for civil penalties under the Renters' Rights Act 2025 and other housing legislation" annexed to this report**
3. **Agree to enter into the contract with Justice for Tenants to enable installation and use of the Civil Penalty Notice Generator.**

4. **Agree that Cabinet delegates authority to the Director of Housing and Operations, in consultation with the Portfolio Holder for Housing, to approve additions and amendments to the policy as further provisions of the Renters' Rights Act come into force.**
5. **Agree to make minor amendments to the published fees and charges for 2026/27 to reflect the increase in maximum penalty charges for housing offences since the Renters' Rights Act came into force on 1st May 2026.**

1. BACKGROUND

1.1 The Renters' Rights Act 2025 ("the Act") places new responsibilities on landlords and imposes a wide range of mandatory enforcement duties on local housing authorities to ensure compliance with the new legislative requirements. In summary, the Act will:

- Abolish section 21 no-fault evictions;
- Create a Private Rented Sector Database (a form of mandatory national landlord register);
- Introduce a new Private Rented Sector Landlord Ombudsman;
- Apply the Decent Homes Standard to the private rented sector;
- Make it illegal for landlords and agents to discriminate against prospective tenants in receipt of benefits or with children;
- End the practice of rental bidding by prohibiting landlords and agents from asking for or accepting offers above the advertised rent;
- Strengthen local authority enforcement;
- Strengthen rent repayment orders.

1.2 While some new enforcement capabilities were brought into force on 27th December 2025, many of the provisions relating to tenancy rights came into force on 1st May 2026, when section 21 no-fault evictions were banned for existing and new tenants. Many new tenancy-related breaches and offences, punishable by a civil penalty of up to £40,000 were introduced. Civil penalties of up to £40,000 for unlawful evictions and harassment were also introduced as an alternative to prosecution for the first time. Current civil penalties relating to poor housing conditions were also increased on 1st May 2026 from a maximum of £30,000 to £40,000.

1.3 The Act also introduces a new civil penalty breach of up to £7,000 relating to homes which contain a Category 1 hazard that could reasonably have been resolved before the council first became aware of the hazard. The date when this provision comes into force has not been confirmed, but it is expected to be later this year.

1.4 The council will also be required to ensure that all relevant landlords register with the PRS Database and become members of an approved PRS Landlord Ombudsman scheme. Civil penalties relating to these requirements are expected to be introduced in 2027 and 2028 respectively.

1.5 Without updated policies, there is a risk of inconsistent enforcement, legal challenge to decisions and reduced ability to demonstrate compliance with statutory guidance and best practice. Renewing the policy is essential to ensure the Council can meet its statutory obligations as of 1st May 2026 and support successful outcomes at appeals.

1.6 The CPN Policy and the new PSH Enforcement Policy will be separate documents in future. The new PSH enforcement policy is currently being written and will be brought to Overview and Scrutiny and Cabinet by Autumn 2026.

1.7 The Council's current Private Sector Housing Enforcement Policy was developed within a regulatory framework where local authorities retained broad discretion to resolve non-compliance through informal or advisory action, reflecting the principles of the Regulators' Code. The Renters' Rights Act represents a fundamental shift from that position. Section 107 places a statutory duty on local housing authorities to enforce landlord legislation, altering the balance between informal action and formal enforcement. Where breaches of the defined 'landlord legislation' are identified, the Council must now actively consider enforcement action to meet this duty, rather than considering advice or informal resolution in the first instance.

1.8 It is imperative that the council adopt a new Civil Penalty policy as soon as possible to ensure that it fully meets the requirements of the Renters' Rights Act. Once the new policy is approved the council will be able to enforce all the new provisions.

2.0 The ACEHO Policy and CPN generator

2.1 The Ministry of Housing, Communities and Local Government (MHCLG) has been funding a national project team named Operation Jigsaw ("Jigsaw") to help local authorities introduce and enforce the Act. Thanet District Council's Private Sector Housing Manager has been coordinating proposals in Kent, in his capacity as the Chair of the Kent Housing Technical Group and member of the Jigsaw SE Regional Chairs group.

2.2 Most Kent councils have been waiting for Jigsaw to publish a promised model civil penalty policy, which they have now done. While the model policy has been shared and promoted by Jigsaw, it was ultimately published by the Association of Chief Environmental Health Officers (ACEHO). At a recent meeting, the other 12 local authorities in Kent agreed, in principle, to propose adopting the model policy.

2.3 The model policy is an exact replica of a policy published by Justice for Tenants (JfT), a not-for-profit organisation that is supporting councils in imposing civil penalties in the housing sector. JfT offers free services to councils (up to a value of £2,000) and offers free software to assist in streamlining the process of imposing civil penalties. Some 165 councils in England have already signed up to the JfT policy and a new large cohort will be adopting the ACEHO's version. Based on current adoptions and proposals to adopt, JfT estimates that at least 210 local housing authorities will be using the model policy by the end of the year.

2.4 The CPN generator is provided by JfT and is a computer application which allows the officer to populate an online form with all the necessary details and evidence. Once all of the information has been added, the generator automatically puts together the notice of intent for service on the landlord and/or agent. The generator also follows through to final notice stages prompting the officer to follow the necessary checks and procedures for correct service.

2.5 JfT also provide other legal services and advice including support for tenants with Rent Repayment Orders, legal representation at appeals and debt recovery. These services are included within the contract, but councils are not obliged to use them. Should any of these services need to be used, the team can use civil penalty income already accrued to pay for these services on an adhoc basis. The contract will be registered on the contract register even though levels of spending are anticipated to be zero or well under contract standing orders thresholds. Provision and use of the CPN generator is free. Currently, the team aims to use internal legal and debt recovery mechanisms and would only seek to review this should the demand placed on those internal services become unmanageable.

2.6 The option to not adopt a policy is unavailable, owing to the statutory responsibilities of the council as a local housing authority. The only alternative is for the council to develop and publish its own civil penalty policy; however, that would promote inconsistency with other councils both regionally and nationally. Furthermore, there appears to be no obvious benefit to creating a unique policy and it would be open to increased scrutiny at tribunal hearings.

2.7 In preparation for 1st May 2026, the Private Sector Housing team created a new role of Tenancy Enforcement Officer. An officer has been in post since 9th March 2026 and has been preparing to enforce the tenancy rights aspects of the Act.

2.8 The ACEHO have also published a model Housing Authority Enforcement Policy, but this only covers certain duties and powers under the Renters' Rights Act 2025 and S3 of Housing Act 2004. A new Private Sector Housing Enforcement Policy covering all aspects of PSH work and incorporating the ACEHO model policy specifics is being written and will be proposed for adopting in Autumn 2026.

2.9 The ACEHO are also in the process of publishing a debt recovery policy to go alongside the civil penalty policy. Once released the PSH Manager and Corporate Debt Manager can consider its adoption or aspects of it to incorporate into existing debt recovery policies. This may also include consideration of using discretion around payment plans in certain circumstances.

2.10 If agreed the civil penalty policy will be published on the council's website and summarised on the main Renters' Rights page. It will also be introduced at the next landlord engagement event jointly with Dover District Council. If appropriate attention can be drawn to it through landlord mailouts and social media messaging. Agreement from Cabinet is sought to amend our fees and charges entry on the website to reflect the new maximum charge amounts for the remainder of this financial year onwards rather than take a separate report through finance committee.

3. RISK MANAGEMENT ISSUES

3.1 A summary of the perceived risks if this policy is not adopted are as follows:

Perceived risk	Seriousness	Likelihood	Preventative Action
Policies will not adequately reflect the statutory duty to enforce under section 107 There will be an ongoing risk of inconsistency across England and for landlords who have properties spanning more than one district. There will be reduced clarity for officers, landlords and tenants. There could be reputational risk for ineffectively implementing the Renters' Rights Act.	High	Medium	Adopt the ACEHO model policy to ensure alignment and consistency nationally and regionally. The ACEHO policy reflects the provisions of Section 107, the government guidance and the sentencing guidance.
The expanded use of civil penalties under the Renters' Rights Act may lead to an increase in representations, appeals, and non-payment of penalties, particularly during the early stages of implementation. There will be a higher likelihood of legal challenge and policy failure under scrutiny if the council writes its own policy.	High	Medium	A clear civil penalty methodology, consistent enforcement approach, and alignment with emerging best practice, including the development of a dedicated civil penalty debt recovery framework, will support effective recovery and reduce the risk of protracted disputes. The policy framework has been developed with regard to decisions made at court, the First-tier and Upper-tier Tribunals.
The enhanced Enforcement			Clear policies will streamline decision-

expectations under the Renters' Rights Act will place additional pressure on officer capacity, particularly during the initial implementation phase.			making, reduce rework, and support more efficient enforcement activity. The CPN generator will cut notice production down to approximately 15 minutes per notice (as opposed to approximately one hour).

4. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

4.1 **Legal Officer's Comments (KP) -** The Council is under a statutory duty to have regard to the updated enforcement framework introduced by the Renter's Rights Act 2025. Local Authorities have a mandatory duty to enforce new landlord legislation which moves away from discretionary enforcement to proactive compliance. The Councils existing policy is no longer fit for purpose and requires updating to ensure decisions are lawful, consistent and able to withstand appeal or legal challenge.

The proposed contract with Justice for Tenants for the use of the Civil Penalty Notice Generator is lawful subject to compliance with any procurement requirements, data protection legislation and appropriate contractual safeguards.

The proposals set out in this report will support compliance with legislation (and statutory guidance) and provide transparency in decision making whilst promoting consistency with enforcement undertaken by other local authorities.

4.2 **Finance Officer's Comments (SO) -** There are no additional financial implications arising from adoption of the policy. The CPN Generator will be implemented using existing resources and is expected to improve efficiency by reducing officer time required to calculate and process civil penalties.

4.3 **Diversities and Equalities Implications (AH) -** The proposed policy has a neutral effect on most protected characteristics; however, beneficial impacts have been identified for age, disability, and socio-economic disadvantage. In summary, robust enforcement and the imposition of civil penalties will promote improvements in the rented sector, particularly at the lower end of the market where those with limited housing choices may reside. Such action will improve tenancy security and housing conditions for many, but those with the protected characteristics highlighted above will benefit in particular.

4.4 **Climate Change Implications (JWi) -** the proposed policy has indirect positive impacts. More robust enforcement could drive repairs and upgrades (insulation, ventilation, efficient heating), which would support lower energy use and emissions/bill reductions and increase climate resilience by reducing damp/mould and overheating risks to residents.

5. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

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

Kerry Petts, Private Sector Housing Manager
Telephone: 01303 853520
Email: Kerry.petts@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: Policy for Civil Penalties under the Renters' Rights Act and other Housing Legislation (paragraphs highlighted in yellow for ease of identification of additions to the ACEHO model. The yellow highlight will be removed in the published version).

Folkestone and Hythe District Council

Policy for civil penalties under the Renters' Rights Act 2025 and other housing legislation

01 May 2026

Contents

Policy statement

1. This policy provides a clear and transparent framework for issuing a wide range of civil penalties of up to £40,000 under the Renters' Rights Act 2025, Housing Acts 1988 and 2004, Housing and Planning Act 2016, Protection from Eviction Act 1977 and The Electrical Safety Standards in the Private Rented Sector and Social Rented Sector (England) Regulations 2020.

2. The council must publish a civil penalty policy to comply with statutory guidance. It applies to both civil breaches, and criminal offences when a civil penalty can be issued as an alternative to prosecution. The primary purpose of the policy is to ensure that those who fail to meet their legal obligations to protect tenants' rights and safety are duly punished. It will also act as a deterrent to prevent other such offending behaviour.

Scope

3. The civil penalties covered by this policy are set out below:

Protection from Eviction Act 1977

4. The Renters' Rights Act 2025 amends the Protection from Eviction Act 1977 to allow local housing authorities to impose civil penalties as an alternative to prosecution. The offences relate to unlawful eviction and harassment, and the maximum penalty that can be imposed is £40,000.

Housing Act 1988

5. The Renters' Rights Act 2025 amends the Housing Act 1988 to provide for a range of civil penalties relating to tenancy rights. These primarily relate to the ban on section 21 "no-fault" evictions and the move to periodic assured tenancies. There are new civil breaches for which the maximum penalty amount is £7,000. Certain failures to comply with the law are criminal offences and they are subject to a maximum penalty of £40,000.

Housing and Planning Act 2016

6. Local housing authorities may impose civil penalties as an alternative to prosecution when a banning order has been breached. A banning order is an order that prevents someone from renting out a property and/or engaging in letting agency work and/or engaging in property management work. The maximum penalty was £30,000; however, the Renters' Rights Act 2025 has increased that amount to £40,000.

Renters' Rights Act 2025

7. The Renters' Rights Act 2025 has introduced new civil penalties of up to £7,000 for breaches relating to the failure to state rent and avoid rental bidding, and discrimination in the lettings process against benefit status and households with children.

The Electrical Safety Standards in the Private Rented Sector and Social Rented Sector (England) Regulations 2020

8. Local housing authorities may impose civil penalties for breaches of electrical safety requirements in the private and social rented sector. These primarily relate to the duties of landlords to undertake routine inspection and testing, and to keep electrical

installations in a safe condition. The above-mentioned regulations were amended in 2025 to increase the maximum penalty amount from £30,000 to £40,000.

Housing Act 2004

9. Local housing authorities may impose civil penalties as an alternative to prosecution for a range of offences in relation to housing conditions, management and licensing provisions. The maximum penalty was £30,000; however, the Renters' Rights Act 2025 has increased that amount to £40,000.

Audience

10. This policy is relevant to anyone involved with or interested in rented accommodation. It will be of particular interest to private landlords, property managers, letting agents, private and social tenants, and local authority enforcement officers. If an appeal is made against a civil penalty imposed under this policy, any tribunal or court that hears the appeal will need to have regard to this policy.

Purpose of policy

11. Local housing authorities are required to develop and publish their own policy on how to determine the appropriate level of any civil penalty it imposes. To comply with statutory guidance, the council must adopt a policy which takes into account a range of factors to help it determine the sum imposed. These factors are:

- Severity of the offence;
- Culpability and track record of the offender;
- The harm caused;
- Punishment of the offender;
- Deter the offender from repeating the offence;
- Deter others from committing similar offences;
- Remove any financial benefit the offender may have obtained as a result of committing the offence.

12. The purpose of this policy is therefore to set a clear and transparent framework that the council can use to impose civil penalties, having regard to the factors set out above.

The decision to prosecute or impose a civil penalty

13. Once the council has established, beyond reasonable doubt, that an offence has occurred and that it is in the public interest to take enforcement action, it must first decide whether to prosecute or to impose a civil penalty.

14. Each offence identified will be assessed on a case-by-case basis. However, the starting position is that the council will usually seek to impose a civil penalty for an offence, unless there are circumstances relating to the offence that support pursuing

a criminal prosecution instead. In particular, the council may choose to prosecute an offence if it is of a particularly serious nature. Furthermore, the imposition of a civil penalty may not constitute a sanction of sufficient severity for some offences, as the policy is constrained by the statutory maximum of £40,000. If the council is of the opinion that an offence is of such a serious nature that it warrants a more significant financial sanction than that which could be imposed by this policy, it will normally seek to prosecute the offender(s).

15. Offences under the Protection from Eviction Act 1977 and breaches of banning orders can lead to significant consequences for offenders upon conviction. The council will therefore give careful consideration to the option of prosecution in such cases, as the courts have the power to impose a prison sentence for such offending. This may be appropriate in the most serious cases.

16. Prosecution may also be an appropriate course of action when an offender has committed the same offence on more than one occasion. Preventing reoffending is an important consideration and a successful prosecution resulting in a criminal record might be a more significant deterrent in some circumstances.

17. There may be other situations in which prosecution may be the most appropriate sanction. Accordingly, the council will carefully review the merits of prosecution for each offence before making a final decision on an appropriate sanction. Once the council has determined that the appropriate sanction for an offence is a civil penalty, it will apply this policy.

18. The council cannot impose a civil penalty and prosecute for the same offence. If a person has been convicted (or acquitted) or is currently being prosecuted, the council cannot impose a civil penalty in respect of the same offence. Conversely, if a civil penalty has been imposed, a person cannot then be convicted for the same offence.

Adoption of ACEHO model policy

19. The Renters' Rights Act 2025 and associated statutory guidance has made fundamental changes to the council's duties in relation to civil penalties. It introduces new sanctions, both breaches and criminal offences, and changes how the council must impose the civil penalties that were previously available.

20. The council has decided to adopt a civil penalty policy that has been published and made available by the Association of Chief Environmental Health Officers (ACEHO). More than half of the local housing authorities in England have adopted a similar policy and more are expected to do so. By adopting the ACEHO policy, the council will be aligned with most other local housing authorities in England.

21. The model ACEHO civil penalty policy, as adopted by the council, is set out on the following pages. It applies to all relevant breaches and offences that occur on or after 01 May 2026.

Civil penalties under the Renters' Rights Act 2025 and other housing legislation

22. This policy applies once the Council has made a decision to commence civil penalty proceedings.

23. In this policy, the term ‘landlord’ should be read as including letting agents, managing agents, licensors, property owners, corporate landlords, directors of corporate landlords, registered providers of social housing and any other person involved in the letting or management of accommodation.

24. In this policy, the term ‘corporate landlord’ should be read as referring to a body corporate that meets the definition of ‘landlord’ above.

25. In this policy, the terms ‘House in Multiple Occupation’ or ‘HMO’ are defined by the Housing Act 2004.

26. The following breaches are subject to a civil penalty with a statutory maximum of £7,000:

- Failure to give a written statement of terms and any other prescribed information under section 16D of the Housing Act 1988;
- Attempting to let a property for a fixed term under section 16E of the Housing Act 1988;
- Attempting to end a tenancy by service of a notice to quit under section 16E of the Housing Act 1988;
- Attempting to end a tenancy orally or requiring that it is ended orally under section 16E of the Housing Act 1988;
- Serving an eviction notice that attempts to end a tenancy outside the prescribed section 8 process under section 16E of the Housing Act 1988;
- Relying on a ground where the landlord does not reasonably believe that the landlord is/will be able to obtain possession under section 16E of the Housing Act 1988;
- Failing to provide a tenant with prior notice that a ground which requires it may be used under section 16E of the Housing Act 1988;
- Failure to give an existing tenant prescribed information about changes made by the Renters’ Rights Act 2025 in the prescribed form and timeframe under paragraph 7(2) of schedule 6 to the Renters’ Rights Act 2025;
- Discrimination relating to children in the lettings process under section 33 of the Renters’ Rights Act 2025;
- Discrimination relating to benefits in the lettings process under section 34 of the Renters’ Rights Act 2025;
- Failure to specify proposed rent within a written advertisement or offer under section 56 of the Renters’ Rights Act 2025;
- Inviting, encouraging or accepting any offer of rent greater than the stated rate under section 56 of the Renters’ Rights Act 2025.

27. The following breaches are subject to a civil penalty with a statutory maximum of £40,000:

- Breach of duty under Regulation 3, 3B, 3C, and 3D of The Electrical Safety Standards in the Private Rented Sector and Social Rented Sector (England) Regulations 2020.

28. The following offences are subject to a civil penalty with a statutory maximum of £40,000:

- Unlawful eviction and harassment of occupier under section 1 of the Protection from Eviction Act 1977;
- Continuation of conduct subject to a relevant penalty (under s.16I or s.16K Housing Act 1988) after the 28-day period (or, if appealed, after conclusion of the appeal) where the final notice has not been withdrawn under section 16J of the Housing Act 1988;
- Conduct giving rise to liability under s.16I, where within the preceding five years the landlord has either (i) had a relevant penalty (under s.16I or s.16K Housing Act 1988) imposed for different conduct and the final notice has not been withdrawn, or (ii) been convicted under s.16J for different conduct under section 16(J) of the Housing Act 1988;
- Relying on a ground knowing the landlord would not be able to obtain possession or being reckless as to whether they would under section 16J of the Housing Act 1988;
- Breach of restrictions relating to reletting (s16(E)(2) Housing Act 1988) or remarketing (s16(E)(3) Housing Act 1988) a property within restricted period after using Grounds 1 or 1A of Schedule 2 Housing Act 1988 under section 16J of the Housing Act 1988;
- Breach of a banning order under section 21 of the Housing and Planning Act 2016;
- Failure to comply with an Improvement Notice under section 30 of the Housing Act 2004;
- Contravention of an overcrowding notice under section 139 of the Housing Act 2004;
- Failure to obtain a selective licence under section 95 of the Housing Act 2004;
- Failure to obtain an HMO licence under section 72 of the Housing Act 2004;
- Knowingly permitting over-occupation of an HMO under section 72 of the Housing Act 2004;
- Failure to comply with management regulations in respect of HMOs under section 234 of the Housing Act 2004;
- Failure to comply with HMO licence conditions under section 72 of the Housing Act 2004;

29. If a landlord has committed multiple breaches or offences, a separate civil penalty can, and usually will, be imposed for each breach and offence. In each case, the level of any civil penalty imposed will be determined in accordance with this policy.

30. If multiple landlords have committed the same breach or offence at the same property, a separate civil penalty can, and usually will, be imposed on each offender. In each case, the level of civil penalty imposed on each offender will be in accordance with this policy.

31. This policy outlines the Council's methodology and mechanism for assessing and setting the level of a civil penalty at all stages where a civil penalty is under consideration, including the preparation of a notice of intent, and where a final decision has been made to impose a civil penalty.

32. When applying the civil penalties matrix, interim calculations at individual stages may result in figures that exceed the statutory maximum. Where the final amount reached following application of all relevant steps exceeds the statutory maximum, the civil penalty will be reduced to the applicable statutory maximum.

33. The Council considers the need for transparency and consistency to be of primary importance to ensure fairness in the discharge of its functions. The general objective of this policy is, therefore, to promote both transparency and consistency in the imposition of financial penalties so that those involved in the letting or management of accommodation (a) know how the Council will generally penalise relevant breaches and offences and (b) are assured that, generally, like cases will be penalised similarly, and different cases penalised differently.

34. The Council recognises that, despite its best efforts, landlords may operate unlawfully for a significant period without detection, and that only a proportion of those committing relevant breaches and offences will be identified. Accordingly, the Council seeks to ensure that civil penalties are set at a level that makes it clear to the landlord concerned and to others that operating unlawfully as a landlord is financially disadvantageous when compared to operating lawfully.

35. The Council has a duty to act fairly, transparently and consistently when assessing civil penalties. To maintain fairness between all landlords, the Council will not give weight to claims advanced as factors that might reduce the amount of a civil penalty unless those claims are supported by evidence that the Council reasonably considers to be relevant, reliable, credible, and sufficient in scope and detail to enable proper assessment of the claim, having regard to the nature of the claim, the information ordinarily available to the landlord, and the need for consistent and fair decision-making. Allowing inadequately evidenced assertions to influence outcomes would risk rewarding those who provide incomplete or misleading information and would create an unfair advantage over landlords who provide a full and properly evidenced account. Accordingly, the Council expects landlords against whom a civil penalty is being considered to provide all documents and records that would ordinarily exist if their

account were accurate. Where such evidence is not provided, and no explanation that the Council considers adequate is given, the Council may draw an adverse inference.

36. Where claims are advanced without sufficient supporting evidence, the Council may request specified supporting material before determining whether to issue a final notice or whether any mitigation has been sufficiently evidenced so as to justify a lower civil penalty.

37. The further objectives of using financial penalties in particular as a means of enforcing the above breaches and offences are explained below.

Statutory Guidance

38. The Government has issued statutory guidance entitled “Civil penalties under the Renters' Rights Act 2025 and other housing legislation”. The Council has regard to this guidance in the exercise of their functions in respect of civil penalties.

39. The Council has considered the following factors in developing this civil penalty policy to help ensure that the civil penalty is set at an appropriate level.

- **Severity of the breach or offence.** The more serious the breach or offence, the higher the penalty should be.
- **Culpability and track record of the offender.** A higher penalty will be appropriate where the offender has a history of failing to comply with their obligations and/or their actions were deliberate and/or they knew, or ought to have known, that they were in breach of their legal responsibilities.
- **The harm caused to the tenant.** This is a very important factor when determining the level of penalty. The greater the actual harm or the potential for harm, principally to the tenant but also potentially the local community, the higher the penalty should be.
- **Punishment of the offender.** The penalty should, in a way that is fair, both punish the offender and demonstrate the consequences of not complying with their responsibilities.
- **Deter the offender from repeating breaches or offences.** The ultimate goal is to prevent any further offending and help ensure that the offender fully complies with all of their legal responsibilities in future. The level of the penalty should therefore be set at a level that it is likely to have a very significant deterrent effect.
- **Deter others from committing similar breaches or offences.** While the fact that someone has received a civil penalty may not be in the public domain, the civil penalty policy itself will be and local authorities should consider how their formal enforcement activity can be effectively publicised.
- An important part of deterrence is the realisation on the part of landlords that the local housing authority is proactive in levying civil penalties where the need to do so exists and the civil penalty will be set at a high enough level such that operating lawfully will be the sensible financial choice.

- **Remove any financial benefit the offender may have obtained as a result of committing the breach or offence.** The principle here is that it should not be in the offender's financial interest to commit a breach or offence rather than comply, for example that the penalty for breaching licensing conditions in respect of occupancy of a property is less than the additional rent received as a result of the over-crowding. The absence of any financial benefit to the landlord does not mean though that the penalty should be reduced.

Civil Penalties Matrix

40. In determining the level of a civil penalty, officers will have regard to the matrix set out below. The matrix consists of the following sequential steps:

1. Determining the starting point based on the seriousness of the breach or offence;
2. Adjustment for factors relating to the type of landlord; size and type of portfolio controlled, owned or managed; experience of the landlord ("Landlord Type");
3. Mitigating and aggravating factors the Council deems significant including, but not limited to, factors relating to the track record and culpability of the landlord and the actual or potential harm to the occupants.
4. Financial considerations;
5. Applying the totality principle.

Starting point based of seriousness of the breach or offence

41. The Ministry of Housing, Communities & Local Government has provided statutory guidance that prescribes starting points for all breaches and offences based on the seriousness of the breach or offence. The exception to this prescription is for breaches of licensing conditions under sections 72(3) and 95(2) of the Housing Act 2004, where the Council has determined its own starting levels based on the seriousness of the specific licence condition or type of licence condition that has not been complied with.

Adjustment for factors relating to the type of landlord; size and type of portfolio controlled, owned or managed; experience of the landlord ("Landlord Type")

42. While all landlords are expected to comply fully with their legal obligations, the Council considers that a higher standard of professionalism and regulatory awareness is reasonably expected of landlords who operate at greater scale, who have greater experience, or who are involved in more complex forms of letting. Where such landlords fail to comply with their obligations, this will ordinarily justify a higher civil penalty.

43. In particular, a higher degree of professionalism is expected of landlords who:

- Control, own, or manage a significant portfolio of properties;

- Have significant experience in the letting or management of property;
- Are or have been involved in the letting or management of Houses in Multiple Occupation (HMOs);
- Are corporate landlords; or
- Are or have been directors of corporate landlords.

44. An upward adjustment of 20% of the applicable starting point will be applied where the landlord meets any one or more of the following criteria:

- The landlord has, at any point in time, controlled, owned, or managed six or more properties. These properties need not have been held concurrently or at the time civil penalty proceedings are brought;
- The landlord has, at any point in time, controlled, owned, or managed three or more properties that operated as HMOs, whether or not concurrently;
- The landlord is, or has previously been, a director of a corporate landlord.
- The landlord is a corporate landlord;
- The landlord has, in the Council's assessment and by reference to the available evidence, significant experience in the letting or management of property.

45. A downward adjustment of 20% of the applicable starting point will be applied only where all of the following criteria are met:

- The landlord has, at any point in time, controlled, owned, or managed no more than two properties;
- The landlord has controlled, owned, or managed no more than one property that has operated as an HMO, at any point in time;
- The landlord has, in the Council's assessment and by reference to the available evidence, very limited experience in the letting or management of property.

Mitigating and aggravating factors the Council deems significant including, but not limited to, factors relating to the track record and culpability of the landlord and the actual or potential harm to the occupants

46. To promote fairness and consistency in the administration of civil penalties, the Council will apply a structured and consistent framework when determining the extent to which mitigating and aggravating factors affect the quantum of any civil penalty.

General approach

47. Each breach or offence may have offence-specific mitigating and/or aggravating factors, which will be considered alongside the generic factors set out below.

48. Where multiple civil penalties are issued under this policy against the same landlord at the same time, and except where expressly stated otherwise, mitigating and aggravating factors will be considered and applied separately to each civil penalty when determining the quantum of each penalty.

Mitigating factors

49. The Council may reduce the level of a civil penalty by up to 20% of the applicable starting point to reflect the presence of mitigating factors.

50. Only in exceptional circumstances may the Council depart from the application of this policy in respect of mitigating factors and apply a reduction in excess of 20%. Exceptional circumstances are rare and unusual and are not established merely by the presence of multiple mitigating factors.

51. Within the framework of this policy, the Council has not sought to provide an exhaustive list of mitigating factors, recognising that a wide range of circumstances may potentially give rise to mitigation. However, the following generic mitigating factors will be considered in respect of each breach or offence:

Steps taken to remedy the basis of the breach or offence

52. Non-exhaustive examples include:

- Promptly remedying all elements of the breach or offence after receiving communication from the Council;
- Promptly remedying all the significant elements of the breach or offence leaving only less significant elements of the breach or offence.

A high level of cooperation

53. Non-exhaustive examples include:

- Proactive provision of significant information the Council reasonably considers relevant beyond that required by statutory notice.

Acceptance of liability

54. Non-exhaustive examples include:

- Accepting liability before or within the period for representations.

55. Where a landlord relies on a reasonable excuse defence or otherwise contests liability, this mitigating factor will not usually apply.

Health circumstances

56. Non-exhaustive examples include:

- A serious health condition or medical incident experienced by the landlord during, or in the period immediately preceding, the breach or offence, where there is clear and reliable evidence that the condition had a direct and material impact on the landlord's ability to comply with the relevant legal obligation. Examples may include, but are not limited to, a heart attack, stroke, cancer diagnosis, or other acute or serious medical event causing significant incapacity or impairment.

Diminished culpability (limited responsibility)

57. Non-exhaustive examples include:

- A joint landlord who has evidenced that compliance arrangements for the subject property were directed and controlled by another joint landlord, and not by them;
- A landlord who became involved only after an unforeseen change in circumstances (such as the death of the previous landlord) and who committed the breach or offence only for a limited period while putting their affairs in order.

58. The instruction of a managing or letting agent, or reliance on an agent's actions or omissions, will not of itself constitute diminished culpability.

Aggravating factors

59. The Council may increase the level of a civil penalty by up to 20% of the applicable starting point to reflect the presence of aggravating factors.

60. Only in exceptional circumstances may the Council depart from the application of this policy in respect of aggravating factors and apply an increase in excess of 20%. Exceptional circumstances are rare and unusual and are not established merely by the presence of multiple aggravating factors.

61. The following generic aggravating factors will be considered in respect of each breach or offence:

Previous history of non-compliance

62. Non-exhaustive examples include:

- Previous successful prosecutions (including relevant spent convictions), previous civil penalties, previous rent repayment orders, previous works in default, previous simple cautions.

63. Concurrent investigations or proceedings relating to other civil penalties, prosecutions, or rent repayment orders will not be treated as previous non-compliance.

Non-cooperation with the Council

64. Non-exhaustive examples include:

- Failure to comply with notices issued under section 16 of the Local Government (Miscellaneous Provisions) Act 1976, section 235 of the Housing Act 2004, or section 114 of the Renters' Rights Act 2025;
- Failing to provide a substantive response to a letter of alleged offence;
- Failing to attend previously agreed meetings.

65. Where the Council has prosecuted, or is pursuing a prosecution, in respect of the same act or omission involving failure to provide legally required information (including

failure to comply with a statutory notice), that conduct will not also be treated as an aggravating factor for the purposes of setting the civil penalty, in order to avoid double counting.

66. Where multiple civil penalties are imposed against the same landlord at the same time, this aggravating factor will be applied only to the civil penalty with the highest starting point, unless there is a clear and reasoned basis for applying it differently.

Deliberate intent or negligence when committing the offence

67. Non-exhaustive examples include:

- Knowledge that the breach or offence was occurring;
- Continuation of offending after communication from the Council;
- Premeditation or planning, including steps taken to prevent detection or effective investigation;
- Providing false or misleading information to the Council;
- Applying pressure to occupants to deter cooperation with the Council.

The number of occupants affected

68. Non-exhaustive examples include:

- 3-5 occupants affected.

Duration of non-compliance

69. Non-exhaustive examples include:

- The offence or breach occurred over a 3–6 month period.

Vulnerability of occupants

70. Non-exhaustive examples include children and young adults, persons vulnerable by reason of age, disability or sensory impairment, persons with drug or alcohol dependency, victims of domestic abuse, children in care, persons with complex health needs, persons who do not speak English as a first language, victims of trafficking or sexual exploitation, refugees, asylum seekers, and pregnant women.

Financial considerations

71. The Council will review the quantum of the civil penalty and consider whether it is sufficient to act as an effective deterrent to future non-compliance. Where the Council has evidence that it considers to be sufficiently reliable regarding rental income and/or asset value from the landlord's, it may determine that an increase in the level of the penalty is appropriate in order to achieve effective deterrence.

72. It is essential that, as an absolute minimum, landlords do not financially benefit from their offending behaviour.

73. Financial circumstances will ordinarily be considered after any written representations have been received and as part of the determination of any final notice.

74. Where a landlord seeks to rely on a strained or limited financial position as a basis for reducing the level of a civil penalty, that position must be supported by appropriate and verifiable evidence sufficient to enable the Council to assess the landlord’s financial position consistently, objectively, and transparently. Unsupported assertions, partial disclosure, or selective provision of information will not be given weight.

75. At a minimum, and where such information exists, the following should be provided as part of any written representations:

- The last three full tax years full self-assessment tax returns filed with HMRC, including all additional and supplemental pages;
- The last three full tax years’ SA302 documents & tax year overviews;
- The last three months’ payslips;
- The last three years P60 certificates;
- The last twelve months’ Universal Credit payment statements;
- A list of all property assets owned or jointly owned (not limited to rental properties), together with corresponding Land Registry title documents;
- A list of all property assets owned, or held on a long lease, by any corporate entity in which the landlord has a beneficial interest, together with corresponding Land Registry documentation;
- The most recent annual mortgage statement for each property, or the last twelve months’ mortgage statements where the mortgage has been in place for less than twelve months;
- Valuation statements for all ISAs held;
- Statements from any crypto asset exchange accounts showing balances and valuations;
- A list of all shareholdings;
- Recent bank statements for any account holding a balance in excess of £5,000;
- Recent statements for all secured and unsecured loans;
- Bankruptcy orders and official notifications of bankruptcy.

76. Where the Council is not satisfied that it has been provided with sufficiently reliable, complete, and accurate information to assess the landlord’s financial position, the Council may draw the inference that the landlord is able to pay the civil penalty as imposed.

77. A claimed inability to pay will not, of itself, outweigh the need to ensure effective deterrence or to remove any financial benefit obtained as a result of the breach or offence.

The totality principle

78. The Council will have regard to the totality principle to ensure that the overall outcome of its enforcement action is just and proportionate. In exceptional cases, and having regard to the particular circumstances of the case, the Council may take account of totality at an earlier stage by deciding not to pursue a civil penalty in respect of a specific breach or offence where doing so would render the overall outcome disproportionate.

79. In general, however, the application of the totality principle will form the final step in the Council's decision-making process, undertaken after any written representations have been considered and before final notices are issued, once the level of each individual civil penalty has been assessed in accordance with this policy.

80. As a final step before issuing final notices, the Council will consider whether multiple civil penalties being imposed under this policy against the same landlord at the same time result in an aggregate amount that is just and proportionate. Where the Council concludes that the aggregate amount would not be just and proportionate, it will consider whether a proportionate reduction of the penalties is appropriate.

81. The totality principle does not operate across different legal persons who are separately liable in law, nor does it operate across civil penalties imposed at different times. In general, it applies only to multiple civil penalties imposed under this policy on the same person at the same time. Where, however, legislation provides that an officer of a body corporate, or a person concerned in its management, may be separately liable in relation to the same conduct as the body corporate, and that officer also holds a shareholding interest in the body corporate, the Council will, where civil penalties are imposed at the same time on both the body corporate and the officer arising from that same conduct, consider whether the combined outcome results in punitive duplication and is therefore not just and proportionate.

82. Where a reduction is applied under the totality principle, the Council will ordinarily do so by applying a uniform percentage reduction across all relevant civil penalties being issued at the same time, being those civil penalties that form part of the same totality assessment. Where, however, the application of the totality principle is required to address punitive duplication arising from a shared economic interest between a body corporate and an officer, the Council may apply a differential adjustment to ensure that the overall outcome is just and proportionate.

83. This approach reflects the statutory guidance on the application of the totality principle and is intended to promote consistency, transparency, and proportionality, while avoiding arbitrary or selective adjustment of individual penalties.

84. In accordance with the statutory guidance, any rent repayment orders made in respect of the same breach or offence will be disregarded for the purposes of assessing the totality of civil penalties under this policy.

Offences and breaches where a civil penalty may be levied and relevant considerations as to the level of that penalty

Protection from Eviction Act 1977 offences

Unlawful eviction and harassment of occupier - section 1 of the Protection from Eviction Act 1977

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£35,000	£40,000	£28,000	£35,000	£42,000

85. Offence-specific mitigating factors:

- None.

86. Offence-specific aggravating factors:

- Violence or threats of violence;
- Disposal of possessions or threats to dispose of possessions;
- Breach or evasion of an injunction or undertaking;
- Loss of home.

Housing Act 1988 breaches and offences

Failure to give a written statement of terms and any other prescribed information - section 16D of the Housing Act 1988

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£4,000	£7,000	£3,200	£4,000	£4,800

87. Offence-specific mitigating factors:

- Provision of some of the required terms and prescribed information within the required period.

88. Offence-specific aggravating factors:

- None.

Attempting to let a property for a fixed term - section 16E(1)(a) of the Housing Act 1988

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£4,000	£7,000	£3,200	£4,000	£4,800

89. Offence-specific mitigating factors:

- None.

90. Offence-specific aggravating factors:

- None.

Attempting to end a tenancy by service of a notice to quit - section 16E(1)(b) of the Housing Act 1988

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£6,000	£7,000	£4,800	£6,000	£7,200

91. Offence-specific mitigating factors:

- None.

92. Offence-specific aggravating factors:

- Tenant vacates property within four months of the date of vacation or equivalent specified in the notice to quit.

Attempting to end a tenancy orally or requiring that it is ended orally - section 16E(1)(c) of the Housing Act 1988

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£6,000	£7,000	£4,800	£6,000	£7,200

93. Offence-specific mitigating factors:

- None.

94. Offence-specific aggravating factors:

- Tenant vacates property within four months of the date of vacation or equivalent specified in the notice to quit.

Serving a possession notice that attempts to end a tenancy outside the prescribed section 8 process - section 16E(1)(d) of the Housing Act 1988

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£6,000	£7,000	£4,800	£6,000	£7,200

95. Offence-specific mitigating factors:

- None.

96. Offence-specific aggravating factors:

- Tenant vacates property within four months of the date of vacation or equivalent specified in the notice to quit.

Relying on a ground where the person does not reasonably believe that the landlord is, will, or may be able to obtain possession on that ground and the tenant(s) surrendered the tenancy within the period of four months beginning with the date of the contravention, without an order for possession of the dwelling-house being made - section 16E(1)(e) of the Housing Act 1988

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£6,000	£7,000	£4,800	£6,000	£7,200

97. Offence-specific mitigating factors:

- None.

98. Offence-specific aggravating factors:

- None.

Failing to provide a tenant with prior notice that a ground which requires it may be used - section 16E(1)(f) of the Housing Act 1988

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment

£3,000	£7,000	£2,400	£3,000	£3,600

99. Offence-specific mitigating factors:

- None.

100. Offence-specific aggravating factors:

- None.

Failure to give an existing tenant prescribed information about changes made by the Renters' Rights Act 2025 in the prescribed form and timeframe - paragraph 7(2) of schedule 6 to the Renters' Rights Act 2025

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£4,000	£7,000	£3,200	£4,000	£4,800

101. Offence-specific mitigating factors:

- Provision of some of the required prescribed information within the required period;
- Provision of prescribed information but not in the prescribed form.

102. Offence-specific aggravating factors:

- None.

Continuation of conduct subject to a relevant penalty (under s.16I or s.16K Housing Act 1988) after the 28-day period (or, if appealed, after conclusion of the appeal) where the final notice has not been withdrawn — section 16J(3) of the Housing Act 1988

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
Double the starting level for the two constituent breaches added together	£40,000	Dependent on the constituent breaches	Dependent on the constituent breaches	Dependent on the constituent breaches

103. Offence-specific mitigating factors:

- None.

104. Offence-specific aggravating factors:

- None.

Conduct giving rise to liability under s.16I, where within the preceding five years the person has either (i) had a relevant penalty (under s.16I or s.16K Housing Act 1988) imposed for different conduct and the final notice has not been withdrawn, or (ii) been convicted under s.16J for different conduct – section 16(J)(4) of the Housing Act 1988

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
Double the starting level for the two constituent breaches added together	£40,000	Dependent on the constituent breaches	Dependent on the constituent breaches	Dependent on the constituent breaches

105. Offence-specific mitigating factors:

- Dependent on the most recent conduct giving rise to liability to a civil penalty under section 16I of the Housing Act 1988.

106. Offence-specific aggravating factors:

- Dependent on the most recent conduct giving rise to liability to a civil penalty under section 16I of the Housing Act 1988.

Relying on a ground where the person knows that the landlord would not be able to obtain an order for possession on that ground, or being reckless as to whether the landlord would be able to do so and the tenant(s) surrendered the tenancy within the period of four months beginning with the date the ground was relied on, without an order for possession of the dwelling-house being made – section 16J(1) of the Housing Act 1988

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£30,000	£40,000	£24,000	£30,000	£36,000

107. Offence-specific mitigating factors:

- None.

108. Offence-specific aggravating factors:

- None.

Breach of restrictions relating to reletting (s16(E)(2) Housing Act 1988) or remarketing (s16(E)(3) Housing Act 1988) a property within restricted period after using Grounds 1 or 1A of Schedule 2 Housing Act 1988 - section 16J(2) of the Housing Act 1988

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£25,000	£40,000	£20,000	£25,000	£30,000

109. Offence-specific mitigating factors:

- None.

110. Offence-specific aggravating factors:

- None.

Housing and Planning Act 2016 offences

Breach of a banning order - section 21(1) of the Housing and Planning Act 2016

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£35,000	£40,000	£28,000	£35,000	£42,000

111. Offence-specific mitigating factors:

- A single, isolated incident.

112. Offence-specific aggravating factors:

- Concealment or evasion.

Renters' Rights Act 2025 breaches

Discrimination relating to children in the lettings process – section 33(1) of the Renters' Rights Act 2025

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£6,000	£7,000	£4,800	£6,000	£7,200

113. Offence-specific mitigating factors:

- None.

114. Offence-specific aggravating factors:

- None.

Discrimination relating to benefits in the lettings process – section 34(1) of the Renters' Rights Act 2025

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£6,000	£7,000	£4,800	£6,000	£7,200

115. Offence-specific mitigating factors:

- None.

116. Offence-specific aggravating factors:

- None

Failure to specify proposed rent within a written advertisement or offer – section 56(2) of the Renters' Rights Act 2025

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£3,000	£7,000	£2,400	£3,000	£3,600

117. Offence-specific mitigating factors:

- None.

118. Offence-specific aggravating factors:

- None

Inviting, encouraging or accepting any offer of rent greater than the stated rate – section 56(3) of the Renters' Rights Act 2025

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£4,000	£7,000	£3,200	£4,000	£4,800

119. Offence-specific mitigating factors:

- None.

120. Offence-specific aggravating factors:

- None.

The Electrical Safety Standards in the Private Rented Sector and Social Rented Sector (England) Regulations 2020 breach of duties

Failure to comply with The Electrical Safety Standards in the Private Rented Sector and Social Rented Sector (England) Regulations 2020 Regulation 3: (3)(b), (3)(d), (3)(e). Regulation 3D: (a), (b), (c), (f)

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£5,000	£40,000	£4,000	£5,000	£6,000

121. Offence-specific mitigating factors:

- The report or record evidences that the electrical installations were compliant at all points.

122. Offence-specific aggravating factors:

- The number or nature or severity of the issues observed on the report or record.

Failure to comply with The Electrical Safety Standards in the Private Rented Sector and Social Rented Sector (England) Regulations 2020 Regulation 3: (1)(a), (1)(b), (1)(c), (3)(a), (3)(c), (3)(ca), (5)(b), (5)(c). Regulation 3B: (1)(a), (1)(b), (1)(c). Regulation 3C: (1), (2)(a). Regulation 3D: (d), (e)

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£12,500	£40,000	£10,000	£12,500	£15,000

123. Offence-specific mitigating factors:

- The report or record evidences that the electrical installations were compliant at all points.

124. Offence-specific aggravating factors:

- The number or nature or severity of the issues observed on the report or record

Failure to comply with The Electrical Safety Standards in the Private Rented Sector and Social Rented Sector (England) Regulations 2020 Regulation 3: (4), (5a), (6). Regulation 3C: (2)(b), (4)

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£20,000	£40,000	£16,000	£20,000	£24,000

125. Offence-specific mitigating factors:

- None.

126. Offence-specific aggravating factors:

- The number or nature or severity of the issues observed on the report or record.

Housing Act 2004 offences

Failure to comply with an improvement notice - section 30(1) of the Housing Act 2004

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£25,000	£40,000	£20,000	£25,000	£30,000

127. Offence-specific mitigating factors:

- The nature and extent of hazard(s) that are present once the deadline for compliance has passed;
- Whether the property is unoccupied once the deadline for compliance has passed;
- Access to the property was prevented by the actions or refusal of the occupant(s) and a landlord can evidence that they took steps to obtain access to the property for the purpose of carrying out the required works, but those steps fell short of establishing a reasonable excuse for non-compliance.

128. Offence-specific aggravating factors:

- The nature and extent of hazard(s) that are present once the deadline for compliance has passed.

Failure to comply with an overcrowding notice - section 139(7) of the Housing Act 2004

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£20,000	£40,000	£16,000	£20,000	£24,000

129. Offence-specific mitigating factors:

- None.

130. Offence-specific aggravating factors:

- The level of overcrowding present.

Failure to obtain an HMO licence - section 72(1) of the Housing Act 2004

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£17,000	£40,000	£13,600	£17,000	£20,400

131. Offence-specific mitigating factors:

- None.

132. Offence-specific aggravating factors:

- The landlord has knowledge or experience of licensing requirements;
- The condition of the unlicensed property.

Knowingly permitting over-occupation of an HMO - section 72(2) of the Housing Act 2004

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£20,000	£40,000	£16,000	£20,000	£24,000

133. Offence-specific mitigating factors:

- There are suitable amenity and space provisions in the HMO.

134. Offence-specific aggravating factors:

- The level of over-occupation present.

Failure to Comply with The Management of Houses in Multiple Occupation [England] Regulations 2006 and The Licensing and Management of Houses in Multiple Occupation (Additional Provisions) (England) Regulations 2007 – section 234(3) of the Housing Act 2004

135. The Management of Houses in Multiple Occupation (England) Regulations 2006 impose duties on the persons managing HMOs in respect of:

- Providing information to occupiers [Regulation 3];
- Taking safety measures, including fire safety measures [Regulation 4];
- Maintaining the water supply and drainage [Regulation 5];
- Supplying and maintaining gas and electricity, including having these services/appliances regularly inspected [Regulation 6];
- Maintaining common parts [Regulation 7];
- Maintaining living accommodation [Regulation 8];
- Providing sufficient waste disposal facilities [Regulation 9].

136. The Licensing and Management of Houses in Multiple Occupation (Additional Provisions) (England) Regulations 2007 impose duties on the persons managing HMOs as defined by Section 257 Housing Act 2004 in respect of:

- Providing information to occupiers [regulation 4];
- Taking safety measures, including fire safety measures [regulation 5];
- Maintaining the water supply and drainage [regulation 6];
- Supplying and maintaining gas and electricity, including having these services/appliances regularly inspected [regulation 7];
- Maintaining common parts [regulation 8];
- Maintaining living accommodation [regulation 9];
- Providing sufficient waste disposal facilities [regulation 10].

137. Where there are multiple breaches of a single Management Regulation at a single HMO, a single civil penalty will be imposed which will cover all the breaches of that Management Regulation.

138. Where multiple Management Regulations have been breached at a single HMO, a separate civil penalty will be imposed for each Management Regulation that has been breached.

Name of Management Regulation	Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
Duty of manager to provide information to occupier	£3,000	£40,000	£2,400	£3,000	£3,600

139. Offence-specific mitigating factors:

- The nature and extent of offences within the specific regulation.

140. Offence-specific aggravating factors:

- The nature and extent of offences within the specific regulation;
- The landlord has refused to provide any outstanding contact information more than 48 hours after it has been requested by an occupant or on behalf of an occupant.

Name of Management Regulation	Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
Duty of manager to take safety measures	£20,000	£40,000	£16,000	£20,000	£24,000

141. Offence-specific mitigating factors:

- The number, nature and extent of offences within the specific regulation.

142. Offence-specific aggravating factors:

- The number, nature and extent of offences within the specific regulation.

Name of Management Regulation	Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
Duty of manager to maintain water supply and drainage	£10,000	£40,000	£8,000	£10,000	£12,000

143. Offence-specific mitigating factors:

- The number, nature and extent of offences within the specific regulation.

144. Offence-specific aggravating factors:

- The number, nature and extent of offences within the specific regulation.

Name of Management Regulation	Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
Duty of manager to supply and maintain gas and electricity	£12,000	£40,000	£9,600	£12,000	£14,400

145. Offence-specific mitigating factors:

- The number, nature and extent of offences within the specific regulation.

146. Offence-specific aggravating factors:

- The number, nature and extent of offences within the specific regulation.

Name of Management Regulation	Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
Duty of manager to maintain common parts, fixtures,	£7,000	£40,000	£5,600	£7,000	£8,400

fittings and appliances					

147. Offence-specific mitigating factors:

- The number, nature and extent of offences within the specific regulation.

148. Offence-specific aggravating factors:

- The number, nature and extent of offences within the specific regulation.

Name of Management Regulation	Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
Duty of manager to maintain living accommodation	£7,000	£40,000	£5,600	£7,000	£8,400

149. Offence-specific mitigating factors:

- The number, nature and extent of offences within the specific regulation.

150. Offence-specific aggravating factors:

- The number, nature and extent of offences within the specific regulation.

Name of Management Regulation	Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
Duty to provide waste disposal facilities	£7,000	£40,000	£5,600	£7,000	£8,400

151. Offence-specific mitigating factors:

- The nature and extent of offences within the specific regulation.

152. Offence-specific aggravating factors:

- The nature and extent of offences within the specific regulation;
- The lack of sufficient refuse and/or litter containers either inside and/or outside the property has been previously reported;

- The refuse and/or litter that requires disposal includes hazardous materials.

Breach of licence conditions – Section 72(3) Housing Act 2004

153. All granted HMO licences impose a set of conditions on the licence holder. It is important that the licence holder of a licensed property complies with all imposed conditions, but the Council recognises that a failure to comply with certain licence conditions is likely to have a much bigger impact on the safety and comfort of residents than others.

154. The starting levels for each different type of licence condition breach is set out below based on the seriousness of the offence. Where a licence condition could be interpreted to fall within two different potential starting levels, the higher starting level will be chosen.

155. Where multiple licence conditions have been breached at a single property, a separate civil penalty will be imposed for each licence condition that has been breached.

156. Failure to comply with licence conditions related to:

- Signage or the provision of information for tenants;
- Provision of written terms of occupancy for tenants;
- Procedures regarding complaints;
- Procedures regarding vetting of incoming tenants;
- Compliance with deposit protection legislation;
- The recording and provision of information regarding rent payments;
- Procedures relating to rent collection;
- The provision of information regarding occupancy of the property;
- The provision of information regarding change of managers or licence holder details;
- The provision of information related to changes in the property;
- Requirements relating to the sale of the property;
- Attending training courses;
- Requirements to hold insurance;
- The provision of insurance documentation;
- The provision of or obtaining of suitable references;
- The provision of keys and alarm codes;
- Security provisions for access to the property;
- The provision of suitable means for occupiers to regulate temperature;
- Carrying out items on a schedule of works not otherwise mentioned in the HMO licence conditions section of this policy, relating to non-compliance with items on a schedule of works.

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£4,000	£40,000	£3,200	£4,000	£4,800

158. Offence-specific mitigating factors:

- The nature and extent of the licence condition breach.

160. Offence-specific aggravating factors:

- The nature and extent of the licence condition breach.

161. Failure to comply with licence conditions related to:

- Procedures and actions regarding Inspections;
- Procedures regarding Repair issues;
- Maintenance and use of common parts (including gardens, outbuildings and property exterior) and living areas;
- Safeguarding occupiers and minimising disruption during works;
- The provision of information regarding alterations and construction works;
- Procedures regarding emergency issues;
- Waste and waste receptacles, pests, minor repairs, alterations or decoration;
- Giving written notice prior to entry;
- Allowing access for inspections;
- Minimising risk of water contamination;
- The compliance of furnishings or furniture with fire safety regulations;
- Carrying out items on a schedule of works in relation to provision of mechanical extraction or electrical sockets.

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£7,000	£40,000	£5,600	£7,000	£8,400

162. Offence-specific mitigating factors:

- The nature and extent of the licence condition breach.

163. Offence-specific aggravating factors:

- The nature and extent of the licence condition breach.

164. Failure to comply with licence conditions related to:

- The provision of documentation regarding energy performance certificates, fire detection and prevention, emergency lighting, carbon monoxide detection, fire risk assessments, gas installations, electric installations and appliances;
- Notification of legal proceedings, contraventions and other relevant information that may affect a fit and proper person status;
- Procedures and actions regarding ASB;
- Carrying out items on a schedule of works in relation to the provision of personal hygiene facilities, kitchen facilities or heating.

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£12,500	£40,000	£10,000	£12,500	£15,000

165. Offence-specific mitigating factors:

- The nature and extent of the licence condition breach.

166. Offence-specific aggravating factors:

- The nature and extent of the licence condition breach.

167. Failure to comply with licence conditions related to:

- Minimum floor areas;
- Occupancy rates;
- Occupancy of rooms or areas that are not to be used as sleeping accommodation;
- Limits on number of households allowed to occupy the property or part of the property.

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£20,000	£40,000	£16,000	£20,000	£24,000

168. Offence-specific mitigating factors:

- The nature and extent of the licence condition breach.

169. Offence-specific aggravating factors:

- The nature and extent of the licence condition breach.

170. Failure to comply with licence conditions related to:

- The condition or existence of smoke alarms, carbon monoxide alarms, emergency lighting, gas installations, electric installations and appliances, fire detection or other fire safety features or requirements;
- The provision and maintenance of safe means of escape, including requirements to keep escape routes and exits free from obstruction;
- Carrying out items on a schedule of works in relation to fire safety or the provision of a Carbon Monoxide detector.

Starting point	Statutory maximum civil penalty amount	Landlord Type downward adjustment	No Landlord Type adjustment	Landlord Type upward adjustment
£25,000	£40,000	£20,000	£25,000	£30,000

171. Offence-specific mitigating factors:

- The nature and extent of the licence condition breach.

172. Offence-specific aggravating factors:

- The nature and extent of the licence condition breach.

Process for imposing a civil penalty and the right to make written representations

Notice of intent

173. Before imposing a civil penalty on a landlord, the Council will give the landlord a notice of intent. The notice of intent will set out:

- The amount of the proposed civil penalty;
- The reasons for proposing to impose the civil penalty;
- Information about their right to make written representations.

Right to make written representations

174. A landlord who is given a notice of intent may make written representations to the Council about the proposal to impose a civil penalty. Any representations must be made within a period of 28 days beginning with the day after the date on which the notice of intent was given.

Decision after the representations period

175. After the end of the period for representations the Council will:

- Decide whether to impose a civil penalty on the landlord; and
- If it decides to impose a civil penalty, decide the amount of the penalty. This amount can be higher or lower than the amount stated in the notice of intent.

176. A landlord's rectification of the identified breach or offence during the representations period will rarely, of itself, lead the Council to conclude that the imposition of a civil penalty is inappropriate. However, compliance at that stage will usually be relevant to the assessment of mitigating factors that may reduce the level of any civil penalty imposed.

177. Similarly, an admission of liability will rarely, of itself, lead the Council to conclude that the imposition of a civil penalty is inappropriate. An admission of liability will, however, usually be relevant to the assessment of mitigating factors that may reduce the level of any civil penalty imposed.

Final notice

178. If, following the receipt of written representations and/or the expiry of the time period to make written representations, the Council decides to impose a civil penalty on the landlord, it will give the landlord a final notice imposing that penalty.

179. The final notice will set out:

- The amount of the civil penalty;
- The reasons for imposing the penalty;
- Information about how to pay the penalty;
- The period for payment of the penalty;
- Information about rights of appeal;
- The consequences of failure to comply with the notice.

Discount for prompt payment

180. Where a civil penalty imposed by a final notice is paid in full within the period specified in that notice (normally 28 days beginning with the day after the final notice is given), the Council will apply a discount of 15% to the amount of the civil penalty.

181. The availability of the discount is conditional upon full payment being received within the specified period. The discount period will not be extended or suspended by the bringing of an appeal. A landlord who chooses to appeal may still benefit from the discount by paying the civil penalty in full within the specified period; however, where payment is not made within that period, the discount will not apply.

Illustrative example of the application of the discount

182. The landlord of an HMO property fails to obtain a licence. They only operate two HMO properties and there are no other relevant factors or aggravating features. The starting point for the offence under the Council's civil penalties matrix is £17,000.

183. Following the issue of a notice of intent proposing a civil penalty of £17,000, the landlord makes written representations. Having considered those representations, the Council determines to impose a civil penalty of £16,000, as set out in the final notice.

184. If the landlord pays the civil penalty in full within the payment period specified in the final notice, a 15% prompt payment discount is applied, resulting in a discounted payment of £13,600.

Appeals

185. A landlord who is given a final notice may appeal to the First-tier Tribunal (Property Chamber) against the decision to impose a civil penalty and/or the amount of the civil penalty. Any appeal must be made within 28 days beginning with the day after the date on which the final notice was given.

186. Where an appeal is brought, the final notice is suspended until the appeal is finally determined or withdrawn.

187. An appeal to the First-tier Tribunal is by way of a re-hearing of the Council's decision. In determining an appeal, the Tribunal may have regard to matters of which the Council was unaware at the time the decision to impose the civil penalty was made.

188. The Tribunal may dismiss an appeal if it is satisfied that the appeal is frivolous, vexatious, an abuse of process, or has no reasonable prospect of success.

189. The First-tier Tribunal may invite the parties to consider mediation or another form of alternative dispute resolution. The Council will not generally agree to mediation in relation to the level of a civil penalty, as civil penalties are determined by reference to this Policy to promote fair, consistent, and proportionate outcomes. Agreeing reductions outside the Policy framework would risk undermining consistency and the Council's enforcement objectives.

190. On determination of an appeal, the Tribunal may:

- Confirm the civil penalty;
- Vary the amount of the civil penalty (whether by increase or reduction);
- Cancel the civil penalty.

191. Where the Tribunal varies a civil penalty by increasing its amount, it may do so only up to the applicable statutory maximum for the relevant breach or offence (£7,000 or £40,000, as applicable).

192. A party to the appeal may apply for permission to appeal the decision of the First-tier Tribunal to the Upper Tribunal (Lands Chamber).

Decision making

193. From time to time, the titles of officers and teams are sometimes altered by the Council and any reference to the Private Sector Housing Manager or Private Sector Housing team may be deemed to include a reference to any future equivalent post or team name.

194. For the purposes of the following paragraphs, a senior officer is an officer from the Private Sector Housing team with either managerial responsibilities or specific duties relating to civil penalties.

195. To ensure fairness and transparency, every decision to impose a financial penalty will be subject to a three-stage review process. In the first instance, the imposition of a civil penalty will be proposed by the relevant case officer when a breach or offence has occurred.

Review 1

196. A senior officer will review every proposal. If the senior officer is satisfied that the proposal meets the threshold for proposing a civil penalty, they will authorise the serving of a Notice of Intent.

Review 2

197. Once the period for making written representations has expired, a senior officer will carefully review any representations made. If, after the review, the senior officer is satisfied that it remains appropriate to impose a civil penalty, they will submit a civil penalty proposal to the Private Sector Housing Manager or a manager of similar or higher seniority.

Review 3

198. The civil penalty proposal will be reviewed by the Private Sector Housing Manager (or their substitute) and if it is agreed that it is appropriate to impose a civil penalty, they will authorise the serving of a Final Notice.

Help and advice

199. If you would like further advice or clarification, the Private Sector Housing Team can help. Please ring us on 01303 853660 and speak to one of our officers. We can also be contacted by email on: private.sectorhousing@folkestone-hythe.gov.uk.

200. Alternatively, you can write to us at: Private Sector Housing, Folkestone and Hythe District Council, Civic Centre, Castle Hill Avenue, Folkestone, Kent CT20 2QY

Making a complaint

201. The Private Sector Housing team aims to provide the best possible service. However, if you are not happy with the service you receive you can make a formal complaint.

202. More information about how to make a formal complaint can be found on the council's website at: www.folkestone-hythe.gov.uk. Alternatively, you can call, email or write to us:

Telephone: 01303 853660
Email: complaints@folkestone-hythe.gov.uk

Address: Complaints, Folkestone and Hythe District Council, Civic Centre, Castle Hill Avenue, Folkestone, Kent, CT20 2QY.

203. If, after having gone through the council's formal complaints process, you believe that the council has not handled your complaint properly, you have the right to request an independent investigation by the Local Government and Social Care Ombudsman. The Ombudsman Service will review your complaint and decide if it is appropriate to carry out an investigation. The service is free of charge.

204. You can make a complaint by phone or online at:

The Local Government and Social Care Ombudsman

Telephone: 0300 061 0614
Website: www.lgo.org.uk.

This Report will be made public on 16 June 2026

Folkestone & Hythe District Council

Report Number **C/26/10**

To:	**Cabinet**
Date:	**24th June 2026**
Status:	**Non key**
Director:	**Ewan Green, Director of Strategy and Resources**
Responsible Officer:	**Jonathan Hicks, Governance, Performance & Risk Manager**
Cabinet Member:	**Leader of the Council and Cabinet Member for Otterpool Park and Planning Policy**

SUBJECT: CORPORATE PLAN ANNUAL REPORT

SUMMARY: This report presents an annual report on the Council's Corporate Plan 2025-2030, highlighting progress made against the commitments in the plan. It also presents the Corporate Action Plan 2025-26, showing the completion status for every action, and the proposed for Action Plan for 2026-27, for approval.

REASONS FOR RECOMMENDATIONS:

Cabinet is asked to consider the recommendations set out below because:

- It is important that the Council has an up-to-date action plan in place to support the Corporate Plan; to guide aspects of its operational delivery, finances and corporate policies, as well as teams' service plans and officers' individual performance.
- The Council has limited resources, and it must direct its activities to key priorities to ensure the primary needs of the district's residents and businesses are met, and that actions and associated risks are managed effectively.

RECOMMENDATIONS:

1. **To receive and note report C/26/10.**
2. **To note and approve the Corporate Plan Annual Report at Appendix 1.**
3. **To note the Corporate Action Plan (2025-26) at Appendix 2.**
4. **To agree the Corporate Action Plan (2026-27) at Appendix 3.**

1. BACKGROUND

1.1 The Council's Corporate Plan (2025–2030) was adopted by Council on 25th June 2025 [ref: A/25/13,] setting out its strategic commitments over the next five years. To support this, an Action Plan was developed capturing specific projects and actions for year one (2025–26), drawn from existing business plans and strategies, aligning operational activity with the Corporate Plan.

1.2 A mid-year progress report was presented to Cabinet on 21st January 2026 [ref: C/25/72,]. At that time we showed strong delivery, with most actions underway or in still in progress. At year end approx. 85% had been completed, with some actions carried forward into the 2026-27 plan.

1.3 This report presents Cabinet Members with a 'Corporate Plan Annual Report' (see below), written in the style of the original Corporate Plan document, highlighting key achievements delivered over the previous year, alongside the detailed Action Plan. In addition, Cabinet is provided with a set of actions for year two, for consideration and approval.

2. CORPORATE PLAN ANNUAL REPORT

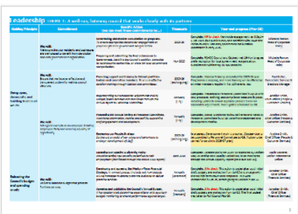
2.1 This report is intended to support transparency and Member oversight and provide a consolidated account of the key projects, achievements and activities delivered against the Council's Corporate Commitments, including progress in contributing to the United Nations Sustainable Development Goals.

2.2 The documents are set out as follows:

Appendix 1: The Corporate Plan Annual Report

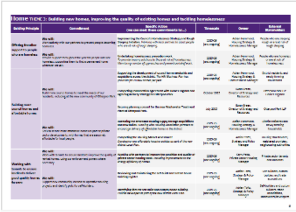
A written report, in the style of the original Corporate Plan document, highlighting achievements made in year one. A public document intended for publishing on our website.

Appendix 2: The Corporate Action Plan 2025-26



A detailed progress update, showing completions against each individual action across the five themes. A working document intended for Member and officer scrutiny.

Appendix 3: The Corporate Action Plan 2026-27



The proposed set of actions for year-two, including any new projects alongside ongoing activity and actions carried forward from the previous year.

2.3 All three documents are presented for Cabinet consideration and approval, and are appended to this report.

3. RISK MANAGEMENT ISSUES

3.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
The Council has insufficient resources to deliver the Corporate Plan commitments.	High	Low	The annual Action Plan translates commitments into achievable actions within existing resources and is aligned with the Medium-Term Financial Strategy. Progress is reviewed regularly and reported to Members.
Changing circumstances render the plan out-of-date.	High	Low	The Action Plan is reviewed annually and can be updated at any time to reflect changing priorities. Risks are monitored through the Corporate Risk Register, service plans and project risk registers.

4. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

4.1 **Legal Officer's Comments (KP) -** There are no legal implications arising directly from this report. Whilst there is no specific statutory requirement for the Council to adopt a Corporate Plan or Corporate Action Plan, maintaining a clear strategic framework for the Council's priorities, objectives and management arrangements forms an important part of the Council's governance framework and supports the effective discharge of its statutory functions.

The actions contained within the Corporate Action Plan must be implemented in accordance with the Council's statutory duties, powers, budgetary framework and constitutional requirements. Any legal implications arising from individual actions or projects will be considered as part of the development and implementation of those specific proposals.

4.2 **Finance Officer's Comments (JS)** – There are no financial implications arising directly from this report. There are financial dependencies on specific actions in the plan, but these must be considered and managed in line with the Medium Term Financial Strategy and within existing and future budgets.

4.3 **Diversities and Equalities Implications (JH)** – There are no equality implications arising directly from this report. Equality principles are built into the fabric of the Corporate Plan, and any equality impact must be considered for any new project, strategy or policy arising from it.

4.4 **Climate Change Implications (AT)** - There are no climate change implications arising directly from this report. The Corporate Plan is underpinned by the theme 'Enhancing our local environment and supporting climate action', which contains commitments around carbon emissions, minimising the damaging effects of climate change, enhancing biodiversity and improving recycling rates.

5. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

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

Jonathan Hicks, Governance, Performance and Risk Manager
Telephone: 01303 853721
Email: jonathan.hicks@folkestone-hythe.gov.uk

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

Corporate Plan 2025-2030 Our district, our world - enhancing prosperity and well-being for all.

Appendices:
Appendix 1: Corporate Plan Annual Report
Appendix 2: The Corporate Action Plan 2025-26
Appendix 3: The Corporate Action Plan 2026-27

Our district Our world

Enhancing prosperity and well-being for all

Corporate Plan Annual Report

2026

Folkestone & Hythe District Council

The five themes guiding our plan

We've based our plan on the five themes shown in this diagram. **Leadership** is key to delivering change so it's shown at the top.

Economy, **home** and **community** are shown in the centre. These are all closely related, for example: people need a place to live to get work; people need a stable and comfortable home to be part of their community; and businesses need a healthy and skilled workforce to prosper.

Nature is shown at the bottom because all life ultimately depends on the natural world.

We believe that focussing our resources on these themes will ensure that the district remains a great place to live, as we continue to improve our services.

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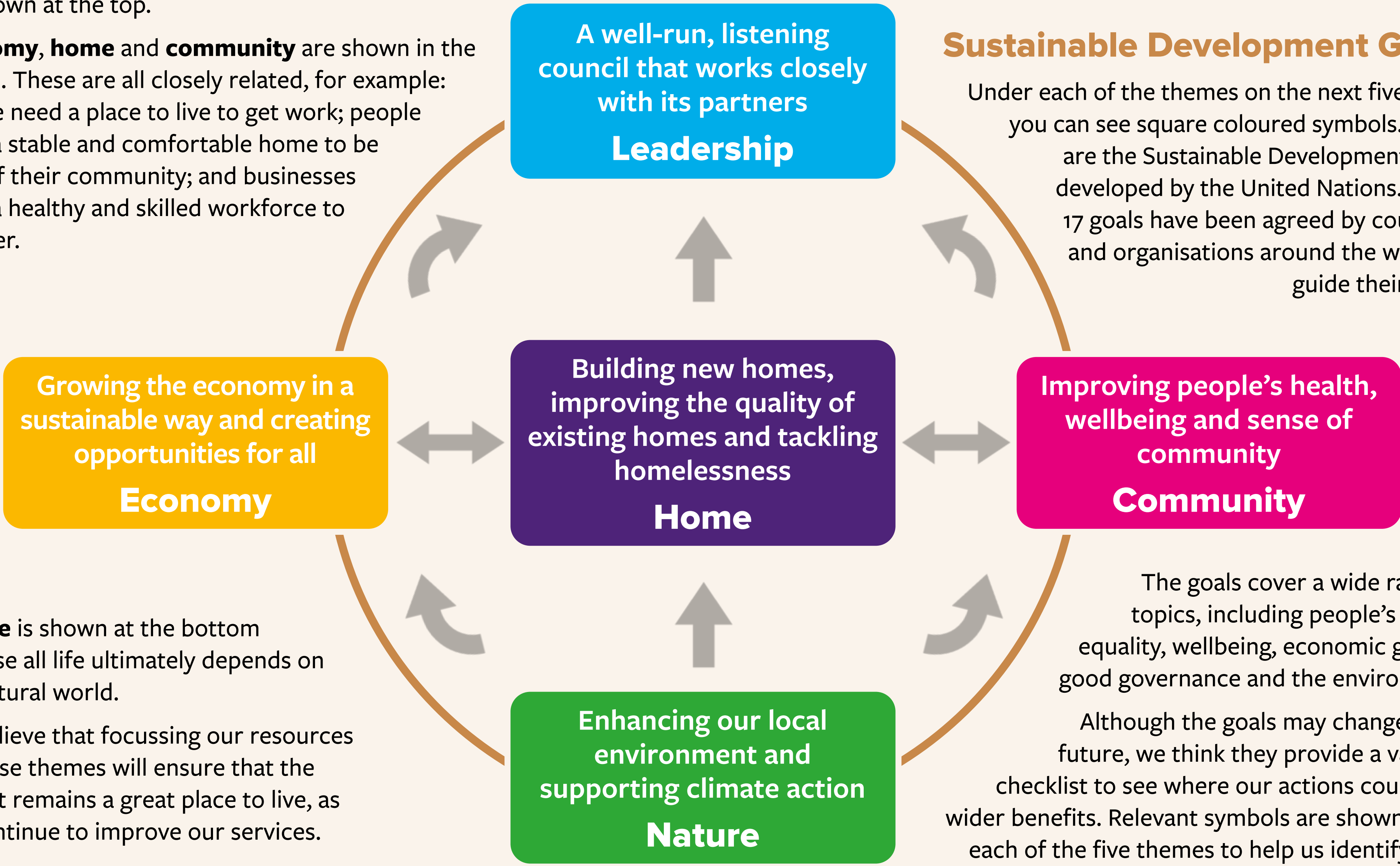

While we'll focus our resources on the services we deliver directly, we hope to see positive impacts in the wider world too – that's why we've called our plan '**Our district, our world**'.

Sustainable Development Goals

Under each of the themes on the next five pages you can see square coloured symbols. These are the Sustainable Development Goals developed by the United Nations. These 17 goals have been agreed by countries and organisations around the world to guide their work.

The goals cover a wide range of topics, including people's health, equality, wellbeing, economic growth, good governance and the environment.

Although the goals may change in the future, we think they provide a valuable checklist to see where our actions could have wider benefits. Relevant symbols are shown under each of the five themes to help us identify these benefits.

Welcome to our corporate plan ‘Our district, our world’

Enhancing prosperity and well-being for all

Welcome to the council’s corporate plan for 2025 – 2030 and to this annual report on the progress we have made during 2025/26. This year has seen us turn our shared ambitions into action, building on strong foundations and delivering positive change for our residents, visitors and businesses, working closely with our communities, partners and stakeholders.

Our progress in year one reflects both the breadth of services we deliver and the improvements we are making to ensure they are efficient, effective and accessible. It also reflects the value of partnership working, whether through supporting health and well-being, strengthening our local economy, improving housing, or taking action to protect and enhance our environment.

The plan itself was shaped through a wide-ranging consultation exercise, and throughout 2025/26 we have continued to listen to residents, tenants, young people, businesses and communities. Your views and ambitions have helped guide our priorities and have informed the work highlighted in this report.

Sustainability remains at the heart of this plan. We know we must continue to live within our means, but we are equally committed to ensuring that the council’s work responds to the needs of residents now and in the future. In year one, that has meant balancing sound financial management with continued investment in well-being initiatives, the local economy and environmental action.

We are fortunate to have an outstanding district, from our spectacular coastline to our beautiful rural communities, and this year we have continued to build on that strength. Progress on projects such as the ‘Folkestone: A Brighter Future’ project, the Coast Drive destination project, new affordable homes, youth engagement, climate action and support for local businesses shows the scale of both our ambition and our delivery.

Our residents and communities remain central to everything we do. The progress made during 2025/26 reflects our commitment to improving people’s everyday lives, creating opportunity, supporting those in need and helping our district to thrive.

We also recognise the vital role we play in working with partners to address the issues that matter most to local people, from transport, roads and water quality to housing, health and economic opportunity. This report shows how, in the first year of the plan, we have strengthened that role and delivered meaningful progress for the benefit of all.

Councillor Jim Martin, Leader

Susan Priest, Chief Executive

A well-run, listening council that works closely with its partners

Overview

We are responsible for a wide range of services, most of which we must provide by law. Under our **Leadership** theme we have made commitments to deliver high quality, accessible services for all, with a focus on supporting those who are vulnerable or face barriers to getting help, while keeping our finances balanced to protect frontline services.

Through our Corporate Plan we have made a commitment to provide strong local leadership, working closely with our partners, widening engagement and ensuring transparent decision-making. We will champion residents' voices, invest ethically as a Fair Tax organisation, and be a fair employer.

Guiding principles:

- Being open, democratic and building trust in all we do
- Balancing the council's budget and spending wisely
- Engaging meaningfully with the community
- Delivering services that are easy for everyone to access and support people in need

Key leadership achievements

- **Improved governance and decision-making** by completing stakeholder engagement and preparing for local government re-organisation
- **Strengthened financial planning and controls** by approving the Medium-Term Financial Strategy, Annual Budget and Treasury Strategy, and implementing a new financial management system
- **Enhanced workforce inclusivity and equality** by embedding the Reasonable Adjustments Policy and approving a new Equality & Diversity Policy
- **Improved customer access and accountability** by approving a Customer Access Strategy and strengthening complaints handling and reporting arrangements
- **Strengthened housing services and tenant engagement** by completing the Annual Tenants' Survey with improved satisfaction across all measures and preparing successfully for regulatory inspection
- **Expanded community and youth engagement** by delivering two Youth Forum cohorts and progressing Local Plan engagement, including securing external funding

Sustainable Development Goals

LEADERSHIP / THEME 1:

A well-run, listening council that works closely with its partners

Students representing the district's schools and colleges joined the council's youth forum to share views on future plans for where they live.

During two sessions students learned about the democratic process and discussed topics such as solar farms, social media and the new play area at Folkestone's Lower Leas Coastal Park.

The young people, aged between 13 and 19, were from The Beacon, Brockhill Park, EKC Folkestone Junior College, Folkestone School for Girls, The Harvey Grammar School and The Marsh Academy.

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Investment enabling thousands of tonnes of freight heading across the Channel to be carried by rail again has been welcomed.

Councillors worked with Network Rail for 18 months supporting its plan to upgrade the freight link between Folkestone and London enabling regular intermodal freight trains to carry cargo in containers.

It is estimated this could lead to the removal of 140,000 lorry journeys from the M20 every year, reducing congestion and carbon emissions.

An improved council tax reduction scheme further helping working age, low-income households has been introduced.

The council developed a revised approach – offering up to 100% support – in response to the rise in the cost of living and the withdrawal of incentive funding by Kent County Council.

Other help for residents has included help through the Home Essential Fund project; supporting vulnerable customers through welfare and outreach and developing a Customer Access Strategy.

COMMUNITY / THEME 2:
Improving people's health, wellbeing and sense of community

Overview

Our **Community** theme highlights the importance of reducing anti-social behaviour, providing leisure facilities, public transport and walking and cycling routes, and we have included these as priorities. In conversations about the plan, many people also told us they felt lonely and isolated, so we've also included reducing social isolation as a priority.

Working with partners to encourage people to lead more active lives – whether volunteering or taking up sports – can have many benefits, including improving people's health and reducing loneliness.

Guiding principles:

- Supporting improvements to people's health, wellbeing and safety
- Supporting walking, cycling and public transport
- Celebrating diversity
- Welcoming everyone and removing barriers to access
- Promoting community engagement, activity and creativity

Key community achievements

- **Improved community safety and well-being** through delivery of the Community Safety Partnership Plan, targeted interventions, and a programme of safety events and campaigns
- **Delivered a wide programme of community events** including safety, well-being and awareness initiatives, supporting early intervention and public engagement
- **Strengthened sports and active living initiatives** through delivery of funded programmes, including expanded projects supporting young people and community participation
- **Enhanced support for communities and voluntary sector** through networking events, community hubs and ongoing collaboration to address wellbeing and social isolation
- **Improved cultural, heritage and tourism offer** by revamping Folkestone & Hythe: 'Experience the Extraordinary' website and engaging with heritage groups
- **Supported food security and sustainability initiatives** through the District Food Network, community food projects and expanded support to local households

Sustainable Development Goals

Improving people's health, wellbeing and sense of community

Councillors agreed a £2.4m grant to help re-open swimming facilities at Folkestone Sports Centre.

The funding supports essential work to the pool area, provision of solar panels and repairs to the roof as part of The Sport Trust's revitalisation of the Radnor Park site.

It is hoped that the pool will re-open during 2026 and enable community swimming and the associated health and social benefits to be available once again.

Further support has been pledged by charities and organisations for military veterans and active personnel in the district.

At an event organised by the council at the Folkestone Nepalese Community Centre, several veterans spoke about the issues surrounding the return to civilian life.

Council Leader Jim Martin said that it is the role of all community organisations to make sure that military personnel know that help is available.

More than 90 people joined workshops to bring together the story of Folkestone for a bid to become the UK's first Town of Culture.

Expressing an interest in gaining the accolade, it was highlighted that whilst the town has undergone a transformation in its creativity and reinvention, Folkestone has experienced the long-term effects of economic decline, particularly in East Folkestone and the harbour area.

The lasting legacy of the work to date has been to collect information from groups, organisations, event organisers and local creatives.

Building new homes, improving the quality of existing homes and tackling homelessness

Overview

We have invested significantly in improving our council homes, over the past five years, and under our **Home** theme, this work will continue. But many people depend on the private rental market for a home, so we have also made commitments to work with tenants and landlords to improve the quality of these homes.

The government has set high targets for housebuilding that councils must meet. We will use our new Local Plan to make sure that homes are built in the right places with the right infrastructure, including at the new garden town of Otterpool Park, with sustainable homes that enhance their surroundings.

Guiding principles:

- Offering frontline support to people who are homeless
- Building more council homes and affordable homes
- Working with tenants to ensure landlords deliver good quality homes for rent
- Improving the energy efficiency and comfort of our council homes

Key home achievements

- **Strengthened homelessness prevention and support** by working with partners to reduce rough sleeping and preventing or relieving homelessness for more than 230 households
- **Expanded and improved temporary accommodation** provision by securing additional capacity, including investment to acquire new units and strengthen private sector supply
- **Delivered new homes and increased housing supply** through new build and acquisition programmes, bringing empty homes back into use and supporting town centre redevelopment schemes
- **Improved the quality of private sector housing** by upgrading nearly 300 homes through enforcement, adaptations and energy efficiency measures
- **Strengthened housing strategy and planning** by publishing the Housing Delivery Action Plan and supporting delivery through the Local Plan process
- **Improved the quality and sustainability of council homes** by delivering energy efficiency improvements and increasing compliance with Decent Homes and safety standards

Sustainable Development Goals

HOME / THEME 3: **Building new homes, improving the quality of existing homes and tackling homelessness**

Council tenants began moving into new affordable rent homes at the Risborough Barracks development in Shorncliffe, Folkestone, in February.

44 homes were purchased through the council's Housing Revenue Account and all available for affordable rent.

All the homes have been built to achieve an EPC rating of B, supporting lower energy bills for residents while contributing to the council's wider carbon-reduction ambitions.

The council has provided six new homes in the rural village of Lyminge as part of its ongoing pledge to create more affordable, energy efficient homes in the district.

The properties are let to tenants on the housing list at affordable rents and are part of the council's planning agreement with the house builder to ensure that new developments contribute to local infrastructure and community need. The new homes have an EPC rating of B and support the council's carbon reduction strategy.

Providing 8,500 new homes at Otterpool Park has been brought a step closer following a Collaboration Agreement with Homes England. The council has been working with the government's housing and regeneration agency with the intention of securing planning agreement for the scheme.

The collaboration has given the council access to the additional skills and expertise necessary to successfully complete the high-quality scheme and attract the level of investment required to deliver at this scale.

ECONOMY / THEME 4: **Growing the economy in a sustainable way and creating opportunities for all**

Overview

Under our **Economy** theme, we have been exploring opportunities for innovation, infrastructure and investment to support businesses. We've delivered the UK Shared Prosperity Fund and we've promoted Folkestone Works, the council's investment and advice website. Small actions can make a big difference, such as advising local firms how they can bid for council contracts, keeping prosperity in the local economy.

While the district has strengths in the cultural and creative sectors, we've also been exploring how we can work with partners to promote the district and provide training to take advantage of other growing sectors, such as green technologies.

Guiding principles:

- Supporting innovation and training
- Providing new infrastructure
- Reducing inequality
- Helping to build the green economy
- Investing in towns and villages throughout the district

Key economy achievements

- **Promoted apprenticeships and skills development** by supporting training and employment opportunities linked to growing and sustainable industries
- **Supported local businesses and local spending** by delivering projects that encourage residents and visitors to spend locally and keep prosperity within the district
- **Improved access to council contracts for small businesses** by actively engaging local suppliers and promoting procurement opportunities
- **Supported the transition to clean energy** by backing renewable and low carbon energy initiatives that respect protected landscapes and habitats
- **Supported food production and land management** by backing initiatives that benefit both the natural environment and the local economy
- **Delivered and progressed major regeneration and infrastructure investment** by advancing Levelling Up Fund improvements in Folkestone town centre and encouraging investment across towns and villages in the Romney Marsh and North Downs

Sustainable Development Goals

ECONOMY / THEME 4: **Growing the economy in a sustainable way and creating opportunities for all**

Work is underway on Folca 2, the Art Deco section of the council owned former Folkestone department store.

A local construction company is ensuring the structure is watertight and ready for the next chapter in its history - a proposed medical centre.

Folca 1 - the Edwardian section – is also set for refurbishment which could see the upper floors converted into flats and commercial space on the ground floor.

Changing Tides - a new beachside destination at Greatstone developed by the council is due to open this summer.

The Coast Drive centre will include 93 wooden beach huts, water sports facilities and a café concession with a training room.

Public toilets, including an accessible Changing Places facility, and a remodelled car park with electric charging stations have also been constructed.

Skills programmes to strengthen the local economy and support small business growth across the district have been launched by the council.

Independent businesses and hospitality venues in Folkestone, Hythe, Sandgate and New Romney – as well as rural enterprises across the Romney Marsh and North Downs – will receive support.

The High Streets Connect and Grow Rural initiatives are both funded from central government's UK Shared Prosperity Fund UKSPF)

NATURE / THEME 5: **Enhancing our local environment and supporting climate action**

Overview

The environment emerged as a strong theme during engagement on this plan. Local people are naturally concerned at the issues affecting their neighbourhood, and water pollution was highlighted as a key issue – we will continue to press water companies for action to address this on behalf of residents.

Under the Nature theme, we will focus on the services we provide, including ensuring that streets and green spaces are clean and welcoming, but we also believe that by carefully considering our impacts on nature and the climate, we can also have a positive impact on the wider world.

Guiding principles:

- Protecting our waters, rivers and coast
- Protecting our countryside and enhancing the diversity of plant and animal life
- Delivering high-quality developments that respect local character
- Reducing carbon emissions and adapting to our changing climate

Key nature achievements

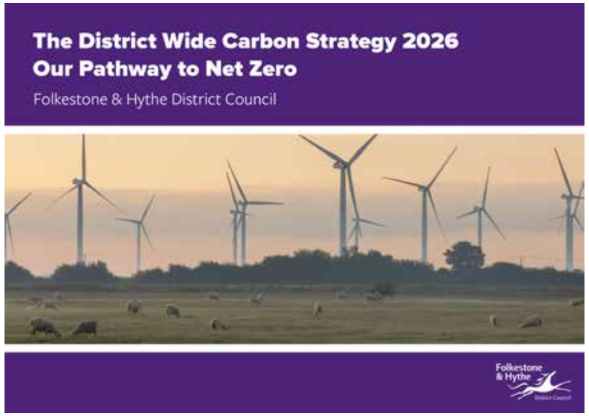
- **Maintained Green Flag status** for all our flagship parks (Kingsnorth Gardens, Radnor Park, Royal Military Canal and Lower Leas Coastal Park)
- **Protected and enhanced biodiversity** by supporting habitat management, delivering Green Grants projects and contributing to the Kent & Medway Local Nature Recovery Strategy
- **Strengthened environmental quality in new development** by progressing East Kent Design Codes and influencing design, energy efficiency and place making standards
- **Supported recycling, reuse and waste reduction** through continued communications, campaigns and partnership working with voluntary groups
- **Advanced climate action and carbon reduction** by adopting a revised district-wide Carbon Plan aligned with Kent & Medway targets
- **Supported climate resilience and adaptation** by securing funding and delivering coastal protection and beach management works, and working with landowners to reduce climate risks

Sustainable Development Goals

NATURE / THEME 5: **Enhancing our local environment and supporting climate action**

The district beach management programme successfully defended homes from Storm Goretti earlier this year.

The coastline was hit by unexpectedly forceful winds causing damage to various structures including Folkestone's Mermaid Beach breakwater, beach huts and benches. But crucially, there were no reports of flooding or damage to residential properties – nor injuries or harm to any residents – meaning the council's bi-annual recycling and regrading of shingle carried out since 2004 did its job effectively.



A blueprint for the district, setting out 54 actions to tackle the urgent challenges posed by climate change and ecological decline has been agreed by councillors. The carbon plan aims to achieve a net zero district by 2041 through measures include decarbonising electricity generation through renewables, shifting building heating towards low-carbon sources and improving public transport and cycling infrastructure. Residents' suggestions such as supporting low-income and vulnerable households have also been added to the plan.

More than 30 organisations including community groups, parish councils and schools benefitted from funding to support sustainability and carbon reduction projects across the district.

The Green Grant scheme supported a range of schemes including electrical recycling, tree planting, developing sensory gardens, restoring ponds, growing mushrooms on spent coffee grounds and installing solar panels. The scheme is being repeated during 2026/27 with a £250,000 package of support.

United Nations Sustainable Development Goals

Our Corporate Plan is closely aligned to the **United Nations' Sustainable Development Goals (SDGs)**, ensuring that local action contributes to wider global priorities. Through the work delivered in 2025–26, the council has made clear progress against a number of the goals, including:

Good health and wellbeing (SDG 3) – by supporting community safety initiatives, tackling social isolation, promoting active lifestyles, and improving housing quality and tenant satisfaction.

Quality education and reduced inequalities (SDGs 4 & 10) – through youth engagement programmes and the Youth Forum, apprenticeships and skills initiatives, inclusive employment practices, and targeted support for vulnerable households.

Affordable & Clean Energy (SDG 7) – by supporting Solar Together Kent (group-buying solar panels for residents and businesses), installation of solar panels on 380 of the council's houses, and Green Grants and Business Grants supporting renewable energy projects.

Decent work and economic growth (SDG 8) – by supporting local businesses, promoting apprenticeships, investing in regeneration projects, and encouraging local spending across towns and villages.

Sustainable cities and communities (SDG 11) – by delivering new homes, improving existing housing, bringing empty properties back into use, investing in infrastructure, and strengthening community engagement and local leadership.

Responsible consumption and production (SDG 12) – through waste reduction and recycling campaigns, food security initiatives, community food projects, and support for reuse and repair.

Climate action and life on land (SDGs 13 & 15) – by adopting a revised district wide Carbon Plan, supporting biodiversity through Green Grants, Sustainable Futures Forum events enabling community-led climate action, protecting green spaces, and delivering coastal protection and climate resilience measures.

Across all five themes of the Corporate Plan, the Council's work demonstrates how **local delivery supports global goals**, helping to improve wellbeing, prosperity and environmental sustainability for current and future generations.

Our district
Our world

Enhancing prosperity and well-being for all

Corporate Plan Annual Report

2026

Folkestone & Hythe District Council, Civic Centre,
Castle Hill Avenue, Folkestone, Kent, CT20 2QY

folkestone-hythe.gov.uk

Folkestone & Hythe District Council

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Our district, Our world

Enhancing prosperity and well-being for all

Corporate Plan 2025-30

Action Plan

2025-26 Year-end progress report

Folkestone & Hythe District Council

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How this document works

Corporate Plan	Action Plan (This document)	Service Plans	Monitoring
The Council's vision and commitments for the next 5 years Agreed and published in 2025.	The work we are doing to meet our commitments throughout the year, with key projects and activities identified. **A dynamic 'live' document,** agreed annually.	The top priorities for each service area. Actions from this plan assigned to officers and teams. Agreed by Chief Officers annually, progress reported after 6 months.	The Corporate Plan Annual Report and mid-year progress update.
THEMES: **Leadership** **Community** **Home** **Economy** **Nature**	Key projects and activities that support the plan are identified in this document, with high-level actions and timescales noted. **For 2025-26 key projects included:** • Otterpool Park investment • FOLCA plan • HRA Business Plan • Folkestone & Hythe Local Plan • Customer Access Strategy • Community Engagement Strategy • District-wide Carbon Plan • Sports and Leisure Strategy • Heritage Strategy • Green Infrastructure Strategy • Folkestone: A Brighter Future project • Community Safety Action Plan • UK Shared Prosperity fund • Annual tenants' survey • Green Flag awards • Market improvement programme • Coast drive destination project • Green grants programme • Procurement Plan	Detailed actions from the Action Plan feature in operational Service Plans, alongside associated risks, KPIs and other actions. Service Plans are organised by Chief Officer under each directorate: **Finance** **Strategy & Resources** **Housing & Operations**	**The Annual Report**: highlighting key achievements and our delivery against our commitments over the previous year. **A mid-year progress update:** showing activity and progress being made against the Action Plan in-year.

Leadership THEME 1: A well-run, listening council that works closely with its partners

Guiding Principle	Commitment	Specific Action (In 2025-26 we have met these commitments by…)	Timescale	Year-end progress (Mar-26)	
Being open, democratic and building trust in all we do	**We will:** Make sure that our residents and businesses are well-placed to benefit from devolution and local government reorganisation.	**Undertaking stakeholder consultation on proposals.** *To ensure appropriate stakeholder engagement on proposals for local government reorganisation.*	2025-26	**Complete.** Kent-wide engagement ran 8 Sept–6 Oct 2025 via a public survey and meetings with Town and Parish councils. Results are published on Kent Leaders website. Statutory government consultation undertaken early 2026.	Michelle Farrow, Head of Corporate Policy
		Preparing and submitting the final submission to Government. *Detailing the Council's position, alongside its neighbouring authorities, on plans for local government reorganisation.*	Nov 2025	**Complete.** F&HDC Council and Cabinet met 19-Nov to agree the preferred option for local government reorganisation; submitted to Minister by 28-Nov deadline.	Michelle Farrow, Head of Corporate Policy
	We will: Ensure that we have an effective and transparent system for making council decisions.	**Providing support and training to Cabinet portfolio-holders and committee members.** *To ensure effective decision-making through Cabinet and committees.*	2025-26 (and ongoing)	**Complete/Ongoing.** Member training completed for 25-26 year. Programme is ongoing, and more training will be offered as and when members require it ahead of LGR.	Paul Butler, Democratic Services & Elections Manager
	We will: Set a good example as an employer, treating employees fairly and ensuring equality of opportunity.	**Implementing our Reasonable Adjustments Policy**. *Budget/spend recorded and monitored through the annual report to Personnel Committee.*	Annually (July)	**Complete.** Presented to Personnel Committee in Jul-25 with new processes, training, and compliance measures in place, including an update to the annual appraisal process to review reasonable adjustments. Next update due Jul-26.	Andrina Smith, Chief Officer (People & Customer Services)
		Presenting HR Annual Review at Personnel Committee. *Workforce information, metrics and activity supporting staff engagement and development.*	Annually (July)	**Complete.** Annual workforce review delivered and noted by Personnel Committee in Jul-25, covering engagement and development metrics.	Andrina Smith, Chief Officer (People & Customer Services)
		Reviewing our People Strategy. *Setting out a model of our values and behaviours to underpin development of staff.*	2025-26 (and ongoing)	**In progress.** Development work is ongoing. Strategy due to be submitted to Personnel Committee Jul-26. (Action to be carried forward into 26-27 plan).	Andrina Smith, Chief Officer (People & Customer Services)
		Updating our Equality & Diversity Policy. *Including setting new equality objectives for fair employment (monitored through the annual E&D report).*	June 2025	**Complete.** Equality and Diversity Policy approved by Cabinet May-25 setting new Equality Objectives, to be monitored through the Annual Equality Report (next due Nov-26).	Gavin Edwards, Senior Performance Officer
Balancing the Council's budget and spending wisely	**We will:** Deliver a balanced budget that protects frontline services.	**Developing and agreeing the Medium-Term Financial Strategy.** *An annual process that sets out how budgets will be managed to ensure funds are available to deliver frontline services.*	Annually (December)	**Complete.** The updated MTFS was taken to Full Council and approved Feb-26, incorporating changes from the new three-year Local Government Finance Settlement and the business rates reset, previously announced by Central Government.	Jonathan Smith, Chief Officer (Financial Services)

Guiding Principle	Commitment	Specific Action (In 2025-26 we have met these commitments by…)	Timescale	Year-end progress (Mar-26)	
		Agreeing and publishing the Council's Annual Budget. *A key decision that determines expenditure, with quarterly budget monitoring to ensure performance against target.*	Annually (February)	**Complete.** The updated General Fund and HRA budgets were approved by Full Council Feb-26, incorporating the changes from the new Local Government Finance Settlement and the business rates reset (as above). This included setting Council Tax for 26/27 and the required financial strategies (capital, investment and treasury).	Jonathan Smith, Chief Officer (Financial Services)
	We will: Invest council funds ethically, in ways that benefit people and the environment and demonstrate that we operate as a Fair Tax organisation.	**Implementing a new financial management system**. *To drive efficiencies and improve fiscal management and controls.*	June 2025 – April 2026	**Complete.** The new system (TechOne) went live Apr-26. It has been implemented in phases; phase 1: core operations (payments and income) has gone live. Phase 2: budget modules (budget setting/monitoring) and will go live Jun-26.	Jonathan Smith, Chief Officer (Financial Services)
		Developing and agreeing a new Treasury Strategy. *To coincide with the annual budget-setting process, with quarterly monitoring of performance.*	Annually (February)	**Complete.** The Treasury Strategy is worked on each year as part of the budget setting process and was taken to Full Council for approval Feb-26.	Jonathan Smith, Chief Officer (Financial Services)
Engaging meaningfully with the community	**We will:** Provide strong leadership, building productive relationships with town and parish councils and voluntary organisations, based on local needs and local knowledge.	**Engaging with town and parish councils and local community groups on local issues.** *(E.g. FHDC and parish councils' joint committee/Folkestone Community Forum, Sustainable futures forum, and the North Downs forum.)*	2025-26 (and ongoing)	**Complete/Ongoing.** Engagement through forums and joint committees, supporting local priorities and design codes. Parish councils actively involved, with feedback shaping policy development and community initiatives, inc. Sustainable Futures Forum event held Oct-25.	Adrian Tofts, Strategy and Policy Manager
		Assisting with Neighbourhood Plans and local design codes. *Supporting town and parish councils in developing their own codes.*	2025-26 (and ongoing)	**Complete/Ongoing.** Guidance and resources provided to parish councils for Neighbourhood Plans including Folkestone Town Council, Sellindge Parish Council and Lyminge Parish Council; Community Panel formed and Panel meetings held Sep-Nov 25 to help develop design codes aligned with district principles.	Adrian Tofts, Strategy and Policy Manager
	We will: Use new ways to engage with people and ensure that everyone has the chance to be heard, particularly young people.	**Facilitating a district-wide youth forum.** *Consulting with young people on matters such as Housing, Climate Change, Safety and Health.*	2025-26 (and ongoing)	**Complete/Ongoing.** Planned activity for 25-26 completed, with two cohorts each attending two half-day youth forum events. Topics included Coastal Park plans, Solar Farms and improving communication with young people.	Jo Gage, OD and Engagement Manager
		Developing a new Community Engagement Strategy. *To improve awareness of council services, and to explore new methods of engaging with residents and businesses.*	2025-26	**In progress.** We have been working with teams across the council to test various engagement routes to reach residents and businesses. Agreed to reposition strategy as a framework to underpin the preparatory work for LGR. Draft framework being prepared.	Jane Walker, Communications and Engagement Manager
		Conducting engagement activities for the new Local Plan and district Design Codes. *Exploring new engagement methods to involve a wider range of stakeholders, including young people.*	2025-26	**Complete.** Local plan regulations laid before Parliament in Mar-26. Team continued to assess 170 sites submitted through the 'call for sites' process. Bid submitted to MHCLG for Local Plan Implementation Funding. Bid successful and £108,000 awarded Mar-26.	Adrian Tofts, Strategy and Policy Manager

Leadership THEME 1: A well-run, listening council that works closely with its partners

Guiding Principle	Commitment	Specific Action (In 2025-26 we have met these commitments by...)	Timescale	Year-end progress (Mar-26)	
	We will: Make our voice clearly heard to ensure other organisations deliver the best services for our residents, including working with Kent County Council, National Highways and bus companies on our motorway and road network and public transport services.	**Engaging in regular liaison/meetings with Kent County Council, National Highways and bus companies**. *To contribute to discussions around motorways, roads and public transport.*	2025-26 (and ongoing)	**Complete/Ongoing.** Regular meetings and discussions have been undertaken through 25-26 with KCC and stagecoach about bus services, bus infrastructure and user experience; Sustainable transport and Electric Vehicle charging Points.	Andrew Rush, Chief Officer/ (Fred Miller, Transportation Manager)
		Undertaking our duty to cooperate with the Local Plan. *Ensuring our contribution through discussions and agreements made with neighbouring authorities and statutory organisations.*	2025-26 (and ongoing)	**Complete/Ongoing.** Ongoing discussions with Kent and East Sussex authorities. Liaison with Canterbury City Council regarding their local plan. East Kent Design Code Panels held Sep-25 and Nov-25 were well received.	Adrian Tofts, Strategy and Policy Manager
Delivering services that are easy for everyone to access and support people in need	**We will:** Deliver high quality services for all, especially the vulnerable, disadvantaged and people who struggle to access support.	**Developing a Customer Access Strategy**. *Improving customer experience by enhancing digital offerings, improving inclusivity, accessibility and support.*	March 2026	**Complete.** Customer Access Strategy developed and recommended by Cabinet Jan-26, approved by Council Feb-26. The strategy reflects our evolving understanding of customer needs, with a focus on digital by choice, inclusivity and continuous improvement.	Becky Blaszkowicz, Customer Support Manager
		Approving and implementing a new Complaints Policy. *Demonstrating compliance with Ombudsman codes of practice for complaints, and monitoring outcomes and lessons learnt.*	June 2025	**Complete.** Customer Feedback and Complaints Policy, approved by Council in Apr-25, demonstrating compliance with joint Ombudsman codes and setting out clear reporting on outcomes and learning.	Gavin Edwards, Senior Performance Officer
		Publishing an Annual Complaints Report. *Highlighting performance on complaints / outcomes / learning reported to officers and Members.*	Annually (Jul-Sep)	**Complete.** Annual Complaints Report published Oct-25, showing outcomes and learning, alongside self-assessment against joint Ombudsman codes. Cyclical reporting now established through Corporate Governance Board (CGB) and the Member Responsible for Complaints (MRC) quarterly.	Gavin Edwards, Senior Performance Officer
		Ensuring the housing service complies with the Regulator of Social Housing's consumer standards in preparation for an inspection. *Improving satisfaction, accessibility and tenant engagement.*	Annually (and ongoing)	**Complete/Ongoing.** Continuous improvement plan updated monthly. Internal Audit provided Substantial Assurance of readiness for inspection. Regulator initiated inspection Feb-26, with evidence submitted Mar-26. Result pending.	Gill Butler, Chief Officer (Housing)
		Undertaking and publishing an Annual Tenants' Survey. *Measuring overall satisfaction of the housing landlord service, including a breakdown by diversity group.*	Annually (Apr-Oct)	**Complete.** Survey completed with more than 680 tenants, with improved satisfaction (76%). Results reported to Strategic Tenants Advisory Panel and Overview & Scrutiny Committee Nov-25 and published in tenant bulletin Oct-25. Action plan published in tenant newsletter Jan-26.	Mike Bailey, Tenant Engagement and Wellbeing Specialist
		Undertaking 'tenant scrutiny' reviews. *To engage with tenants of the housing landlord service on improvements to services provided to tenants and leaseholders.*	Annually (2 reviews per year)	**Complete/Ongoing.** Tenant Scrutiny Panel reviewed Housing Communications and recommendations were approved by the Housing Leadership Team. Scrutiny review of Damp & Mould underway.	Mike Bailey, Tenant Engagement and Wellbeing Specialist

Leadership THEME 1: A well-run, listening council that works closely with its partners

Guiding Principle	Commitment	Specific Action (In 2025-26 we have met these commitments by…)	Timescale	Year-end progress (Mar-26)	
		Reviewing and developing the Council's website. *To improve accessibility and aid better signposting and referrals for non-FHDC services (as part of our advocacy role).*	2025-26	**Complete.** Easy Read and Summary versions of key documents have been approved and incorporated into the website in line with the Customer Access Strategy and Council policy documents.	Steve Weakley, ICT & Digital Services Manager
		Supporting households through the UK Shared Prosperity Fund. *Providing for and monitoring the number of households in the district receiving support through the UKSPF.*	2025-26	**Complete.** The UKSPF funded Home Essential Fund project was approved by Cabinet in Apr-25. Throughout 2025-26, crucial support has been delivered to 137 households (exceeding target of 60). The fund concluded in Mar-26.	Rod Lean, Chief Officer (Place & Growth)
		Supporting vulnerable customers through welfare and outreach projects. *Providing for and monitoring the number of households receiving financial support.*	2025-26 (and ongoing)	**Complete/Ongoing.** Funds for Discretionary Housing Payments, Household Support Fund and Home Essentials Fund fully utilised with no payments returned to KCC or DWP. Financial Support Payments complete and up to date.	Andrew Hatcher, Council Tax, Benefits and Welfare Manager

Community THEME 2: **Improving people's health, wellbeing and sense of community**

Guiding Principle	Commitment	Specific Action (In 2025-26 we have met these commitments by…)	Timescale	Year-end progress (Mar-26)	
Supporting improvements to people's health, wellbeing and safety	**We will:** Provide support for communities in reducing anti-social behaviour and social isolation.	**Delivering a programme of community safety events and projects**. *Monitoring the number of community safety events held, and projects delivered.*	2025-26 (and ongoing)	**Complete/Ongoing.** Community safety engagement activity focused on targeted safety and mental health stands, alongside planning the Safety Action Plan partner event (due May-26) to promote safer communities. Events promoted through Community Safety Partnership newsletters.	Karen Weller, Environmental Protection Manager
		Embedding the Community Safety Action Plan. *Reviewing and updating this plan with the Community Safety Partnership and other key partners.*	2025-26 (and ongoing)	**Complete/Ongoing.** The annual Community Safety Partnership meeting was held Nov-25, scrutinising progress made against the Community Safety Partnership Plan (2025-2028). The plan details actions that will be taken to protect communities in the district and keep residents safe.	Karen Weller, Environmental Protection Manager
		Taking enforcement action to reduce anti-social behaviour. *Measuring the number of cases, monitoring trends and reporting any enforcement action taken.*	2025-26 (and ongoing)	**Complete/Ongoing.** Enforcement activity continues to address anti-social behaviour, with action monitored through case numbers and KPIs. Most issues resolved at an early stage, indicating effective intervention and positive engagement.	Karen Weller, Environmental Protection Manager
		Enabling the running of community awareness and well-being events. *Three large events and a number of smaller targeted ones planned throughout the year.*	2025-26 (and ongoing)	**Complete/Ongoing.** Several community awareness and education events held; wellness sessions, safety and mental health stands, careers fairs, school and community events. Including Folkestone Trawler Race, Bouverie Place Sports cage and the Paws for Thought youth walk-and-talk	Karen Weller, Environmental Protection Manager
	We will: Improve people's health, wellbeing and safety by working with local health services, schools and the police.	**Renewing the Anti-Social Behaviour Public Spaces Protection Order (PSPO).** *Educating the public and taking enforcement action where necessary.*	2025-26	**Complete.** The PSPO came into effect in Jun-25; public education campaigns and enforcement measures implemented to maintain compliance. The new Dog Control PSPO was put in place Aug-25.	Andrew Rush, Chief Officer (Regulatory & Community Services)
		Supporting community environmental volunteer events. *To engage with communities on environmental health issues. Monitoring the number of events supported.*	2025-26 (and ongoing)	**Complete/Ongoing.** A Licensing Forum was held in Sep-25 and Mar-26, attended by a range of stakeholders including local businesses and community groups. A volunteer and skills fair was held Oct-25 organised by the Sustainable Futures Forum.	Andrew Rush, Chief Officer (Regulatory & Community Services)
		Completing the Food Hygiene Intervention Programme. *In accordance with the Food Standard Agency's directions and Food Law Code of Practice.*	Mar-26	**In progress.** 515 food hygiene inspections were completed by year end, with full delivery across the higher-risk categories. The remaining programme will be carried forward into the 2026-27 plan.	Andrew Rush, Chief Officer (Regulatory & Community Services)
		Supporting community hubs and spaces. *To address wider health and wellbeing initiatives including social isolation and mental health support.*	2025-26 (and ongoing)	**Complete/Ongoing.** Community hubs supported through events tackling isolation and mental health. Ongoing work from community spaces to address VCSE support to communities including UKSPF delivery.	Jyotsna Leney, Community Partnerships Manager

Community THEME 2: **Improving people's health, wellbeing and sense of community**

Guiding Principle	Commitment	Specific Action (In 2025-26 we have met these commitments by...)	Timescale	Year-end progress (Mar-26)	
	We will: Encourage people to lead more active lives by improving sports grounds and investing in new leisure facilities for the district.	**Developing a new Sports and Leisure Strategy**. *For improving access to, and availability of, sports and leisure facilities across the district.*	2025-26	**In progress.** The Sports and Leisure strategy is to be developed as part of the work to support the new Local Plan. This will begin in Jun-26. (Action carried forward into 26-27).	Adrian Tofts/ James Hammond, Strategy and Policy
		Strategic investment in sport and leisure facilities. *Undertake improvements to Hythe Pool.*	2025-26 (and ongoing)	**In progress.** Feasibility study undertaken to assess options and costing for improvements to the pool and car park. To be considered by Overview & Scrutiny Committee May-26 and Cabinet Jul-26.	Samuel Aligbe, Chief Officer (Corporate Estates & Development)
		Strategic investment in sport and leisure facilities. *Support the reopening of Folkestone Sports Centre Swimming Pool.*	2025-26 (and ongoing)	**In progress:** Capital grant to the Sports Trust considered by Overview & Scrutiny Committee in Jan-26 and then agreed by Cabinet Mar-26. Grant monitoring underway.	Andrew Rush, Chief Officer (Regulatory & Community Services)
		Supporting 'Active Sport for Kent.' *To enable clubs and sports providers to deliver key programmes, and measure activity levels.*	2025-26 (and ongoing)	**Complete/Ongoing.** Delivery Jun-25. New Funding secured enabled expansion of work for a further Cohort from Jan-26 onwards. Significant improvements in pupils well-being achieved. Sports Trust joint project work ongoing.	Jyotsna Leney, Community Partnerships Manager
		Maximising opportunities to encourage active living. *Supporting the provision of tailored activities for different age groups and holiday activities.*	2025-26 (and ongoing)	**Complete/Ongoing.** FHDC continues to support active living through wellness events with CSU - including active 50s and work from Community hubs (participation rates in activities)	Jyotsna Leney, Community Partnerships Manager
		Delivering on the 'ageing well' strand of the Folkestone and Hythe Health Alliance. *Supporting well-being for older people.*	2025-26	**Complete.** Ongoing delivery through Health Alliance, including the community wellness fair in Jul-25; supported by Age UK and AWOC (Aging Without Children).	Jyotsna Leney, Community Partnerships Manager
		Reviewing our current sports and leisure grants. *To secure funding for facilities as part of an ongoing commissioning process.*	2025-26	**Complete.** Current grants reviewed during budget setting process. Funding proposal for Folkestone Sports Centre considered by Overview & Scrutiny Committee Jan-26 and Cabinet Mar-26.	Andrew Rush, Chief Officer (Regulatory & Community Services)
Support walking, cycling and public transport	**We will:** Promote walking and cycling, bus and rail services and other green transport measures to reduce carbon emissions from travel and connect people with work, services and leisure.	**Supporting the Local Cycling and Walking Infrastructure Plan.** *Undertaking public consultation on the draft and seeing the amended plan through to adoption.*	December 2025	**Complete.** Funding opportunities are being actively pursued through the Consolidated Active Travel Fund administered by KCC, with £750,000 awarded to support delivery of the Folkestone A Brighter Future active travel scheme.	James Hammond, Strategy and Policy Specialist
		Delivering 'Folkestone: a brighter future' project. *Including specific actions related to improvement of **cycle routes/paths** across the district.*	2025-26 (and ongoing)	**In progress.** The project is progressing well and remains on track for substantive works to be completed by Aug-26, including the delivery of improved cycle routes and active travel connections.	Lorraine Smith, Regeneration Officer

Community THEME 2: Improving people's health, wellbeing and sense of community

Guiding Principle	Commitment	Specific Action (In 2025-26 we have met these commitments by…)	Timescale	Year-end progress (Mar-26)	
Celebrating diversity	**We will:** Work with voluntary organisations to bring people together, celebrate our diversity and enable residents to play an active role in their communities.	**Engaging with voluntary organisations to support ongoing community activities.** *Including asylum seekers, Afghan and Ukraine communities, the Armed Forces community, and the Nepalese community centre.*	2025-26 (and ongoing)	**Complete/Ongoing.** Work with Unaccompanied Asylum-Seeking Children (UASC) continuing, new steering groups attended; MOD site closed with handover to Taylor Wimpey in Mar-26; grants commissioning paused due to capacity.	Jyotsna Leney, Community Partnerships Manager
		Holding voluntary sector networking events. *To include one large event and two themed events throughout the year (dependent on funding).*	2025-26 (and ongoing)	**Complete/Ongoing.** EIV Awards Jun-25 and MTF event Sep-25 delivered, with one networking event commissioned and a new DFN workshop held Nov-25; grants commissioning paused due to capacity and NHIP commitments.	Jyotsna Leney, Community Partnerships Manager
		Publishing our Annual Equality Report. *Highlighting engagement activity/community work with different groups against our equality objectives.*	Annually (October)	**Complete.** The Annual Report for 2024–25 was published Nov-25, highlighting community work and achievements against the Council's Equality Objectives.	Gavin Edwards, Senior Performance Officer
Welcoming everyone and removing barriers to access	**We will:** Work with partners and local groups to provide emergency support for residents, while aiming to end the reliance on food banks to meet people's basic needs.	**Supporting the District Food Network (DFN).** *Monitoring user numbers and amount of food waste prevented from entering landfill.*	2025-26 (and ongoing)	**Complete/Ongoing.** District Food Network continues to be supported; remit review undertaken in Nov-25 workshop and a new community fridge site opened Dec-25.	Jyotsna Leney, Community Partnerships Manager
		Monitoring the usage of the Mobile food pantry and food bank service. *Ensuring usage is maximised and links maintained with additional static pantries.*	2025-26 (and ongoing)	**Complete/Ongoing.** Rainbow Centre data for 2025-26 shows 5,454 people accessed the mobile food service across the district, averaging 450 per month.	Jyotsna Leney, Community Partnerships Manager
		Supporting the Network of Community Fridges. *Ensuring food waste and food surplus are linked and that footfall levels are maintained or increased.*	2025-26 (and ongoing)	**Complete/Ongoing.** Community fridges remain supported, with expansion activity delivering an additional site opened in Dec-25, strengthening local access to food support.	Jyotsna Leney, Community Partnerships Manager
		Supporting a network of community gardening projects. *Via District Food Network for food security and sustainability.*	2025-26 (and ongoing)	**Complete/Ongoing.** The gardening project delivered a good harvest with growing volunteer interest.	Jyotsna Leney, Community Partnerships Manager
Promoting community engagement, activity and creativity	**We will:** Engage with local groups to promote the district's artistic, cultural, historic and tourist attractions and celebrate our special character, heritage and creativity.	**Developing a new Heritage Strategy**. *Including undertaking a consultation exercise to identify key priorities.*	June 2025	**Complete.** The new Heritage Strategy is completed and published on the website. A post-launch meeting with key stakeholders on Nov-25 generated valuable feedback and identified priority actions to support delivery of the strategy.	David Whittington, Strategy and Planning Policy Team Leader
		Supporting cultural heritage groups across the district. *Establishing a list of local interest groups and promoting the coordination of heritage activities within the district.*	2025-26 (and ongoing)	**In progress.** Support for cultural heritage groups across the district is planned through further development of a dedicated web page. Progress delayed due to competing priorities; future updates aim to acknowledge contributors and share agreed group information and contacts.	Piran Cooper, Strategy and Planning Policy Officer

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Community THEME 2: **Improving people's health, wellbeing and sense of community**

Guiding Principle	Commitment	Specific Action (In 2025-26 we have met these commitments by...)	Timescale	Year-end progress (Mar-26)	
		Establishing a local list of Heritage Assets. *Set up a mechanism for listing local heritage assets with input from local heritage groups.*	2025-26	**In progress.** Initial work to establish a local list of heritage assets is underway. A draft assessment and listing process for local heritage assets has been developed.	Piran Cooper, Strategy and Planning Policy Officer
		Promoting the district's cultural, heritage and tourism "offer" through the 'Experience the Extraordinary' website (see below). *As part of the Communications and Engagement strategy.*	2025-26	**Complete.** 'Experience the Extraordinary' website has been updated. Tourism campaign ongoing and new opportunities being explored.	Jane Walker, Communications and Engagement Manager
		Revamping the 'Experience the Extraordinary' tourism website for the district. *Facilitating the tourism board meetings, running a tourism campaign, and refreshing the district maps.*	2025-26	**Complete.** (As above) Website updated and user dwell time monitored. Folkestone, Romney Marsh and Hythe maps completed.	Katie Ainscough, Corporate Communications Officer
		Celebrating volunteering through the annual district awards. *Promoting and delivering the annual awards event.*	Annually (June)	**Complete.** Excellence in Volunteering Awards delivered Jun-25 with 200+ attendees; planning for Jun-26 event underway.	Jyotsna Leney, Community Partnerships Manager
		Allocating Member ward grants. *Ensuring grants are awarded in the year to communities.*	Annually	**Complete.** Grants have been successfully allocated for the 2025-26 year. Take up has been high, but there is some remaining budget at year end.	Paul Butler, Democratic Services & Elections Manager
		Reviewing current cultural / creativity-related grants. *Undertaken as part of an ongoing commissioning process.*	2025-26 (and ongoing)	**In progress.** Current grants will be reviewed during the next budget setting process.	Andrew Rush, Chief Officer (Regulatory & Community Services)

Home THEME 3: **Building new homes, improving the quality of existing homes and tackling homelessness**

Guiding Principle	Commitment	Specific Action (In 2025-26 we have met these commitments by…)	Timescale	Year-end progress (Mar-26)	
Offering frontline support to people who are homeless	**We will:** Work actively with our partners to prevent people becoming homeless.	**Implementing the Council's Homelessness Strategy and Rough Sleeping Initiative.** *Working with local partners to assist people who are at risk of rough sleeping.*	2025-26 (and ongoing)	**Complete/Ongoing.** The team work closely with Porchlight, the Rainbow Centre and other agencies to support rough sleepers to get off the street and into suitable accommodation. SWEP and winter shelter supported.	Adrian Hammond, Housing Strategy & Homelessness Manager
		Secure and monitor temporary accommodation (TA) for homeless households. *Ensuring value for money and efficiency, using both private sector options and suitable council housing.*	2025-26 (and ongoing)	**Complete/Ongoing.** The team have focused on securing suitable TA for households, including strengthening relationships with private TA providers and maximising use of suitable HRA stock, supported by an in-year budget allocation of £5m to acquire up to 20 additional TA units.	Adrian Hammond, Housing Strategy & Homelessness Manager
	We will: Provide support throughout the year for people who are homeless, supporting them to find a permanent home wherever we can.	**Undertaking homelessness prevention work.** *To provide housing solutions to those at risk of homelessness. Monitoring number of approaches and prevention/relief work.*	2025-26 (and ongoing)	**Complete/Ongoing.** The Housing Options team continue to work on preventing and relieving homelessness; through 2025-26, providing successful homelessness prevention for 108 households and homelessness relief for 126 households.	Adrian Hammond, Housing Strategy & Homelessness Manager
Building more council homes and affordable homes	**We will:** Build more council homes to meet the needs of our residents, including at the new community of Otterpool Park.	**Supporting the development of council home newbuilds and acquisitions across the district.** *The HRA Business Plan has provision for 20 new homes per year.*	2025-26 (and ongoing)	**Complete/Ongoing.** Good progress made on schemes delivering new affordable, green homes in the district, including: flats and houses underway at the former Smiths/Portex site in Hythe; and further properties secured at Risborough Barracks in Shorncliffe due in May-26.	Adrian Hammond, Housing Strategy & Homelessness Manager
		Completing collaboration agreement with Homes England and agreeing delivery strategy for Otterpool Park.	October 2025	**In progress.** Collaboration with Homes England is underway with an updated outline planning application due to be submitted end of Jul-26.	Ewan Green, Director of Strategy and Resources
		Securing planning consent for the new Wastewater Treatment Plant at Otterpool Park.	July 2025	**In progress.** Planning application submitted and validated. Determination expected by end Apr-26.	Ewan Green, Director of Strategy and Resources
	We will: Seek to secure more affordable homes as part of private-sector developments, with homes that are genuinely affordable for local people.	**Increasing the affordable housing supply through acquisitions and new builds.** *Working with Housing Association partners to encourage delivery of affordable homes in the district.*	2025-26 (and ongoing)	**Complete/Ongoing.** Orbit delivering 77 affordable homes at Biggins Wood; 19 provided at Martello Lakes by Legal and General; a further 10 homes for shared ownership purchase are also due to complete in the development during 2026.	Adrian Hammond, Housing Strategy & Homelessness Manager
		Developing the Housing Delivery Action Plan. *Hold local plan 'call for sites' to identify potential development sites for new local plan.*	2025-26	**Complete.** Housing Delivery Action Plan updated and published in Aug-25. Revision likely to be needed when government publishes next Housing Delivery Test updates.	Adrian Tofts, Strategy and Policy Manager
		Completing the Housing Market Assessment. *Developing new affordable housing policies as part of the new district Local Plan.*	2025-26 (and ongoing)	**Not started.** Work on the Strategic Housing Market Assessment and Gypsy and Traveller Accommodation Assessment not begun, given delay in publication of regulations by Government.	Adrian Tofts, Strategy and Policy Manager

Home THEME 3: **Building new homes, improving the quality of existing homes and tackling homelessness**

Guiding Principle	Commitment	Specific Action (In 2025-26 we have met these commitments by…)	Timescale	Year-end progress (Mar-26)	
Working with tenants to ensure landlords deliver good quality homes for rent	**We will:** Work with tenants to ensure landlords improve the quality of rented homes, using our enforcement powers where necessary.	**Working with partners to improve the condition and quality of private sector housing stock**. *Including improvements to the energy efficiency of homes.*	2025-26 (and ongoing)	**Complete/Ongoing.** The Private Sector Housing Team improved 292 homes in 2025-26 through enforcement action, delivery of adaptations for disabled residents, and provision of loans to owner-occupiers to address serious hazards and support energy efficiency improvements.	Kerry Petts, Private Sector Housing Manager
	We will: Support new community-led and co-operative housing projects and identify plots for self-builders.	**Reviewing and maintaining the self-build and custom house building register**.	2025-26 (and ongoing)	**Complete/Ongoing.** Self-build register maintained. Work on annual self-build monitoring report is complete and data check underway.	Adrian Tofts, Strategy and Policy Manager
		Identifying sites for self-build and custom house building. *Policies developed as part of the new district Local Plan.*	2025-26 (and ongoing)	**Complete/Ongoing.** The annual Self and Custom Build Monitoring Report was approved and published Dec-25, informing site identification and self-build policy development through the emerging Local Plan.	Adrian Tofts, Strategy & Policy Manager
	We will: Encourage developers to convert empty buildings into new homes and to provide a broader range of sizes and types of homes that serve local needs.	**Bringing empty homes back into use.** *To increase the supply of available housing across the district.*	2025-26 (and ongoing)	**Complete/Ongoing.** Working in partnership with KCC's No Use Empty loan scheme and through enforcement activity, we have brought 63 homes back into use. Two major schemes in Folkestone set to deliver 47 self-contained flats, plus a sale of a long-term empty property due to auction.	Adrian Hammond, Housing Strategy & Homelessness Manager
		Developing an HRA pipeline plan and development strategy. *To assess feasibility / viability of sites for redevelopment or disposal of existing council sites.*	2025-26 (and ongoing)	**Complete/ongoing.** Cabinet approved HRA 5-year Acquisitions Strategy and New Build Pipeline Nov-24 (Cabinet report C/24/45). Application to specific sites is ongoing process. Action carried forward into 2026-27.	Gill Butler, Chief Officer / Samuel Aligbe Chief Officer
Improving the energy efficiency and comfort of our council homes	**We will**: Improve the energy efficiency of our council homes, reducing carbon emissions and energy costs, and ensure homes are safe and well-maintained.	**Delivering a decarbonisation programme.** *To improve the EPC rating of council homes to 'C' or above by 2030. (Social Housing Decarbonisation Fund wave 2.1 by March 2026).*	(SHDF 2.1) March 2026	**Complete/Ongoing.** SHDF wave 2.1 completed by Mar-26 with 425 homes benefitting overall. As at Mar-26, 80% of FHDC council homes had an EPC rating of C or above. All properties are included in the EPC++ Programme and will continue to be assessed, subject to tenant access.	Mick Hale, Housing Assets Lead Manager
		Meeting the Regulator of Social Housing's new consumer standards. *Specifically the Tenant Satisfaction Measures (TSMs) for Housing and Building Safety, and Decent Homes.*	Annual Self-assessment (Apr-Jun)	**Complete/Ongoing.** As at Mar-26, 94.7% of homes met the Decent Homes Standard. Tenant Satisfaction Measures improved, with safety satisfaction up 8.5% and property maintenance satisfaction rising 10.6% year on year from tenants' survey.	Mick Hale, Housing Assets Lead/Mike Bailey, Tenant Engagement and Wellbeing Specialist

Economy THEME 4: Growing the economy in a sustainable way and creating opportunities for all

Guiding Principle	Commitment	Specific Action (In 2025-26 we have met these commitments by…)	Timescale	Year-end progress (Mar-26)	
Supporting innovation and training	**We will:** Promote apprenticeships and training opportunities, particularly in growing industries that will help deliver a sustainable future.	**Promoting apprenticeships and opportunities through 'Folkestone community works' website.**	2025-26	**Complete.** Apprenticeship opportunities are actively promoted through the Folkestone Works website, including signposting residents and employers to local colleges, Kent County Council and national apprenticeship schemes.	Andy Markwell, Business Support/ Rural Prosperity Fund Officer
		Signposting and promoting public sector business support programmes to local businesses.	2025-26	**Complete.** (As above) The Folkestone Works website provides a central hub promoting and signposting local businesses to public sector business support programmes, including grants, advisory services and Growth Hub provision.	Andy Markwell, Business Support/ Rural Prosperity Fund Officer
		Delivering the UK Shared Prosperity Fund (UKSPF). *Monitoring expenditure and the number of training participants supported.*	2025-26	**Complete.** 2 new UKSPF skills programmes have been commissioned - High Streets Connect (targeting urban retail/hospitality) and Grow Rural (rural enterprises). Initiatives designed to boost small business productivity and resilience and provide training opportunities to businesses.	Rod Lean, Chief Officer/ Jade Smyth, Regen Officer (Place & Growth)
Providing new infrastructure	**We will:** Deliver Levelling-up Fund improvements to Folkestone town centre, while encouraging investment in towns and villages throughout the Romney Marsh and North Downs.	**Allocating funding from Community Infrastructure Levy (CIL) contributions.** *To distribute in line with corporate priorities.*	2025-26	**Complete.** The CIL Infrastructure Funding Statement (IFS) was agreed by Cabinet Jul-25. Subsequent review of the CIL funding process has introduced amendments to strengthen Member involvement, with further revisions presented to Overview and Scrutiny in Nov-25.	James Hammond, Strategy and Policy Specialist
		Implementing a market improvement programme for Folkestone town centre. *To improve footfall and support the economic prosperity of Folkestone town centre.*	2025-26	**Complete.** Three pilot markets were successfully delivered during 2025-26. This work provided critical data and insights to inform the development and implementation of the new Town Centre Operating Model, planned for 2026.	Rod Lean, Chief Officer (Place & Growth)
Investing in towns and villages throughout the district		**Developing the Romney Marsh Partnership action plan.** *To improve the environmental, social and economic prosperity of the Romney Marsh.*	2025-26	**In progress.** The Romney March Partnership Action Plan will be developed May-26 following completion of the Economic Strategy Ap-26. Ongoing operational support will be provided to The Nest to develop site by Summer-26, and for the Assets team with Changing Tides due to open May-26.	Rod Lean, Chief Officer/Jo Wynn-Carter RMP Officer (Place & Growth)
		Delivering the 'Folkestone: A brighter future' project. *Including improved accessibility, sustainability and transport links within Folkestone town centre.*	June 2026	**In progress.** On track, with substantive works due for completion by Aug-26. A new MHCLG reporting process and MOU were agreed in Mar-26. approved funding to support the Town Centre Operating Model, including recruitment of a Town Centre Manager.	Rod Lean, Chief Officer/Lorraine Smith, Regeneration Programme Manager
		Completing remedial work for FOLCA 2 (Phase 1). *Utilising Levelling-up Fund for building fabric improvements to vacant building.*	2025-26	**In progress.** A contractor (AW Construction) has been appointed to carry out remedial works at FOLCA 2, Phase 1. Works commenced Mar-26, with completion scheduled for Aug-26.	Rod Lean, Chief Officer/ Florent Andre, Regen Programme Manager

Economy THEME 4: Growing the economy in a sustainable way and creating opportunities for all

Guiding Principle	Commitment	Specific Action (In 2025-26 we have met these commitments by…)	Timescale	Year-end progress (Mar-26)	
Reducing inequality	**We will:** Support projects that encourage people to spend locally, particularly with the council's own schemes and projects where we partner with other organisations.	**Gaining Cabinet approval of recommended options for FOLCA 1.**	June 2025	**Complete.** Cabinet approval for FOLCA 1 secured. Following a successful marketing campaign, a preferred bidder was selected. Exchange is forecast for Apr-26, with completion subject to separation from FOLCA 2 and a long-stop date of Oct-26. Redevelopment is expected by end-27.	Rod Lean, Chief Officer/ Florent Andre, Regen Programme Manager
		Agreeing business case for wider FOLCA project. *To include an 'in principle' agreement of medical centre plans. Cabinet to consider business case.*	2025-26	**Complete.** A business case for FOLCA 2 Phase 2, setting out final recommendations and a preferred occupation strategy, was approved by Cabinet Feb-26. Partnership working with the ICB continues on a medical centre, and a lead designer tender has been issued, with award expected Apr-26.	Rod Lean, Chief Officer/ Florent Andre, Regen Programme Manager
		Securing a development partner for Ship Street. *Including outline planning submission and development partner.*	2025-26	**Complete.** Development partner has been found, however the planning strategy for the site has changed. Team working to amend the submitted planning application to reflect the proposed housing development for the site.	Samuel Aligbe, Chief Officer (Corporate Estates & Development)
		Delivering the Coast Drive destination project. *Starting on site April 2025; project completion by October 2025; Beach Huts and café tenants secured by April 2026.*	2025-26	**Complete.** The project was delivered, providing 93 beach huts, a visitor hub, café unit and supporting facilities; tenant lettings commenced in early 2026 with full occupation expected by later in the year.	Samuel Aligbe, Chief Officer (Corporate Estates & Development)
	We will: Engage with small local businesses to promote opportunities to benefit from council contracts.	**Promoting and signposting local businesses to tender for council work/contracts.** *To encourage small and local businesses to engage with council procurement processes.*	2025-26 (and ongoing)	**Complete/Ongoing.** The procurement team has increased its focus on promoting contract opportunities to local businesses and exploring various methods to monitor the progress of contracts awarded to local suppliers.	Mhairi Richards, Senior Procurement Officer
		Aligning procurement processes with the requirements of the Procurement Act. *Ensuring fair and transparent tendering and equitable opportunities for small businesses.*	2025-26 (and ongoing)	**Complete/Ongoing.** Processes have been aligned with the requirements of the Procurement Act through updated procedures, transparent tendering via Find a Tender and the Kent Business Portal, improving access for local businesses.	Mhairi Richards, Senior Procurement Officer
		Developing a local contracting policy. *Ensure sustainability criteria are built into procurement decisions to achieve the Council's climate goals.*	2025-26	**Complete.** A local contracting policy has been implemented through the Procurement Plan, embedding sustainability and social value criteria into procurement decisions to support delivery of climate and economic objectives.	Mhairi Richards, Senior Procurement Officer
	We will: Work in partnership to promote the district as a location for green technologies, high-tech, creative and tourist enterprises.	**Developing a procurement plan.** *Support small businesses and embed sustainable practices into our procurement processes.*	2025-26	**Complete.** The Procurement Plan 2023–2028 was adopted and implemented, providing a clear framework to support small businesses, increase SME participation and embed sustainable practices across Council procurement.	Mhairi Richards, Senior Procurement Officer
		Publishing a new Equality & Diversity policy. *Setting out new objectives for reducing inequality and promoting diversity across the district.*	June 2025	**Complete.** The Equality & Diversity Policy for 2025–29 was approved by Cabinet May-25 and included new equality objectives to reduce inequality and promote diversity.	Gavin Edwards, Senior Performance Officer

Economy THEME 4: **Growing the economy in a sustainable way and creating opportunities for all**

Guiding Principle	Commitment	Specific Action (In 2025-26 we have met these commitments by…)	Timescale	Year-end progress (Mar-26)	
Helping to build the green economy	**We will:** Support clean methods of generating energy that respect our protected landscapes and habitats.	**Publishing our Annual Equality report.** *Highlighting achievements in work to reduce inequality and progress against our equality objectives.*	Annually (October)	**Complete.** The Annual Equality Report for 2024–25, was approved by Cabinet Nov-25, highlighting progress against objectives from the previous year.	Gavin Edwards, Senior Performance Officer
		Promoting green technologies and tourist enterprises. *Achieved through a revamped 'Experience the Extraordinary' tourism website and working with 'Locate in Kent'.*	2025-26	**Complete.** 'Experience the Extraordinary' website updated; linked with 'Locate in Kent' to promote tourism and local enterprises, including green technologies.	Katie Ainscough, Corporate Communications Officer
		Supporting delivery of green energy opportunities within the district. *Including new Solar farm at Otterpool Park and promotion of opportunities for clean energy production at Dungeness.*	2025-26	**In progress.** Legal negotiations are progressing with the preferred Solar Park supplier for Otterpool Park and are expected to conclude in early 2026. Further work is being explored to consider solar installations in the Council's car parks across the district.	Andy Blaszkowicz, Director Housing & Ops/Samuel Aligbe, C. Officer (Development)
	We will: Support food production and land management initiatives that benefit the natural environment and the local economy.	**Delivering the Green and Blue Infrastructure Strategy and Green Grants Programme.** *Work with local organisations and landowners to support biodiversity initiatives, including working with partners to support the Geopark.*	2025-26 (and ongoing)	**Complete/Ongoing.** The Green and Blue Infrastructure Strategy, was implemented alongside the Green Grants Programme, supporting local organisations, businesses and landowners to deliver biodiversity, climate and environmental projects.	Adrian Tofts, Strategy & Policy Manager managers
		Implementing the Local Nature Recovery Strategy (LNRS): 'Making Space for Nature'. *Ensuring that proposals for the district in the Kent-wide LNRS are taken forward into the new Local Plan and biodiversity initiatives.*	2025-26 (and ongoing)	**Complete/Ongoing.** Inputs were made to the Kent & Medway Local Nature Recovery Strategy. The Strategy was finalised on Nov-25. Green Grants Programme awards made and project delivery being monitored. Arrangements being made for new Green Grants awards for 2026.	Adrian Tofts, Strategy & Policy Manager

Environment THEME 5: Enhancing our local environment and supporting climate action

Guiding Principle	Commitment	Specific Action (In 2025-26 we have met these commitments by…)	Timescale	Year-end progress (Mar-26)	
Protecting our waters, rivers and coast	**We will:** Hold water companies to account for the quality of our drinking water, rivers and coastal waters.	**Engaging with water companies under the Duty to Cooperate for the new Local Plan.** *To address issues around water quality, rivers and coastal waters.*	2025-26 (and ongoing)	**Complete/Ongoing.** Ongoing discussions with Kent and East Sussex authorities. Liaison with Canterbury City Council regarding their local plan. East Kent Design Code Panels held Sep-25 and Nov-25 were well received.	Adrian Tofts, Strategy & Policy Manager
		Liaising closely with external agencies to address bathing water quality. *Agree action plans with external partners, maintaining signage and up-to-date information.*	2025-26 (and ongoing)	**In progress.** This is ongoing work with partners (inc. Southern Water and Environment Agency) to look at the six designated bathing waters in the district. Action carried forward into 2026-27.	Andrew Rush, Chief Officer (Regulatory & Community Services)
Protecting our countryside and enhancing the diversity of plant and animal life	**We will:** Ensure that our streets and open spaces are clean and welcoming, and our green spaces are accessible and maintained in ways that benefit local people and wildlife.	**Maintaining high quality street scene.** *Ensuring streets are clean and free of litter, graffiti and fly-tipped waste.*	2025-26 (and ongoing)	**Complete/Ongoing.** Officers actively investigate fly-tipping incidents, issuing FPNs and pursuing court action where penalties remain unpaid. Patrol activity has increased and public education and engagement continues to improve compliance and performance.	Andrew Rush, Chief Officer (Regulatory & Community Services)
		Retaining our 'Green Flag' status awards for recreational spaces. *To ensure that they are clean and welcoming for residents and visitors across the district.*	June/July 2025 (and annually thereafter)	**Complete.** All flagship parks (Kingsnorth Gardens, Radnor Park, Royal Military Canal and Lower Leas Coastal Park) awarded Green Flag status in Jul-26. Applications for the 2026 awards submitted in Jan-26, with full judging visits scheduled for between Apr and Dec-26.	Rod Lean, Chief Officer (Place & Growth)
		Supporting the White Cliffs Countryside Project. *To further enhance green spaces across the district, including maintenance and improvement of Folkestone Warren, Romney Warren and management of Greatstone Dunes.*	2025-26 (and ongoing)	**Complete.** Attendance at meetings and site visits, with the GM team actively involved in fencing installation. Management Plans are in place, supported by an annual financial contribution of approximately £52k.	Rod Lean, Chief Officer, Jana Getliffe GM Manager (Place & Growth)
		Protecting green spaces and habitats as part of the new Local Plan. *To develop policies to ensure green spaces are protected and maintained for local residents, visitors and wildlife.*	2025-26 (and ongoing)	**In progress.** Design Code Community Panel events held on Sep-25 and Nov-25 . Ability to set policies mandating ambitious standards for energy efficiency is limited by new draft National Planning Policy Framework.	Adrian Tofts, Strategy & Policy Manager
	We will: Protect and enhance plant and animal life, especially in our downland, river, coastal and marshland habitats.	**Working with local organisations and landowners to support biodiversity initiatives.** *Through the Green and Blue Infrastructure Strategy and Green Grants Programme, and by ensuring biodiversity net-gain requirements are delivered through the planning process.*	2025-26 (and ongoing)	**Complete/Ongoing.** Inputs were made to the Kent & Medway Local Nature Recovery Strategy. The Strategy was finalised on Nov-25. Green Grants Programme awards made and project delivery being monitored. Arrangements being made for new Green Grants awards for 2026.	Adrian Tofts, Strategy & Policy Manager
		Implementing proposals in the county-wide Local Nature Recovery Strategy: 'Making Space for Nature' (once adopted).	2025-26	**Complete.** Early integration of Local Nature Recovery Strategy priorities into Local Plan achieved. Green Grants programme supports habitat restoration and education projects, aligned with Kent-wide strategy (see above).	Adrian Tofts, Strategy & Policy Manager
		Protecting the district's coastline from flooding. *Including securing external funding from the Environment Agency to maintain the beach replenishment programme.*	2025-26 (and ongoing)	**Complete/Ongoing.** The contract for the 2025-2030 beach management works has been successfully awarded. Works commenced for this phase Nov-25 and funding has been secured from the Environment Agency.	Samuel Aligbe, Chief Officer, Corporate Estate & Development

Environment THEME 5: **Enhancing our local environment and supporting climate action**

Guiding Principle	Commitment	Specific Action (In 2025-26 we have met these commitments by…)	Timescale	Year-end progress (Mar-26)	
		Securing a new operator for the New Romney Warren Visitor Centre. *Engaging with the local community to ensure a sustainable future.*	2025-26 (and ongoing)	**Complete.** A new operator for the former Romney March Visitor Centre was secured in 2025, and ongoing operational support continues to be provided for this project.	Rod Lean, Chief Officer, Jo Wynn-Carter RMP Officer (Place and Growth)
Delivering high-quality developments that respect local character	**We will:** Ensure new developments are well designed, enhance heritage and local character, are energy efficient and make maximum use of renewable energy.	**Producing design codes for Folkestone & Hythe.** *Working in partnership with the East Kent authorities.*	2025-26	**In progress.** Ongoing discussions with Kent and East Sussex authorities. Liaison with Canterbury City Council regarding their local plan. East Kent Design Code Panels held Sep-25 and Nov-25 were well received.	Adrian Tofts, Strategy & Policy Manager
		Producing energy efficiency and design policies. *For new developments as part of the new Local Plan.*	2025-26	**In progress.** Design Code Community Panel events held on Sep-25 and Nov-25 . Ability to set policies mandating ambitious standards for energy efficiency is limited by new draft National Planning Policy Framework.	Adrian Tofts, Strategy & Policy Manager
	We will: Improve recycling rates and work with voluntary groups to help people repair and reuse their household goods and appliances.	**Agreeing and monitoring targets for waste recycling.** *With the aim of meeting a target of 50% of all household waste recycled and supporting initiatives like the 'Raise the rate' campaign.*	2025-26 (and ongoing)	**Complete/Ongoing.** Communications and promotional activity continued throughout the year, including the provision of discounted recycling containers. The 50% recycling target remains challenging to achieve and the latest reported position is 46%.	Andrew Rush, Chief Officer (Regulatory & Community Services)
Reducing carbon emissions and adapting to our changing climate	**We will:** Reduce the Council's carbon emissions and engage with our communities to support reduction in emissions across the district. **We will:** Help minimise the damaging effects of climate change, working with nature and landowners.	**Developing and agreeing a district-wide Carbon Plan.** *Following public consultation in 2024.*	2025	**Complete.** A revised District-Wide Carbon Plan was adopted by Cabinet Nov-25, establishing a district-wide pathway to net zero by 2041, following extensive consultation and stakeholder engagement.	Adrian Tofts, Strategy & Policy Manager
		Explore the potential for solar power generation on council-owned assets.	2025-26	**In progress.** Initial scoping work begun to assess the potential for solar power generation on council-owned properties. Detailed feasibility study to be undertaken in 2026.	Adrian Tofts, Strategy & Policy Manager
		Supporting the Kent & Medway Energy & Low Emissions Strategy. *Working with Kent County Council to reduce emissions across the district.*	2025-26 (and ongoing)	**Complete/Ongoing.** Alignment with the Kent & Medway Energy & Low Emissions Strategy achieved, mirroring Kent & Medway's strategic objectives, embedding shared priorities, metrics, and partnership-based actions within the Council's District-Wide Carbon Plan.	Adrian Tofts, Strategy & Policy Manager
		Delivering the new 'Green Grants' programme. *Implementing proposals for consideration of first bids in May/June 2025.*	2025-26 (and ongoing)	**Complete/Ongoing.** Inputs were made to the Kent & Medway Local Nature Recovery Strategy. The Strategy was finalised on Nov-25. Green Grants Programme awards made and project delivery being monitored. Arrangements being made for new Green Grants awards for 2026.	James Wilderspin, Climate Change Specialist

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Our district, Our world

Enhancing prosperity and well-being for all

Corporate Plan

Action Plan 2026-27

Folkestone & Hythe District Council

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How this document will work

Corporate Plan	Action Plan (This document)	Service Plans	Monitoring
The Council's vision and commitments for the next 5 years Agreed and published in 2025.	The work we will do to meet our commitments. Key projects and activities identified, with high-level actions and milestones for **2026-27.** **A dynamic 'live' document,** agreed annually.	The top priorities for each service area. Actions from the Action Plan assigned to officers and teams. Agreed by Chief Officers annually, progress monitored after 6 months.	The Annual Report and half-year progress update.
THEMES: **Leadership** **Community** **Home** **Economy** **Nature**	**For 2026-27 key projects include:** • New Constitution • Sports & Leisure Strategy • Folkestone Sports Centre re-opening • Folkestone & Hythe Local Plan • Folkestone: A Brighter Future project • Otterpool Park delivery strategy • FOLCA development • Ship Street regeneration • Lower Leas Play Area refurbishment • Green grants programme • Community partnerships programme • Social housing decarbonisation • Homelessness prevention	Detailed actions from the Action Plan feature in operational Service Plans, as well as associated risks, KPIs and other actions. Service Plans are organised by Chief Officer under each directorate: **Finance** **Strategy & Resources** **Housing & Operations**	**The Annual Report**: highlighting key achievements and our delivery against our commitments over the whole year. **A half-year progress update:** showing activity and progress being made against the action plan.

Leadership THEME 1: A well-run, listening council that works closely with its partners

Guiding Principle	Commitment	Specific Action (we can meet these commitments by…)	Timescale	Owner	External Stakeholders
Being open, democratic and building trust in all we do	**We will:** Make sure that our residents and businesses are well-placed to benefit from devolution and local government reorganisation (LGR).	**Taking forward the LGR decision (expected Jul-26).** *Facilitating the start of a transition period to a Shadow Unitary authority in May-27. Keeping Members, staff, public and stakeholders informed of each step of the process.*	2026-27	Michelle Farrow, Head of Corporate Policy	FHDC residents, parish and town councils, strategic business partners
		Supporting LGR. *Through upskilling of staff, change management, contribution to change workstreams and influencing direction of travel. Assist with engagement on LGR and devolution.*	2026-27	Jo Gage, Organisational Development and Engagement Manager	FHDC residents, parish and town councils, strategic business partners
	We will: Ensure that we have an effective and transparent system for making council decisions.	**Providing support and training to Cabinet portfolio-holders and committee members.** *Complete the AGM and any member training throughout the year as we work towards LGR, including Financial Management training in relation to updated Financial Regulations.*	2026-27	Paul Butler, Democratic Services & Elections Manager	Cabinet Portfolio-holders and committee members
		Updating the Council's Constitution. *To improve how the Council undertakes its business and ensure good governance and best practice is reflected.*	2026-27	Paul Butler, Democratic Services & Elections Manager	All Council Members
	We will: Set a good example as an employer, treating employees fairly and ensuring equality of opportunity.	**Improving employee engagement.** *Delivering an engagement plan including well-being support with an emphasis on neurodiversity; recognition schemes; staff briefings and management meetings; and employee engagement survey & associated actions.*	2026-27	Jo Gage, Organisational Development and Engagement Manager	FHDC Staff
		Presenting the HR Annual Review at Personnel Committee. *Including workforce information, metrics and activity supporting staff engagement and development.*	Annually (June)	Ritchie Bennett, Senior HR Business Partner	FHDC Personnel Committee
		Reviewing our People Strategy. *Setting out a model of our values and behaviours to underpin development of staff and reporting this to Personnel Committee.*	2026-27	Ritchie Bennett, Senior HR Business Partner	FHDC Staff
		Publishing the Annual Equality Report. *Demonstrating progress against the Council's objectives for reducing inequality and promoting diversity across the district and in the workplace.*	Annually (December)	Gavin Edwards, Senior Performance Officer	FHDC Staff, prospective employees, District residents
Balancing the Council's budget and spending wisely	**We will:** Deliver a balanced budget that protects frontline services.	**Developing and agreeing the Medium-Term Financial Strategy.** *An annual process that sets out how budgets will be managed to ensure funds are available to deliver frontline services.*	Annually (December)	Jonathan Smith, Chief Officer (Financial Services)	Residents, businesses, council tax and business rates payers

Leadership THEME 1: A well-run, listening council that works closely with its partners

Guiding Principle	Commitment	Specific Action (we can meet these commitments by…)	Timescale	Owner	External Stakeholders
		Agreeing and publishing the Council's Annual Budget. *A key decision that determines expenditure, with quarterly budget monitoring to ensure performance against target.*	Annually (February)	Jonathan Smith, Chief Officer (Financial Services)	Residents, businesses, council tax and business rates payers
		Publishing the Council's contract register, grants register and partnership registers. *Demonstrating compliance with the Local Government Transparency Code and ensuring public transparency on the Council's spend*.	2026-27	Mhairi Richards, Procurement Manager	Residents, businesses, council tax and business rates payers
	We will: Invest council funds ethically, in ways that benefit people and the environment and demonstrate that we operate as a Fair Tax organisation.	**Embedding the new financial management system into financial processes.** *To drive efficiencies and improve fiscal management and controls. Budget module implementation due Q1.*	2026-27	Jonathan Smith, Chief Officer (Financial Services)	Residents, businesses, council tax and business rates payers
		Updating the Council's Financial Regulations. *Including the delivery of financial training for Members and Senior Managers.*	2026-27	Jonathan Smith, Chief Officer (Financial Services)	Residents, businesses, council tax and business rates payers
		Developing and agreeing a new Treasury Strategy. *To coincide with the annual budget-setting process, with quarterly monitoring of performance.*	Annually (February)	Jonathan Smith, Chief Officer (Financial Services)	Residents, businesses, council tax and business rates payers
Engaging meaningfully with the community	**We will:** Provide strong leadership, building productive relationships with town and parish councils and voluntary organisations, based on local needs and local knowledge.	**Engaging with town and parish councils and local community groups on local issues.** *(E.g. FHDC and parish councils' joint committee/Folkestone Community Forum, Sustainable futures forum, and the North Downs forum.)*	2026-27 (and ongoing)	Adrian Tofts, Strategy and Policy Manager	Town and parish councils
		Preparing and publishing a local plan timetable. *Taking it to Cabinet for approval, in readiness for the Notice of Intention to Commence, to fulfil requirements of new local plan system.*	2026-27	Adrian Tofts, Strategy and Policy Manager	Town and parish councils, local residents and businesses
		Establishing local plan project management and governance. *Including resourcing to support the timetable. Testing and agreeing project management and governance internally. Establishing risk monitoring, management and mitigation.*	2026-27	Adrian Tofts, Strategy and Policy Manager	Town and parish councils, local residents and businesses
		Scoping the anticipated content of the local plan. *Define the scope of the local plan and how to monitor progress towards the vision. Gather evidence to inform the new plan. Calculate a housing requirement. Explore high level options and policies.*	2026-27	Adrian Tofts, Strategy and Policy Manager	Town and parish councils, local residents and businesses
	We will: Use new ways to engage with people and ensure that everyone has the chance to be heard, particularly young people.	**Facilitating the district-wide youth forum.** *Evolution of the established Youth Forum to consult with young people on local matters.*	2026-27	Jo Gage, OD and Engagement Manager	Local schools and colleges

Leadership THEME 1: A well-run, listening council that works closely with its partners

Guiding Principle	Commitment	Specific Action (we can meet these commitments by...)	Timescale	Owner	External Stakeholders
		Developing a new Community Engagement Strategy. *To improve awareness of council services, and to explore new methods of engaging with residents and businesses.*	2026-27	Jane Walker, Communications and Engagement Manager	Local residents and businesses
	We will: Make our voice clearly heard to ensure other organisations deliver the best services for our residents, including working with Kent County Council, National Highways and bus companies on our motorway and road network and public transport services.	**Engaging in regular liaison / meetings with Kent County Council, National Highways and bus companies**. *To contribute to discussions around motorways, roads and public transport.*	2026-27 (and ongoing)	Andrew Rush, Chief Officer/ (Fred Miller, Transportation Manager)	Kent County Council, National Highways and bus companies
		Undertaking our duty to cooperate with the Local Plan. *Ensuring our contribution through discussions and agreements made with neighbouring authorities and statutory organisations.*	2026-27 (and ongoing)	Adrian Tofts, Strategy and Policy Manager	Local authorities, Kent County Council, National Highways, Environment Agency / other bodies
Delivering services that are easy for everyone to access and support people in need	**We will:** Deliver high quality services for all, especially the vulnerable, disadvantaged and people who struggle to access support.	**Implementing the Customer Access Strategy**. *Including promotion of a simple sign-up method to encourage participation and user group testing, and reviewing our language support service.*	2026-27	Becky Blaszkowicz, Customer Support Manager	Customers and residents of the district
		Publishing the Annual Complaints Report. *Highlighting performance on complaints / outcomes / learning and demonstrating compliance with Ombudsman codes of practice.*	Annually (October)	Gavin Edwards, Senior Performance Officer	Local Government & Social Care Ombudsman/ Housing Ombudsman
		Ensuring the housing service complies with the Regulator of Social Housing's consumer standards as part of its inspection. *Including improving tenant satisfaction, information about tenants and involving tenants in scrutinising housing services.*	2026-27 (and ongoing)	Mike Bailey, Tenant Engagement and Wellbeing Specialist	Regulator of Social Housing
		Undertaking and publishing the Annual Tenants Survey. *Measuring overall satisfaction of the housing landlord service, including a breakdown by diversity group. Action plan developed.*	Annually (Apr-Dec)	Mike Bailey, Tenant Engagement and Wellbeing Specialist	Regulator of Social Housing
		Undertaking 'tenant scrutiny' reviews. *Meeting the Transparency, Influence and Accountability Standard by engaging with tenants of the housing landlord service and implementing recommendations on how to improve services.*	2026-27 (and ongoing)	Mike Bailey, Tenant Engagement and Wellbeing Specialist	Tenant Scrutiny Panel
		Meet the Competence & Conduct Standard (Housing). *Ensuring housing staff hold the required qualifications, and introducing a Housing Staff Competence & Conduct Policy and a Housing Staff Code of Conduct, involving tenants in the development of both.*	2026-27 (and ongoing)	Gill Butler, Chief Officer (Housing)	Regulator of Social Housing
		Supporting vulnerable customers through welfare and outreach projects. *Providing for and monitoring the number of households receiving financial support.*	2026-27 (and ongoing)	Andrew Hatcher, Council Tax, Benefits and Welfare Manager	Customers eligible for financial and welfare support

Community THEME 2: Improving people's health, wellbeing and sense of community

Guiding Principle	Commitment	Specific Action (we can meet these commitments by…)	Timescale	Owner	External Stakeholders
Supporting improvements to people's health, wellbeing and safety	**We will:** Provide support for communities in reducing anti-social behaviour and social isolation.	**Delivering a programme of community awareness and educational events**. *Monitoring the number of community safety events held, and projects delivered.*	2026-27	Karen Weller, Environmental Protection Manager	Community Safety Partnership, Residents
		Signposting to community partners. *Creating an A-Z of partners on our website to link into their site(s) showing what service they provide, links to self-help, referrals and crossover services that also provide support.*	2026-27	Karen Weller, Environmental Protection Manager	Community partners and services
		Taking enforcement action to reduce anti-social behaviour. *Measuring the number of cases, monitoring trends and reporting any enforcement action taken.*	2026-27 (and ongoing)	Karen Weller, Environmental Protection Manager	Kent Police Safeguarding Boards
	We will: Improve people's health, wellbeing and safety by working with local health services, schools and the police.	**Enacting our Statutory Safeguarding Function.** *Including completion of relevant audits and review meetings. Effective management of safeguarding concerns and support to Designated Officers. Ensuring staff training is delivered.*	2026-27 (and ongoing)	Jyotsna Leney, Community Partnerships Manager	Kent Police Kent County Council Safeguarding Boards
		Delivering the Community Partnership Programme (1). *Including Active Sport for, Sport on the Marsh, projects with the Sports Trust and pop-ups; exploring additional funding opportunities and widening access to sports facilities.*	2026-27	Jyotsna Leney, Community Partnerships Manager	Residents and sports and leisure providers and trusts
		Delivering the Community Partnership Programme (2). *Through health and well-being initiatives including the Dame Kelly Holmes Trust, emotional well-being activities, suicide prevention and mental health & wellness events.*	2026-27	Jyotsna Leney, Community Partnerships Manager	Dame Kelly Homes Trust, Baton of Hope, health partnerships
		Completing the Food Hygiene Intervention Programme. *In accordance with the Food Standard Agency's directions and Food Law Code of Practice. Complete the annual return Mar-27.*	2026-27	Andrew Rush, Chief Officer (Regulatory & Community Services)	Food Standards Agency
	We will: Encourage people to lead more active lives by improving sports grounds and investing in new leisure facilities for the district.	**Developing a new Sports and Leisure Strategy**. *For improving access to, and availability of, sports and leisure facilities across the district. To be developed as part of the work to support the new Local Plan.*	2026-27	Adrian Tofts/ James Hammond, Strategy and Policy	Residents and sports and leisure providers
		Strategic investment in sport and leisure facilities (1). *Undertaking improvements to Hythe Pool.*	2026-27	Samuel Aligbe, Chief Officer (Corporate Estates & Development)	Residents and sports and leisure providers

Community THEME 2: Improving people's health, wellbeing and sense of community

Guiding Principle	Commitment	Specific Action (we can meet these commitments by…)	Timescale	Owner	External Stakeholders
		Strategic investment in sport and leisure facilities (2). *Supporting the reopening of Folkestone Sports Centre Swimming Pool.*	2026-27	Andrew Rush, Chief Officer (Regulatory & Community Services)	Residents and sports and leisure providers
		Strategic investment in sport and leisure facilities (3). *Developing a new community and sports provision at Martello Lakes.*	2026-27	Samuel Aligbe, Chief Officer (Corporate Estates & Development)	Residents and sports and leisure providers
Support walking, cycling and public transport	**We will:** Promote walking and cycling, bus and rail services and other green transport measures to reduce carbon emissions from travel and connect people with work, services and leisure.	**Supporting the Local Cycling and Walking Infrastructure Plan.** *Implementing proposed schemes identified in the LCWIP as funding opportunities allow.*	2026-27	James Hammond, Strategy and Policy Specialist	Kent County Council
		Delivering the 'Folkestone: a brighter future' project (1). *Including specific actions related to improvement of cycle routes/paths across the district.*	2026-27 (and ongoing)	Lorraine Smith, Regeneration Officer	Kent County Council, Folkestone residents, businesses and visitors
Celebrating diversity	**We will:** Work with voluntary organisations to bring people together, celebrate our diversity and enable residents to play an active role in their communities.	**Delivering the Community Partnership Programme (3):** *Specific VCSE (Voluntary, Community and Social Enterprise) networking events, Excellence in Volunteering (EIV) Awards with KCV (Kent Coast Volunteering) promote volunteer opportunities.*	2026-27	Jyotsna Leney, Community Partnerships Manager	Community hubs, Vol. sector organisations, health partnerships
Welcoming everyone and removing barriers to access	**We will:** Work with partners and local groups to provide emergency support for residents, while aiming to end the reliance on food banks to meet people's basic needs.	**Delivering the Community Partnership Programme (4):** *Including Armed Forces activities, Citizens Advice, South Kent Coast Food Partnership projects, community spaces and cost of living support; links to heritage, culture and music initiatives.*	2026-27	Jyotsna Leney, Community Partnerships Manager	Citizens Advice, South Kent Food Partnership, Voluntary Sector organisations
		Supporting the South Kent Coast Food Partnership. *Including the good food retail project, Mobile food service / pantry services, Rainbow centre linked projects, community fridges, food waste projects, allotments/ growing projects, healthy eating on low budgets, and cooking demos.*	2026-27	Jyotsna Leney, Community Partnerships Manager	South Kent Coast Food Partnership, Rainbow centre, Community Fridge
Promoting community engagement, activity and creativity	**We will:** Engage with local groups to promote the district's artistic, cultural, historic and tourist attractions and celebrate our special character, heritage and creativity.	**Implementing the Heritage Strategy**. *Including establishing a list of local interest groups and promoting the coordination of heritage activities within the district.*	2026-27	David Whittington, Strategy and Planning Policy Team Leader	Local Heritage groups
		Promoting the district's cultural, heritage and tourism through the 'Experience the Extraordinary' website. *As part of the Communications and Engagement strategy.*	2026-27 (and ongoing)	Jane Walker, Communications and Engagement Manager	District tourist attractions, heritage and cultural organisations

Home THEME 3: **Building new homes, improving the quality of existing homes and tackling homelessness**

Guiding Principle	Commitment	Specific Action (we can meet these commitments by...)	Timescale	Owner	External Stakeholders
Offering frontline support to people who are homeless	**We will:** Work actively with our partners to prevent people becoming homeless.	**Supporting the Rough Sleeping Initiative.** *Working with local partners to provide support for people who are homeless and assist those at risk of rough sleeping.*	2026-27 (and ongoing)	Adrian Hammond, Housing Strategy & Homelessness Manager	People who are sleeping rough or are at risk of rough sleeping
		Reviewing our Prevention of Homelessness Strategy and undertaking homelessness prevention work. *To provide housing solutions to those at risk of homelessness. Monitoring number of approaches and prevention/relief work.*	2026-27 (and ongoing)	Adrian Hammond, Housing Strategy & Homelessness Manager	People who are homeless or are at risk of homelessness
	We will: Provide support throughout the year for people who are homeless, supporting them to find a permanent home wherever we can.	**Improving access to Temporary Accommodation.** *To provide temporary housing, either utilising suitable private sector housing or council-owned accommodation, ensuring best value for money and purchasing 20 new homes.*	2026-27 (and ongoing)	Adrian Hammond, Housing Strategy & Homelessness Manager	People who are homeless or are at risk of homelessness/TA providers
Building more council homes and affordable homes	**We will:** Build more council homes to meet the needs of our residents, including at the new community of Otterpool Park.	**Supporting the development of council-home newbuilds and acquisitions across the district.** *The HRA Business Plan has provision for 20 new homes per year.*	2026-27 (and ongoing)	Adrian Hammond, Housing Strategy & Homelessness Manager	District residents and newly forming households
		Developing an HRA pipeline plan and development strategy. *To assess feasibility / viability of sites for redevelopment or disposal of existing council sites.*	2026-27 (and ongoing)	Gill Butler, Chief Officer (Housing) / Samuel Aligbe Chief Officer (Development)	District residents and newly forming households
		Completing collaboration agreement with Homes England and agreeing delivery strategy for Otterpool Park. *Including outline planning application due to be submitted by end of Sep-26.*	October 2026	Ewan Green, Director of Strategy and Resources	Otterpool Park LLP Homes England
		Securing planning consent for the new Wastewater Treatment Plant at Otterpool Park. *Planning application submitted and determination expected by end Apr-26.*	May 2026	Ewan Green, Director of Strategy and Resources	Otterpool Park LLP
	We will: Seek to secure more affordable homes as part of private-sector developments, with homes that are genuinely affordable for local people.	**Increasing the affordable housing supply through acquisitions and new builds.** *Working with Housing Association partners to encourage delivery of affordable homes in the district.*	2026-27 (and ongoing)	Adrian Hammond, Housing Strategy & Homelessness Manager	District residents and newly forming households

Home THEME 3: **Building new homes, improving the quality of existing homes and tackling homelessness**

Guiding Principle	Commitment	Specific Action (we can meet these commitments by…)	Timescale	Owner	External Stakeholders
		Completing a new Strategic Housing Market Assessment. *Developing evidence on housing and affordable housing need. Including a Gypsy and Traveller Accommodation Assessment, to inform policies and site allocations in the new Local Plan.*	2026-27	Adrian Tofts, Strategy and Policy Manager	Housing stakeholders, registered providers, neighbouring authorities
		Developing a new Supported Housing Strategy. *Working with Kent Housing Group to agree a Kent-wide approach to improving access to suitable supported accommodation for those that need it.*	2026-27	Adrian Hammond, Housing Strategy & Homelessness Manager	Kent Housing Group
Working with tenants to ensure landlords deliver good quality homes for rent	**We will:** Work with tenants to ensure landlords improve the quality of rented homes, using our enforcement powers where necessary.	**Promoting good quality private sector housing for rent.** *Working with tenants to ensure landlords improve the quality of rented homes, using enforcement powers under the new Renters Rights Act. Including improvements to energy efficiency.*	2026-27 (and ongoing)	Adrian Hammond, Housing Strategy & Homelessness Manager	Private sector tenants and landlords
		Identifying sites for self-build and custom house building. *Policies developed as part of the new district Local Plan; reviewing and maintaining the self-build and custom house building register.*	2026-27 (and ongoing)	Adrian Tofts, Strategy & Policy Manager	Self-builders and custom builders, trade associations, landowners/developers
	We will: Encourage developers to convert empty buildings into new homes and to provide a broader range of sizes and types of homes that serve local needs.	**Bringing empty homes back into use.** *To increase the supply of available housing across the district, with a target to deliver 50 annually.*	2026-27 (and ongoing)	Adrian Hammond, Housing Strategy & Homelessness Manager	District residents and newly forming households
Improving the energy efficiency and comfort of our council homes	**We will**: Improve the energy efficiency of our council homes, reducing carbon emissions and energy costs, and ensure homes are safe and well-maintained.	**Delivering a decarbonisation programme.** *Focusing on reducing carbon emissions from our council homes and independent living schemes. To improve the EPC rating of all council homes to 'C' or above (by 2030).*	2026-27 (and ongoing)	Mick Hale, Housing Assets Lead Manager	Tenants of council homes within the district
		Meeting the Regulator of Social Housing's consumer standards for Quality Homes. *Specifically the Tenant Satisfaction Measures (TSMs) for Building Safety and Decent Homes. Ensuring council homes are safe, healthy and well-maintained.*	2026-27 (and ongoing)	Mick Hale, Housing Assets Lead Manager	Tenants of council homes within the district

Economy THEME 4: **Growing the economy in a sustainable way and creating opportunities for all**

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Guiding Principle	Commitment	Specific Action (we can meet these commitments by…)	Timescale	Owner	External Stakeholders
Supporting innovation and training	**We will:** Promote apprenticeships and training opportunities, particularly in growing industries that will help deliver a sustainable future.	**Promoting apprenticeships and training opportunities.** *Through supporting the 'Folkestone community works' website.*	2026-27 (and ongoing)	Andy Markwell, Business Support/ Rural Prosperity Fund Officer	Folkestone & Hythe residents, students and schools
		Driving programmes to promote the district and support the visitor economy. *Including delivering the agreed programmes with the Folkestone & Hythe Tourism Board and other key stakeholders.*	2026-27	Rod Lean, Chief Officer (Place & Growth)	Folkestone & Hythe Tourism Board
		Completing the 'Nineteen' redevelopment - Hub & Incubator. *Establishment of a dedicated support space/ hub; engagement of 10 start-up enterprises. Part-funded by UKSPF to help set up space for new fledging business to test trade on the high street.*	2026-27	Rod Lean, Chief Officer (Place & Growth)	Folkestone residents, businesses and visitors
		Allocating funding from Community Infrastructure Levy (CIL) contributions. *To agree the 2026-27 Infrastructure Funding Statement in line with corporate priorities.*	2026-27 (and ongoing)	James Hammond, Strategy and Policy Specialist	Kent County Council, Town & Parish Councils
Providing new infrastructure	**We will:** Deliver Levelling-up Fund improvements to Folkestone town centre, while encouraging investment in towns and villages throughout the Romney Marsh and North Downs.	**Delivering key objectives of Town Centre Operating Model.** *To improve footfall and support the economic prosperity of Folkestone town centre.*	2026-27	Rod Lean, Chief Officer (Place & Growth)	Folkestone residents, businesses and visitors
		Embedding the Romney Marsh Partnership action plan. *To improve the environmental, social and economic prosperity of the Romney Marsh.*	2026-27 (and ongoing)	Rod Lean, Chief Officer/Jo Wynn-Carter RMP Officer (Place & Growth)	Romney Marsh residents, businesses and visitors
		Delivering the 'Folkestone: A brighter future' project (2). *Delivering agreed outputs and outcomes as per Funding MOU with MHCLG. Including improved accessibility, sustainability and transport links within Folkestone town centre.*	2026-27	Rod Lean, Chief Officer/Lorraine Smith, Regeneration Programme Manager	Kent County Council, Folkestone residents, businesses and visitors
		Completing the Bus Station building redevelopment. *Securing agreement, completing legal arrangements with Stagecoach, finalising the design, tendering the works, starting construction and completing the scheme.*	2026-27	Rod Lean, Chief Officer (Place & Growth)	Stagecoach, visitors and residents of Folkestone
		Completing remedial work for FOLCA 2 (Phase 1). *Utilising Levelling-up Fund for building fabric improvements to vacant building. Start of construction by Mar-26; Completion by Aug-26.*	August 2026	Rod Lean, Chief Officer/ Florent Andre, Regen Programme Manager	Folkestone residents, businesses and visitors

Economy THEME 4: Growing the economy in a sustainable way and creating opportunities for all

Guiding Principle	Commitment	Specific Action (we can meet these commitments by…)	Timescale	Owner	External Stakeholders
Investing in towns and villages throughout the district	**We will:** Support projects that encourage people to spend locally, particularly with the council's own schemes and projects where we partner with other organisations.	**Completing the disposal of FOLCA 1.** *Transaction to be completed by Oct-26*	October 2026	Rod Lean, Chief Officer/ Florent Andre, Regen Programme Manager	Folkestone residents, businesses and visitors
		Completing the FOLCA Phase 2 project. *Including agreement with NHS England for medical centre; finalising the RIBA Stage 3 & 4 design and project commencement.*	2026-27	Rod Lean, Chief Officer/ Florent Andre, Regen Programme Manager	Folkestone residents, businesses and visitors
	We will: Work in partnership to promote the district as a location for green technologies, high-tech, creative and tourist enterprises.	**Regenerating Ship Street.** *Agree and finalise terms with development partner and achieve planning consent.*	2026-27	Samuel Aligbe, Chief Officer (Corporate Estates & Development)	Folkestone residents, businesses and visitors
		Completing the Coast Drive destination project. *Following delivery of visitor hub, beach Huts and café, ensure full occupation and signage installation.*	2026-27	Samuel Aligbe, Chief Officer (Corporate Estates & Development)	Romney Marsh residents, businesses and visitors
Reducing inequality	**We will:** Engage with small local businesses to promote opportunities to benefit from council contracts.	**Promoting and signposting local businesses to tender for council work/contracts.** *To encourage small and local businesses to engage with council procurement processes.*	2026-27 (and ongoing)	Mhairi Richards, Procurement Manager	Folkestone & Hythe suppliers and others in the supply chain
		Aligning procurement processes with the requirements of the Procurement Act. *Ensuring fair and transparent tendering and equitable opportunities for small businesses. Environmental sustainability and ethical sourcing incorporated as provisions within Council contracts.*	2026-27	Mhairi Richards, Procurement Manager	Folkestone & Hythe suppliers and others in the supply chain
	We will: Support clean methods of generating energy that respect our protected landscapes and habitats.	**Supporting delivery of green energy opportunities within the district.** *Including new Solar farm at Otterpool Park and promotion of opportunities for clean energy production at Dungeness.*	2026-27	Andy Blaszkowicz, Director Housing & Ops/ Samuel Aligbe, C. Officer (Development)	Local residents and businesses, residents of Otterpool Park
Helping to build the green economy	**We will:** Support food production and land management initiatives that benefit the natural environment and the local economy.	**Delivering the Green and Blue Infrastructure Strategy and Green Grants Programme.** *Working with local organisations and landowners to support biodiversity initiatives, including working with partners to support the Geopark.*	2026-27 (and ongoing)	Adrian Tofts, Strategy & Policy Manager	Local environmental groups, national organisations, landowners / managers
		Implementing the Local Nature Recovery Strategy (LNRS): 'Making Space for Nature'. *Ensuring that proposals for the district in the Kent-wide LNRS are taken forward into the new Local Plan and biodiversity initiatives.*	2026-27 (and ongoing)	Adrian Tofts, Strategy & Policy Manager	Kent County Council, Kent Wildlife Trust

Environment THEME 5: **Enhancing our local environment and supporting climate action**

Guiding Principle	Commitment	Specific Action (we can meet this commitment by…)	Timescale	Owner	External Stakeholders
Protecting our waters, rivers and coast	**We will:** Hold water companies to account for the quality of our drinking water, rivers and coastal waters.	**Engaging with water companies under the Duty to Cooperate for the new Local Plan.** *To address issues around water quality, rivers and coastal waters.*	2026-27 (and ongoing)	Adrian Tofts, Strategy & Policy Manager	Southern Water, South-East Water, Environment Agency
		Improving bathing water quality in designated bathing waters. *Including watercourse testing, delivering the public meeting programme, carrying out the 2026 season testing, and introducing pollution risk forecast signage in Folkestone.*	2026-27 (and ongoing)	Andrew Rush, Chief Officer (Reg. & Community Services)	Kent County Council, Southern Water, Romney Marsh Inland Drainage Board
Protecting our countryside and enhancing the diversity of plant and animal life	**We will:** Ensure that our streets and open spaces are clean and welcoming, and our green spaces are accessible and maintained in ways that benefit local people and wildlife.	**Maintaining a high quality street-scene.** *Ensuring streets are clean and free of litter, graffiti and fly-tipped waste. Including Environmental Enforcement Team patrolling, Duty of Care checks, fly-tipping, and Dog Control PSPO enforcement.*	2026-27 (and ongoing)	Andrew Rush, Chief Officer (Reg. & Community Services)	Veolia Environmental Services, Folkestone & Hythe residents and visitors
		Retaining our 'Green Flag' status awards for recreational spaces. *To ensure that they are clean and welcoming for residents and visitors across the district.*	2026-27 (and ongoing)	Rod Lean, Chief Officer (Place & Growth)	Folkestone & Hythe residents and visitors
		Refurbishing the Lower Leas Coastal Park play area. *Regenerating and promoting the Coastal Park as a destination play area. Including tendering, and project management delivery.*	2026-27	Samuel Aligbe, Chief Officer, Corporate Estate & Development	Folkestone & Hythe residents and visitors
		Maintaining our Grounds Maintenance service to a good standard. *Including parks and opens spaces, trees, toilets, housing sites and selected high profile KCC owned highway verges.*	2026-27 (and ongoing)	Rod Lean, Chief Officer (Place & Growth)/Ground Maintenance team	Folkestone & Hythe residents and visitors
		Updating the district's parks, open spaces and housing tree stock inventory. *Undertaking a district-wide tree survey, and a tree planting and maintenance programme, including social housing sites.*	2026-27 (and ongoing)	Rod Lean, Chief Officer (Place & Growth)/Ground Maintenance team	Folkestone & Hythe residents and visitors
		Supporting the White Cliffs Countryside Project. *To further enhance green spaces across the district, including maintenance and improvement of Folkestone Warren, Romney Warren and effective management of Greatstone Dunes.*	2026-27 (and ongoing)	Rod Lean, Chief Officer (Place & Growth)/Ground Maintenance team	White Cliffs Countryside Partnership | Romney Marsh Countryside Partnership
		Protecting green spaces and habitats as part of the new Local Plan. *To develop policies to ensure green spaces are protected and maintained for local residents, visitors and wildlife.*	2026-27 (and ongoing)	Adrian Tofts, Strategy & Policy Manager	Landowners and developers

Environment THEME 5: **Enhancing our local environment and supporting climate action**

Guiding Principle	Commitment	Specific Action (we can meet this commitment by…)	Timescale	Owner	External Stakeholders
	We will: Protect and enhance plant and animal life, especially in our downland, river, coastal and marshland habitats.	**Working with local organisations and landowners to support biodiversity initiatives.** *Through the Green and Blue Infrastructure Strategy and Green Grants Programme, and by ensuring biodiversity net-gain requirements are delivered through the planning process.*	2026-27 (and ongoing)	Adrian Tofts, Strategy & Policy Manager	Local environmental groups, national organisations, charities, landowners /managers
		Protecting the district's coastline from flooding. *Including securing external funding from the Environment Agency to maintain the beach replenishment programme, and tendering for new Beach Management contract.*	2026-27 (and ongoing)	Samuel Aligbe, Chief Officer, Corporate Estates & Development	Environment Agency
Delivering high-quality developments that respect local character	**We will:** Ensure new developments are well designed, enhance heritage and local character, are energy efficient and make maximum use of renewable energy.	**Progressing the Strategic Environmental Assessment (SEA).** *Including commissioning technical support, gathering baseline information, identifying environmental objectives and developing the SEA scope.*	2026-27	Adrian Tofts, Strategy & Policy Manager	East Kent Local Authorities, local residents, developers, landowners
	We will: Improve recycling rates and work with voluntary groups to help people repair and reuse their household goods and appliances.	**Monitoring targets for waste recycling.** *With the aim of meeting a target of 50% of all household waste recycled and supporting initiatives like the 'Raise the rate' campaign.*	2026-27 (and ongoing)	Andrew Rush, Chief Officer (Regulatory & Community Services)	Folkestone & Hythe residents
		Delivering a phased 'Simpler Recycling' programme. *Covering communal flats, food waste, and preparing to collect flexible plastics by Apr-27.*	2026-27	Andrew Rush, Chief Officer (Regulatory & Community Services)	Folkestone & Hythe residents
Reducing carbon emissions and adapting to our changing climate	**We will:** Reduce the Council's carbon emissions and engage with our communities to support reduction in emissions across the district.	**Implementing the district-wide Carbon Plan.** *Supporting action to reduce emissions across the district and promote climate action with residents, businesses and partners.*	2026-27 (and ongoing)	James Wilderspin, Climate Change Specialist	Local residents, local groups, Businesses, developers
		Supporting the Kent & Medway Energy & Low Emissions Strategy. *Working with Kent County Council to reduce emissions across the district.*	2026-27 (and ongoing)	James Wilderspin, Climate Change Specialist	Kent County Council, Folkestone & Hythe residents
	We will: Help minimise the damaging effects of climate change, working with nature and landowners.	**Continuing to operate the Green Grants Programme.** *Including programme approvals, launch, assessment of submissions, award of grants and monitoring of delivery.*	2026-27 (and ongoing)	James Wilderspin, Climate Change Specialist	Town & Parish Councils, local environmental organisations, local businesses

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This Report will be made public on 16 June 2026 2026

Report Number **C/26/11**

To:	**Cabinet**
Date:	**24 June 2026**
Status:	**Non-key Decision**
Corporate Director:	**Andy Blaszkowicz, Corporate Director – Housing & Operations**
Cabinet Member:	**Councillor Tim Prater, Deputy Leader and Cabinet Member for Finance and Governance**
Oportunitas Chair:	**Councillor Rich Holgate**
Subject:	**OPORTUNITAS LIMITED BUSINESS PLAN 2026/27 TO 2030/31 and Q3 FINANCIAL UPDATE**

SUMMARY:

This report considers the proposed business plan for Oportunitas Limited (the company) submitted by its Board for the 5-year period from 2026/27 to 2030/31. The report meets the requirement contained in the Shareholder's agreement between the company and the Council.

REASONS FOR RECOMMENDATION:

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

a) The Shareholder Agreement between the Council and the company requires a Business Plan to be approved for the next trading period.
b) The Shareholder Agreement requires regular financial performance reporting from the Board of Directors to the Council.

RECOMMENDATIONS:

1. **To receive and note Report C/26/11.**
2. **To receive and note the Q3 financial update for Oportunitas Ltd (appendix 3)**
3. **To agree the proposed Business Plan for Oportunitas Limited for the period through to 31 March 2031.**
4. **To note and approve the implementation of a management charge payable by Oportunitas Limited to the Council for management services rendered, subject to an agreement to be signed by the Leader of the Council and the Chair of the Board, as set out in paragraph 3.3 of this report.**

1. INTRODUCTION

1.1 The Shareholder Agreement requires the company to prepare and submit an annual business plan to the Council for its next trading period. The company's Board consider and approved the proposed 5-year business plan to 2030/31 at its meeting on 3 June 2026, shown in appendix 1 to this report.

1.2 The proposed business plan builds upon the current business plan and the company's independent financial review approved by Cabinet on 17 July 2024 (minute 10 refers).

1.3 As part of the financial review it was agreed to restructure the Council's loan to the company, effective from 1 April 2024, to ensure the interest charged remains at a market rate with a 2% margin above its own borrowing cost. This measure was to ensure the Council could achieve full cost recovery from its investment in the company over the medium-term.

1.4 As reported to Cabinet on 10 December 2025 (minute 56 refers), the implementation of the revised loan agreement with the Council was delayed while professional advice has been sought to consider its accounting and governance arrangements, and the implications of this are considered as part of this report.

2. CURRENT POSITION

2.1 Since the Council established the company in 2014, it has invested approximately £11.7m to enable the company to acquire property, almost exclusively for residential lettings. £6.9m of this investment has been met by the Council using prudential borrowing, with the General Fund having to meet the annual capital financing cost arising from this. The remaining investment of about £4.8m has been met from Council reserves.

2.2 The company owns 75 residential units and one commercial unit. The current geographical split, value of these units at 31 March 2025 and the latest yield are summarised in table 1 below and shown in detail in Appendix 2 to the report:

Table 1 – Company Property Portfolio and Valuation

Units	Folkestone	Dover	Total Units	Value £'m	Yield %
Residential	67	8	75	13.576	6.18
Commercial (vacant)	1	-	1	0.035	21.43
Total	**68**	**8**	**76**	**13.611**	**6.22**

2.3 The company is in the process of confirming updated valuations for its property portfolio for accounting requirements and these will be reported to Cabinet later this year as part of the outturn report for the financial year ending 31 March 2026.

2.4 The company continues to operate as an exemplar landlord providing high quality and well maintained rental accommodation primarily in Folkestone. There is high demand in the area which is backed up by high occupancy rates and low void rates.

2.5 The company also provides a limited grounds maintenance service primarily for tree-related work to external customers using available capacity with the Council's Grounds Maintenance Unit.

2.6 No further capital investment is planned by the Council in the company at this time, and there are currently no plans to dispose of any of the company's property portfolio over the business plan period.

2.7 The stock condition survey was carried out between November 2025 and March 2026. Officers will be working through the collated data over the coming months so that detailed spend profiling can be undertaken to feed into future business plans. A number of high priority works have been identified within the stock condition survey which need to be carried out in 2026/27. These are estimated to be approximately £150k but include the works to the Castle Hill Avenue properties which already have budget provision. In line with last year's financial review of the company, an annual major repairs provision to cover large one-off works required for the portfolio is provided at 5% of the gross rent income. For 2026/27 this will be £41,100, however this has been reallocated for the identified high priority works. Generally speaking, the condition of the stock is in good order and these works are concentrated on the older properties within the portfolio. It is anticipated at this stage that future identified works through the stock condition survey will be funded with the major repairs provision.

2.8 Attached at Appendix 3 is the quarter 3 financial update for Oportunitas providing actuals to 31 December 2025 and projections to the 31 March 2026. The projected outturn shows a pre-tax operating profit of £118.2k for the year, an increase of £108.5k compared to £9.7k profit forecast in the business plan, as explained by the variance table at paragraph 2.2 of the Board report.

3. OPORTUNITAS FINANCIAL REVIEW

3.1 In 2024, following a financial review of the arrangements between the Council and company, it was agreed to restructure the previous loans from 1 April 2024 to allow the interest rate to be increased from the prevailing 4.88% to a higher market rate of 6.88%. Proper accounting practice (International Financial Reporting Standard 9) viewed the increase in the interest rate as a material change to the loan. This meant the Council was required to extinguish the two existing loans and replace them with a new loan.

3.2 As previously reported to the Board and Cabinet, after this decision, it was identified by officers that further specialist technical advice was required concerning the implications of the loan restructuring. To ensure correct governance and accounting treatment, the implementation of the new loan agreement was delayed until 1st April 2025, whilst the implications were discussed with numerous professional advisors and discussions had with the Company's auditors.

3.3 As set out in section 4.3 of Appendix 1, following careful consideration of the additional professional advice and implications of debt restructuring, the Board has now agreed to retain the existing debt structure with the Council. Separately, the Board has considered the imposition of a management charge, payable to the Council, to cover the services and overheads the Council provides to the Company. Whilst staff time is currently recharged to the company for the use of Council staff, no additional charges are made to cover the Council's own overheads; the Council currently provides numerous services to the company e.g. office accommodation, clerical services, IT & strategic support. The management fee proposed has been calculated at £30k for 2026/27 and will thereafter be increased by CPI inflation (as experienced by the Council for its own costs). This represents a charge of less than 4% of revenue. A formal agreement will be required to be put in place for this.

4. IMPACT OF PROPOSED BUSINESS PLAN TO THE COMPANY

4.1 The proposed business plan, the key assumptions used and the financial outcomes to the company and Council are covered in detail in appendix 1 to this report.

4.2 The key change compared to the existing approved plan is the delay in the company's ability to pay a dividend to the Council as shareholder from 2025/26 to 2029/30, covered in section 3, above and summarised in table 4 below:

Table 4 - Forecast dividend payment	2026/27 Forecast £	2027/28 Forecast £	2028/29 Forecast £	2029/30 Forecast £	2030/31 Forecast £
Existing business plan	40,000	50,000	70,000	100,000	125,000
Proposed business plan	0	0	0	0	100,000
Change increase / (reduction)	(40,000)	(50,000)	(70,000)	(100,000)	(25,000)

4.3 The impact on the company's net operating profit and loss position between the existing and proposed plans, summarised in table 5 below, shows a reduction in net profit for the first year (which features repairs highlighted by the stock condition survey) but improvements in all subsequent years. This is due to the implementation of the management charge and a reduction in the interest payable to the Council on the loans by retaining the existing debt structure and terms.

Table 5 - Operating profit and loss	2026/27 Forecast £	2027/28 Forecast £	2028/29 Forecast £	2029/30 Forecast £	2030/31 Forecast £
Existing business plan	64,138	83,223	103,333	124,521	146,848
Proposed business plan	35,783	105,914	126,536	148,239	171,077
Change (reduction)	(28,355)	22,690	23,203	23,717	24,229

5. IMPACT OF PROPOSED BUSINESS PLAN TO THE COUNCIL

5.1 The net annual financial return and cumulative position (from inception) to the Council as shareholder, lender and supplier with the company is summarised in table 6, below:

Table 6 – Shareholder Return

Return to FHDC as Shareholder	2026/27 Budget £	2027/28 Forecast £	2028/29 Forecast £	2029/30 Forecast £	2030/31 Forecast £
Interest received	307,822	305,240	302,531	299,687	296,703
Loan fees	0	0	0	0	0
Loan repayments	52,275	54,857	57,567	60,410	63,394

Dividend	0	0	0	0	100,000
Cost reimbursement					
Staff Cost	47,774	49,207	50,683	52,204	53,770
Management Charge	30,000	30,690	31,304	31,930	32,568
Members Allowances	12,302	12,671	13,051	13,443	13,846
Grounds Maintenance	8,000	8,320	8,653	8,999	9,359
Gross Income	**458,173**	**460,986**	**463,788**	**466,673**	**569,641**
Capital Financing Cost	**(441,813)**	**(441,902)**	**(442,003)**	**(442,116)**	**(442,244)**
Annual Net return / (Loss)	**16,361**	**19,084**	**21,786**	**24,556**	**127,397**
FHDC cumulative net return	**1,206,399**	**1,225,483**	**1,247,269**	**1,271,825**	**1,399,222**

5.2 This shows the Council is forecast to make a surplus over its capital financing costs throughout the 5-year period of the business plan with a significant increase from 2030/31 when the company is projected to make its first dividend payment of £100k, **meeting the Council's own policy objective in full**.

5.3 The shareholder return is an improvement compared to the existing business plan and is mainly due to the Council reviewing its Minimum Revenue Provision (MRP) policy for the repayment of borrowing incurred for previous capital expenditure, resulting in a reduction in its revenue charge for this, summarised in table 7, below:

Table 7 – Shareholder net return comparison

Shareholder Net Return Comparison (Inc Dividend)	2026/27	2027/28	2028/29	2029/30	2030/31
	Forecast	Forecast	Forecast	Forecast	Forecast
	£	£	£	£	£
Existing Business Plan	(48,468)	(25,300)	7,932	51,233	89,602
Proposed Business Plan	16,361	19,084	21,786	24,556	127,397
Change - improvement / (reduction)	**64,829**	**44,384**	**13,853**	**(26,676)**	**37,795**

5.4 **Local Government Reorganisation (LGR)** - The business plan covers a period that extends beyond the point at which FHDC will cease to exist and be replaced by a new unitary authority under the current LGR timetable. As the LGR process progresses, further clarity will emerge regarding the future direction of the company and the arrangements for its transfer to the successor body.

6. CONCLUSIONS

6.1 The proposed business plan demonstrates the company can trade profitably on a sustainable basis going forward and generate sufficient cash to meet its liabilities.

6.2 The proposed business plan incorporates budget provision for works that have been identified through the stock condition survey, demonstrating the company's commitment to remain as an exemplar landlord.

6.3 The proposed business plan for the 5-year period to 2030/31 builds upon the key outcomes from the 2024 financial review, has considered the implications of restructuring the debt following extensive professional advice and proposes the proper imposition of a management charge to the Company to account for the Council's strategic services and overhead costs. Primarily, the continued effects of the increase in the property portfolio (Phase 2) mean the company will begin to trade profitably on a sustainable basis going forward.

6.4 The Council is projected to cover its capital financing costs in full throughout the term of the 5-year plan, meeting its own policy objective.

6.5 The net unrealised valuation gains on the company's assets of about £2.1m provide a level of assurance to the Council for its overall investment made.

7. RISK MANAGEMENT ISSUES

7.1 A summary of the perceived risks follows:

PERCEIVED RISK	SERIOUSNESS	LIKELIHOOD	PREVENTATIVE ACTION
The company fail to meet their interest and loan repayment obligations to the Council on time	High	Low	Regular financial updates from the Board to Cabinet to provide an early warning of any cash flow issues for the company. Loans are secured on the investment assets of the company.
Company's turnover is less than forecast and/or costs are higher than expected	High	Medium	Regular Board meetings monitor rental income and vacant units. Some limited flexibility to delay expenditure and manage the cash flow. The Council provides the company with a £300k temporary loan facility to manage cash flow fluctuations.

PERCEIVED RISK	SERIOUSNESS	LIKELIHOOD	PREVENTATIVE ACTION
The Council's interest rate costs rise	Medium	Medium	Loan agreement with company set to a variable rate of 2% above Council's borrowing cost to mitigate.

8. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

8.1 Legal Officer's Comments (KP)

The Shareholder Agreement between the Council and the company requires a Business Plan to be approved for the next trading period. This report satisfies this requirement. There are no further legal implications arising from this report.

8.2 Finance Officer's Comments (DL)

The report has been prepared by Financial Services and the relevant financial implications are contained within it.

8.3 Diversities and Equalities Implications (GE)

There are no equalities or diversities implications arising directly from this report. The report does not cover a new service/policy, or a revision of an existing service or policy therefore does not require an EIA.

8.4 Climate Change Implications (AB)

There are no climate change implications arising directly from the Business Plan report. The Business Plan metions the stock condition survey. This will include reveiwing EPC's and an assessment of getting all stock to EPC C by 2030.

9. CONTACT OFFICER AND BACKGROUND DOCUMENTS

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

Jonathan Smith
Chief Officer, Financial Services
Tel: 01303 853780 Email: jonathan.smith@folkestone-hythe.gov.uk

The following background documents have been relied upon in the preparation of this report:
None

Appendices:
Appendix 1 - Oportunitas Limited Business Plan 2026/27 to 2030/31
Appendix 2 – Property Portfolio Valuation 31/03/2025
Appendix 3 – Oportunitas Quarter 3 financial update

Oportunitas Board Meeting 3 June 2026

Subject: Oportunitas Limited 5-Year Business Plan 2026/27 to 2030/31

Prepared by Jake Cotter / Lee Walker

Summary: This paper presents a business plan for Oportunitas Limited (the company) for the 5-year period from 2026/27 to 2030/31 financial years and is based on the following key assumptions:

1. The debt structure in place on 1 April 2025 remains in place under the terms originally agreed by the Company when the loans were drawn down.
2. Retaining the existing property portfolio of 75 residential units and 1 commercial unit.
3. No further capital investment.
4. Rental income from the residential units increasing by up to 5% per annum.
5. Operating costs being increased by inflation ranging between 3% to 5%.
6. A management charge expensed to the company by the Council for overheads incurred outside of staff recharge costs.

The business plan provides for the company to begin to operate at a profit over the period, reducing its previous cumulative operating losses, and for the Council, as the shareholder, to receive a return on its investment that covers its costs, an improvement on the current position. The business plan outlines that this improvement in the company's and Council's positions is now projected to take longer than previously anticipated. This is mainly due to a retention of the existing debt structure for the company rather than undertaking a restructure of that debt. The table below summarises the financial outcomes for the proposed business plan:

Business Plan Base Case Summary of outcomes	2026/27 Budget £	2027/28 Forecast £	2028/29 Forecast £	2029/30 Forecast £	2030/31 Forecast £
Oportunitas Ltd - operating net profit / (loss)	35,783	105,914	126,536	148,239	171,077
Oportunitas Ltd - Cumulative Profit & Loss Account balance c/f	(129,349)	(23,435)	103,101	251,340	322,417
Oportunitas Ltd - Cash Balance 31 March (excluding dividend payment)	67,829	118,886	187,856	275,684	383,368
Cash dividend payment	0	0	0	0	100,000
FHDC Net Return - (loss) / surplus	16,361	19,084	21,786	24,556	127,397

The preparation of an annual business plan, for each financial year, is a requirement of the Shareholder's Agreement with the Council. The business plan is required to be submitted to the Shareholder for approval.

Recommendations:
1. The Board agree the Business Plan outlined in section 4.4 for the 5-year period from the 2025/26 to 2029/30 financial years be submitted to the Shareholder for approval.
2. The Board notes and approves the implementation of a management charge as outlined in paragraph 4.3.5 of the report (subject to formal agreement between the Council and the Company).
3. The Board notes that the management charge agreement is to be drafted and executed following approval of recommendation 2 on the financial terms as noted in this business plan and to be signed by the Chair of the Board and the Leader of the Council.
4. The Board notes and approves the retention of the pre-existing debt structure and executed loan agreements between the Council and the Company as set out in section 3.1 of this report.

1. INTRODUCTION

1.1 The Shareholder Agreement requires the company to prepare and submit an annual business plan to the Council for approval in advance of the start of the financial year it covers for a rolling 5-year period.

1.2 The business plan, covering the 5-year period to 31 March 2031, builds upon the existing plan considered by the Board on 7 May 2025 and approved by the Shareholder at the Cabinet meeting on 21 May 2025 (minute 3 refers). In a departure from the previous business plan agreed by the Board on 7 May 2025, this business plan reverts to the original debt structure of the Oportunitas loans as they existed prior to the completion of the 2024 financial review. The following key assumptions are used:

i) No further capital investment from the Council to the company at this stage.
ii) Retain the existing property portfolio of 75 residential units and one commercial unit over the period of the business plan.
iii) The company establish a provision for major repairs based on 5% of the gross property rental income from 2025-26.
iv) The company to pay an annual management charge to the Council in addition to staff recharges, for the services/overheads rendered by the Council in managing the affairs of the company.
v) The business plan to be reviewed annually for a rolling 5-year period ahead of the start of the next financial year, unless otherwise agreed with the Council.

1.3 Any decisions to pursue further investment, asset disposals or restructuring of the company's financial structure will require the business plan to be updated before seeking Shareholder approval.

1.4 Consideration of the 2024 financial review and proposed updated loan agreement with the Council was delayed while additional professional advice was sought to consider its accounting and governance arrangements, and the implications of this are considered as part of this document.

1.5 A stock condition survey on the company's residential property portfolio has recently been completed and the results from this have been incorporated into the proposed business plan.

1.6 Cabinet is required to approve the business plan, planned for its meeting on 24 June 2026.

2. BACKGROUND AND COMPANY OBJECTIVES

2.1 The Council established the company in 2014 with the broad aims of allowing it to:

i) lead on regeneration, economic and development activity,

ii) to acquire housing and property to make available housing for rent and sale on a range of tenures including (but not limited to) shared ownership, shared equity, market sale and rent, affordable rent,

iii) to carry out such trading activities as are identified in the Business Plan, initially relating to grounds and parks maintenance, and

iv) to carry out such trading activities as the Council and the company may agree from time to time.

The full list of the company objectives is included in Schedule 4 of the Shareholder Agreement (see appendix A).

2.2 Since its inception in 2014, the company has grown organically through the Council's capital investment of approximately £11.7m with the intention of becoming financially sustainable, providing an on-going return to the Council as the shareholder.

2.3 During the past 12 years the company has focused on acquiring residential property, predominantly in the district, to let at market rents. It has also provided a limited grounds maintenance service, mainly tree works, to local clients.

3. CURRENT POSITION

3.1 Capital Investment

3.1.1 Since 2014, the Council has invested two tranches of capital funding totaling approximately £11.7m in the company, split between debt and equity, to acquire predominantly residential accommodation for rent, summarised in table 1 below:

Table 1 – FHDC capital investment summary

	Debt £m	Equity £m	Total £m
Phase 1	4.31	0.48	4.79
Phase 2	2.47	4.43	6.90
Total	6.78	4.91	11.69
Ratio	58%	42%	

3.1.2 The capital funding structure was set to allow the company to become financially sustainable in the long term while providing a suitable return to the Council as the shareholder. As part of this, the debt funding was agreed at the time at a market interest rate of 4.88%. Additionally, as part of the funding agreement, a short-term loan facility of up to £0.3m was made available to the company to help manage its cash flows if required. Following the financial review of the company's loan structure, and additional professional advice from numerous specialists on implications as part of the preparation for the 2025/26 closedown, it is now not planned to make any amendments to the pre-existing debt arrangements.

3.1.3 The phase 1 funding was fully utilised towards the cost of acquiring the company's original property portfolio of 38 residential units and 1 commercial unit up to 2018. The phase 2 funding has been used to acquire a further 37 units of residential property at the site of the former Royal Victoria Hospital (RVH) in Folkestone which concluded in the autumn of 2023. In total, £11.45m of the capital funding has been required for the property acquisitions made, a saving of £0.24m to the Council's General Fund capital programme. There is no further planned capital investment from the Council to the company in its approved medium-term capital programme.

3.1.4 The company continues to operate as an exemplar landlord providing high quality rental accommodation primarily in Folkestone. There is high demand in the area which is backed up by high occupancy rates and low void rates.

3.2. Current Property Portfolio

3.2.1 Table 2 below summarises the company's current property portfolio as at 31 March 2025, based on the existing valuation information:

Table 2 – Company Property Portfolio and Valuation

Units	Folkestone	Dover	Total Units	Value £'m	Yield %
Residential	67	8	75	13.576	6.18
Commercial (vacant)	1	-	1	0.035	21.43
Total	**68**	**8**	**76**	**13.611**	**6.22**

3.2.2 The property portfolio is required to be revalued at 31 March each year for accounting requirements. At the time of writing, the valuations at 31 March 2026 have been commissioned and received, however remain under review by the Council's Finance Team in conjunction with the external expert valuers. H.M. Land Registry UK House Price Index for the 9-month period to 31 December 2025 shows an average fall in values of about 1.4% for the local area, however flats and maisonettes have fared worse with an average reduction around 3.8% over the period. House prices are subject to fluctuation, and this reduction may be offset by 31 March 2026. In total to 31 March 2025, the company has seen the unrealised value of its property stock increase by about £2.13m since acquisition, providing security to the Council's investment in the company. A detailed analysis of the portfolio valuation by property is shown in appendix B to this paper.

3.2.3 The projected gross turnover from the rental income is approximately £0.79m at 31 March 2026. The projected average yield from rents at 31 March 2026 of 6.22% is in line with existing expectations.

3.3 Property Stock Condition

3.3.1 Given the company's main activity of residential lettings, property maintenance and safety are the company's top priorities. The proposed business plan provides for the following sums for repairs, maintenance and safety inspections and compliance issues:

		2025/26 projected outturn	2026/27 budget
		£'000	£'000
i)	Routine repairs, safety compliance checks and other property costs, with £24k reallocated in 2026/27 towards high priority works identified in the stock condition survey	138.0	111.6
ii)	19 Castle Hill Avenue external works and redecoration to the front of the buildings (reprofiled from 2025/26)	-	32.2
iii)	High priority works identified in the stock condition survey	-	117.8
iv)	Unforeseen major repairs in 2025/26 to 1 Claremont Road and 84 Sidney Street met from the major repairs provision budget	16.7	-
v)	Major repairs provision (from 2025/26). Note 2026/27 budget £42k reallocated towards high priority works identified in the stock condition survey	23.1	-
	Total property maintenance	**177.8**	**261.6**

3.3.2 The stock condition survey was carried out between November 2025 and March 2026. Officers will be working through the collated data over the coming months so that detailed spend profiling can be undertaken to feed into future business plans. A number of high priority works have been identified within the stock condition survey which need to be carried out in 26/27. These are estimated to be approximately £150k but include the works to the Castle Hill Avenue properties which already have budget provision. In line with last year's financial review of the company, an annual major repairs provision to cover large one-off works required for the portfolio is provided at 5% of the gross rent income. For 2026/27 this will be £41,100, however this has been reallocated for the identified high priority works. Generally speaking, the condition of the stock is in good order and these works are concentrated on the older properties within the portfolio. It is anticipated at this stage that future identified works through the stock condition survey will be funded with the major repairs provision.

3.3.3 The company will work towards ensuring that all properties within the portfolio achieve a minimum of an EPC grade C by 2030 in line with the Council's own HRA stock. The results of current EPCs have also been captured as part of the recent stock condition survey undertaken and will provide the company with a baseline to then determine a future programme of works for the retrofitting and upgrading of properties within the portfolio to ensure they meet the applicable standards of energy efficiency.

3.3.4 A breakdown of the Energy Performance Ratings for the company's current residential property portfolio, as of March 2026 is as follows:

23 units are Grade B

44 units are Grade C

4 units are Grade D

2 units are Grade E

1 unit is Grade F

1 unit is Grade G

*1 x vacant unit (TBC) – Previously Grade C

1 x commercial unit – Grade E

3.3.5 The 2 properties with an EPC E, the 1 property with an EPC F, and the 1 property with an EPC G are all within the Claremont Road property. Officers are currently reviewing how this building should be retrofitted as it has low insulation and outdated, inefficient electric heating. This will be one of the first properties to be addressed.

3.4 Grounds Maintenance Activity

3.4.1 The company used to provide a range of gardening and grounds maintenance services to residents and businesses by utilising capacity within the Council's Grounds Maintenance Unit. However, following a service realignment by the Council and to reflect the long-term viability of providing these services against local competitors, it was previously decided by the company to focus providing a service primarily for tree related work to external customers. This more limited service provides an estimated turnover of about £10k with a net profit of £2k per annum to the company.

4. BUSINESS PLAN 2026/27 TO 2030/31

4.1 The proposed business plan for the 5-year period from 2026/27 to 2030/31 updates the existing approved plan.

4.2 The proposed business plan is based on the following assumptions:

i) The property portfolio will remain unchanged over the 5-year period with 75 residential units and one commercial unit to let at market rents.

ii) Rents to be increased by 3% for 2026/27 and then 5% per annum from 2027/28 onwards, acknowledging the need to comply with the new Renters' Rights Act (2025).

iii) Property costs and management fees increased by 5% per annum.

iv) A major repairs provision being maintained of 5% of the gross rental income (£41,100 for 2026/27).

v) FHDC staffing recharges and directors' reimbursement increased by 3% per annum.

vi) Other overheads increased by 4% per annum.

vii) Grounds maintenance income and costs increased by 4% per annum.

viii) A management charge of £30k imposed on the company (thereafter rising in line with November CPI annually) is charged to cover the non-staff related overhead costs of the Council providing services to the company.

4.3 Oportunitas Financial Review

4.3.1 In 2024, following a financial review of the arrangements between the Council and company, it was agreed to restructure the previous loans from 1 April 2024 to allow the interest rate to be increased from the prevailing 4.88% to a higher market rate of 6.88%. Proper accounting practice (International Financial Reporting Standard 9) viewed the increase in the interest rate as a material change to the loan. This meant the Council was required to extinguish the two existing loans and replace them with a new loan.

4.3.2 As previously reported to the Board and Cabinet, after this decision, it was identified by officers that further specialist technical advice was required concerning the implications of the loan restructuring. To ensure correct governance and accounting treatment, the implementation of the new loan agreement was delayed until 1st April 2025, whilst the implications were discussed with numerous professional advisors and discussions had with the Company's auditors.

4.3.3 Following careful consideration of the implications of restructuring the loan, and in light of the Member decision on the treatment of Minimum Revenue Provision ('MRP') taken on 25 February 2026 and complexity of the governance required to be put in place for a loan restructure, it is proposed that no amendments are made to the existing debt arrangements between the Company and the Council. The practical arrangements for doing so are complex in nature, require further legal advice for the drafting of new loan documentation and particularly changes in legislation over the life of the loan agreements (since 2014) add additional challenges for accounting treatment.

4.3.4 Notwithstanding, the Company's return to the Shareholder has improved as a direct result of the Council's changes to MRP (which is applied to the borrowing which funded equity in the Company), despite the reduction in interest received from the Company through the original loan restructuring proposals (see section 5 below).

4.3.5 Further, the Council will seek to charge the company a management charge to cover the services that the Council provides to the company. Whilst staff time is currently recharged to the company for the use of Council staff, no additional charges are made to cover the Council's own overheads; the Council currently provides numerous services to the company e.g. office accommodation, clerical services, IT & strategic support. The management fee proposed has been calculated at £30k for 2026/27 and will thereafter be increased by CPI inflation (as experienced by the Council for its own costs). This represents a charge of less than 4% of revenue. A formal agreement will be required to be put in place for this. The tables at 4.4 and 4.5 below summarise the revised position:

4.4 **Proposed Business Plan** - The proposed company business plan and cashflow forecast for the 5-year period to 2030/31 are summarised in table 4 below:

Table 4 Company Business Plan 2026/27 to 2030/31

Business Plan 2026-27 to 2030-31	Budget 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31
Oportunitas Profit and Loss Account	£	£	£	£	£
Turnover	839,623	881,279	925,239	971,393	1,019,850
Cost of Sales	(358,328)	(313,168)	(328,712)	(345,028)	(362,156)
Gross Profit	**481,295**	**568,111**	**596,527**	**626,365**	**657,694**
Administrative Costs	(125,761)	(121,653)	(125,282)	(129,026)	(132,888)
Profit/(Loss) on Revaluation	-	-	-	-	-
Operating Profit (EBIT)	355,534	446,459	471,245	497,339	524,806
Finance Costs	(307,822)	(305,240)	(302,531)	(299,687)	(296,703)
Profit before Tax	**47,711**	**141,218**	**168,715**	**197,652**	**228,103**
Tax	(11,928)	(35,305)	(42,179)	(49,413)	(57,026)
Profit after Tax (net income)	**35,783**	**105,914**	**126,536**	**148,239**	**171,077**
Retained Earnings b/f (exc reval gain)	**(165,132)**	**(129,349)**	**(23,435)**	**103,101**	**251,340**
Dividend payment	**0**	**0**	**0**	**0**	**(100,000)**
Retained Earnings c/f	**(129,349)**	**(23,435)**	**103,101**	**251,340**	**322,417**
Oportunitas Cash Flow					
Cash b/f (01/04)	84,321	67,829	118,886	187,856	275,684
P & L net position	35,783	105,914	126,536	148,239	171,077
Loan principal repayments	(52,275)	(54,857)	(57,567)	(60,410)	(63,394)
Net trade creditors / (debtors)					
Cash c/f (31/03)	**67,829**	**118,886**	**187,856**	**275,684**	**383,368**
Dividend payment	**0**	**0**	**0**	**0**	**(100,000)**
Cash c/f (31/03)	**67,829**	**118,886**	**187,856**	**275,684**	**283,368**

4.5 The proposed business plan projects the company will be trading profitably over the 5-year period. However, the company will not offset its previous losses and have retained earnings until 2028/29 at which point it can start to make a dividend payment to the Council, as Shareholder, when it holds sufficient distributable profits. The updated business plan projects the company will be able to pay a cash dividend to the Council of £100k in 2030/31. This is a reduction of £285k compared to the dividend sum previously anticipated over the same period, shown in table 5 below:

Table 5 - Forecast dividend payment	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast	2029/30 Forecast	2030/31 Forecast
	£	£	£	£	£
Existing business plan	40,000	50,000	70,000	100,000	125,000
Proposed business plan	0	0	0	0	100,000
Change increase / (reduction)	(40,000)	(50,000)	(70,000)	(100,000)	(25,000)

5. SHAREHOLDER RETURN

5.1 The business plan outlines the Council will receive the following income streams from the company;-

i) interest payments and loan principal repayments,
ii) dividend payments,
iii) recharges for staff and personnel costs,
iv) grounds maintenance services; and
v) a management charge.

Against this, the Council has incurred capital financing costs from the £6.9m of prudential borrowing used to invest into the company for the acquisition of both phases of the Royal Victoria Hospital scheme.

5.2 The table below shows both the net and cumulative return to the Council, as shareholder, for the 5-year period of the business plan:

Table 6 Shareholder Return

Return to FHDC as Shareholder	2026/27	2027/28	2028/29	2029/30	2030/31
	Budget	Forecast	Forecast	Forecast	Forecast
	£	£	£	£	£
Interest received	307,822	305,240	302,531	299,687	296,703
Loan fees	0	0	0	0	0
Loan repayments	52,275	54,857	57,567	60,410	63,394
Dividend	0	0	0	0	100,000
Cost reimbursement					
Staff Cost	47,774	49,207	50,683	52,204	53,770
Management Charge	30,000	30,690	31,304	31,930	32,568
Members Allowances	12,302	12,671	13,051	13,443	13,846
Grounds Maintenance	8,000	8,320	8,653	8,999	9,359
Gross Income	**458,173**	**460,986**	**463,788**	**466,673**	**569,641**
Capital Financing Cost	**(441,813)**	**(441,902)**	**(442,003)**	**(442,116)**	**(442,244)**
Annual Net return / (Loss)	**16,361**	**19,084**	**21,786**	**24,556**	**127,397**
FHDC cumulative net return	**1,206,399**	**1,225,483**	**1,247,269**	**1,271,825**	**1,399,222**

5.3 This shows the Council is forecast to make a surplus over its capital financing costs throughout the 5-year period of the business plan with a significant increase from 2030/31 when the company is projected to make its first dividend payment of £100k, **meeting the Council's own policy objective in full**.

5.4 The projected net return to the shareholder over the 5-year period of the proposed plan now sees a cumulative improvement of about £209k compared to the existing approved plan. This is mainly due to the Council reviewing its Minimum Revenue

Provision policy for the repayment of borrowing incurred for previous capital expenditure resulting in a reduction in its annual revenue charge for this and the imposition of a management charge. The table below compares the return to the shareholder between the existing business plan and the proposed business plan.

Table 7 Shareholder net return comparison

Shareholder Net Return Comparison (Inc Dividend)	2026/27	2027/28	2028/29	2029/30	2030/31
	Forecast	Forecast	Forecast	Forecast	Forecast
	£	£	£	£	£
Existing Business Plan	(48,468)	(25,300)	7,932	51,233	89,602
Proposed Business Plan	16,361	19,084	21,786	24,556	127,397
Change - improvement / (reduction)	**64,829**	**44,384**	**13,853**	**(26,676)**	**37,795**
(of which is Dividend)	0	0	0	0	100,000

5.5 Financial Risk Modelling

5.5.1 Two further models have been prepared to consider the impact of both a 10% reduction and 10% increase on the company's net operating income and to assess the impact on the profit and loss account, cash balance, projected dividend payment and the net return to the shareholder, compared to the base case outlined above. The outcomes are summarised in table 8 below:

Table 8 Financial risk modelling

	2026/27	2027/28	2028/29	2029/30	2030/31
	Forecast	Forecast	Forecast	Forecast	Forecast
	£	£	£	£	£
Company operating net profit/(loss)					
Base	35,783	105,914	126,536	148,239	171,077
10% reduction in net income	12,158	72,429	91,193	110,938	131,717
10% increase in net income	62,448	139,398	161,879	185,539	210,438
Company cash balance 31 March					
Base	22,238	73,295	142,265	230,093	337,777
10% reduction in net income	(9,086)	8,487	42,113	92,641	160,964
10% increase in net income	41,205	125,746	230,059	255,188	252,232
Dividend payment					
Base	0	0	0	0	100,000
10% reduction in net income	0	0	0	0	0
10% increase in net income	0	0	0	100,000	150,000
Shareholder net return					
Base	16,361	19,084	21,786	24,556	127,397
10% reduction in net income	16,361	19,084	21,786	24,556	27,397

10% increase in net income	16,361	19,084	21,786	124,556	177,397

5.5.2 In summary, a reduction in the company's net operating income will adversely affect its ability to pay a dividend to the shareholder over the 5-year period. However, the company will have sufficient cash, with its agreed overdraft facility, to trade sustainably and return to profit over the period. Conversely, an improvement in the net operating income will mean an enhanced dividend payment, increasing the shareholder's net return.

5.6 In addition to the financial return to the Council as shareholder, its investment in the company means it is meeting its own policy objective of being an exemplar landlord and providing additional quality housing for rent to local people.

5.7 **Local Government Review (LGR)** - The business plan covers a period that extends beyond the point at which F&HDC will cease to exist and be replaced by a new unitary authority under the current LGR timetable. As the LGR process progresses, further clarity will emerge regarding the future direction of the company and the arrangements for its transfer to the successor body.

6. CONCLUSIONS

6.1 The proposed business plan for the 5-year period to 2030/31 builds upon the key outcomes from the 2024 financial review, has considered the implications of restructuring the debt following extensive professional advice and proposes the proper imposition of a management charge to the Company to account for the Council's strategic services and overhead costs. Primarily, the continued effects of the increase in the property portfolio (Phase 2) mean the company will begin to trade profitably on a sustainable basis going forward.

6.2 The Council is projected to see a positive return on its overall investment in the company for each year of the business plan. However, the company is now not expected to be able to pay a cash dividend to the Council until 2030/31. Despite the delay, the Council will be meeting its own policy objectives in full.

6.3 No further capital investment is anticipated by the company or Council over the 5-year period of the business plan.

6.4 The proposed business plan incorporates high priority works identified in the recent stock condition survey required to be undertaken during 2026/27. Further works identified as required over the remainder of the 5-year period of the business plan are expected to be contained within the annual forecast estimate.

6.5 It is recommended the Board agree the business plan outlined in section 4 of the report to be submitted to the Shareholder for approval.

6.6 The rolling 5-year business plan will be reviewed in early 2027, or sooner if there are significant departures from it to consider before then.

7. RISK MATTERS

7.1 *Company Risks Identified*

7.1.1 Table 9 below presents a matrix style assessment providing a judgement on the of probability/likelihood of occurrence and severity of impact on the Company. All risks will be kept under review during the year.

Table 6 Company risks - detailed assessment				
Company Risk		**Prob-ability**	**Impact**	**Risk Management Action**
LEGAL				
A	Contractual Disputes	Low	Medium	Governance structures in place to ensure that contracts which require Council approval are considered appropriately. Oportunitas will take appropriate legal advice before entering into contracts.
B	The balance between Council control and the Company's ability to deliver against its Business Plan results in the Company's inability to operate effectively.	Low	High	Detailed definitions contained within the key corporate governance documents mitigate against this risk. Board is given adequate decision-making powers and independence.
LEGAL / FINANCE				
C	Breach of the Subsidy Control Act regarding the subsidy control in the public sector (previously governed by EU state aid rules)	Low	Medium	Independent legal advice sought when the company was established which confirmed Council's funding of the Company was compliant with state aid rules.
FINANCE				
D	The Company fails to adhere to loan repayment obligations	Low	Medium	A repayment schedule is prepared, and financial matters are discussed regularly with the board. Quarterly reports are given to Cabinet. Cash flow forecasts prepared for business plan indicate adequate resources available to meet loan commitments.
E	Failure of housing to be competitive	Low	Low	The acquisition programme is professionally managed to ensure a competitive product is offered.

	and/or attractive to tenants			
F	Rental income returns fall short of projections included in the Business Plan	Low	Medium	Rental values are kept under review and financial implications reported to the Board. Changes will be made to activities if necessary and appropriate returns are not made.
G	Failure to arrange adequate insurance cover for the Company's liabilities and assets	Low	Medium	The Council's Finance Team has appropriate insurance in place. The Shareholders Agreement enables the Company to purchase and maintain adequate insurance against all risks comparable to that insured by companies carrying out similar business
H	Failure to arrange adequate insurance cover for the Company's Directors	Low	Medium	The Company has insurance in place for its Directors against any liability which may be incurred in relation to their role as Company Director
I	Challenge from auditors (Council or external)	Low	Low	The Company has appointed its own external auditors and accountant.
J	Failure to comply with taxation laws (Corporation Tax and VAT)	Low	Low	The company will take independent tax advice.
K	Properties decrease in value resulting in an impairment	Low / Medium	High	The Company Board will keep under review and if necessary will look at options such as changing the mix of portfolio, refinancing or sale of properties.
L	Movement in interest rates	Medium	Medium	The Business plan will take into account the likelihood of medium to long term increases in interest rates and the impact this will have on viability of future activities, adjusting activities accordingly.
FINANCE / OPERATIONAL				
M	Assumption of values for acquisition and refurbishment and rental yields proves to be inadequate	Medium	High	Need to regularly review the market conditions to ensure that the activity is managed within the overall budget envelope.
OPERATIONAL				

N	Mechanism for drawing down funding proves to be too slow and costly to facilitate delivery of acquisitions programme	Low	High	Facility is agreed for Council draw down process.
O	Higher level of voids than projected or rent arrears	Medium	High	A void rate of 3% has been included in the Business Plan and will be regularly reviewed. Rent arrears kept under review with immediate action taken for non-payment.
P	Price inflation for repairs, maintenance, and operational costs of housing portfolio	Medium	Medium	Partly mitigated from ongoing review of rents. From 2025/26 company expected to return a profit and have increased financial capacity to meet inflationary cost pressures.
Q	Allowances for maintenance and repairs in the Business Plan prove to be inadequate	Low	Medium	This has been allowed for in the Business Plan and will be regularly reviewed. Ongoing major repairs provision of 5% of gross rent to be included in budget from 2025/26.
R	Conflict of interest over workload priorities of Council and Company	Low	Medium	Council will retain control over the staffing of the Company. Council resources will be invoiced to the Company.
S	Lack of capacity to manage the Company's workload	Low	Medium	Staff resources carefully managed, and balance of staffing needs regularly reviewed, with flexibility retained to provide additional capacity as required.
T	The Company is inadequately resourced in terms of management, accounting, legal and admin	Low	Medium	As above.
PROCUREMENT				
U	Failure to adhere to the Public Procurement Amendment etc) (EU Exit) Regulations 2020	Low	Low	Procurement rules transferred to the Company from the Council including the use of approved procurement frameworks.
OTHER				

V	Conflict of interest for members acting as Directors of the Company	Low	Medium	In accordance with the Council's constitution dispensations have been granted to Councillors allowing them to speak and vote at meetings where Company affairs are being discussed.
W	Company strays beyond its objectives	Low	High	Objectives clearly defined within governance documents and protected by annual Council approval of the Company's rolling Business Plan.
X	Inaccuracy in stock condition information on the properties prior to acquisition leading to unexpected maintenance costs	Low	Medium	Detailed stock condition information acquired prior to acquisition. Surveys undertaken as needed to ascertain expected maintenance costs. New stock condition survey to be undertaken in year 2025/26.
Y	Inclusion of trading activities weakens the Company's strategic focus	Low	Medium	The Company will provide mechanism for invoicing private work and will not detract from the strategic objectives of the Company's programme of activities.

Appendix A – Shareholder Agreement (schedule 4)
Appendix B – Property Portfolio Valuation schedule 31/03/2025

Appendix A **– Extract from Shareholder's Agreement**

SCHEDULE 4
OBJECTIVES

- To lead the co-ordination and brokerage of regeneration, economic and development activity;
- To acquire housing and property to make available housing for rent and sale on a range of tenures including (but not limited to) shared ownership, shared equity, market sale and rent, affordable rent;
- To lead site development activity including securing private investment interest where appropriate;
- Facilitating partnership development arrangements to bring forward housing and employment site opportunities across the district of Shepway, including where appropriate joint ventures with other organisations;
- To develop residential housing either for market rent or private sale or in partnership with a registered provider of social housing;
- To develop or hold commercial employment or industrial uses of land and buildings;
- To develop or carry out such infrastructure works as are required to deliver any development or project;
- To commission conversion, improvement works and any other professional services relating to the Business;
- To carry out such trading activities as are identified in the Business Plan, initially relating to grounds and parks maintenance;
- To carry out such trading activities as the Council and the Company may agree from time to time.

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ITEM NUMBER	ASSET REFERENCE	PROPERTY ADDRESS	DESCRIPTION	RENTAL YIELD (PCM)	PREVIOUS VALUATION 31/03/2024	**Per VALUATION REPORTS AT 31/03/2025**
1	AR0001	Flat 1, 2 Walter Tull Way, Folkestone	1 bed flat	£578	**£166,350**	**£172,000**
2	AR0002	Flat 2, 2 Walter Tull Way, Folkestone	1 bed flat	£625	**£174,000**	**£180,000**
3	AR0003	4 Walter Tull Way, Folkestone	2 bed house	£1,000	**£283,500**	**£255,000**
4	AR0004	6 Watler Tull Way, Folkestone	2 bed house	£940	**£283,500**	**£255,000**
5	AR0005	16 Walter Tull Way, Folkestone	3 bed house	£980	**£315,000**	**£295,000**
6	AR0006	2 Grove Terrace, Folkestone	4 bed house	£865	**£275,000**	**£275,000**
7	AR0007.1	Flat 1, 15 Grace Hill, Folkestone	1 bed flat	£590	**£124,500**	**£124,500**
8	AR0007.2	Flat 2, 15 Grace Hill, Folkestone	1 bed flat	£625	**£115,500**	**£115,500**
9	AR0007.3	Flat 3, 15 Grace Hill, Folkestone	1 bed flat	£660	**£119,700**	**£119,700**
10	AR0007.4	Flat 4, 15 Grace Hill, Folkestone	1 bed flat	£575	**£113,150**	**£113,150**
11	AR0007.5	Flat 5, 15 Grace Hill, Folkestone	1 bed flat	£530	**£113,150**	**£113,150**
12	AR0007.6	Commercial Unit, 15 Grace Hill	Office space	£7,500	**£45,000**	**£35,000**
13	AR0008.1	Flat 1, 82 Leyburne Road, Dover	2 bed flat	£590	**£108,000**	**£108,000**
14	AR0008.2	Flat 2, 82 Leyburne Road, Dover	2 bed flat	£625	**£125,700**	**£125,700**
15	AR0008.3	Flat 3, 82 Leyburne Road, Dover	2 bed flat	£660	**£127,800**	**£127,800**
16	AR0008.4	Flat 4, 82 Leyburne Road, Dover	2 bed flat	£575	**£120,500**	**£120,500**
17	AR0009.1	Flat 1, 84 Leyburne Road, Dover	2 bed flat	£645	**£108,000**	**£108,000**
18	AR0009.2	Flat 2, 84 Leyburne Road, Dover	2 bed flat	£610	**£125,700**	**£125,700**
19	AR0009.3	Flat 3 84 Leyburne Road, Dover	2 bed flat	£600	**£127,800**	**£127,800**
20	AR0009.4	Flat 4, 84 Leyburne Road, Dover	2 bed flat	£635	**£120,500**	**£120,500**
21	AR0010.1	Flat 1, 19 Castle Hill Avenue, Folkestone	1 bed flat	£750	**£161,500**	**£161,500**
22	AR0010.2	Flat 2, 19 Castle Hill Avenue, Folkestone	1 bed flat	£750	**£174,000**	**£174,000**
23	AR0010.3	Flat 3, 19 Castle Hill Avenue, Folkestone	2 bed flat	£750	**£203,000**	**£203,000**
24	AR0010.4	Flat 4, 19 Castle Hill Avenue, Folkestone	1 bed flat	£725	**£166,800**	**£166,800**
25	AR0010.5	Flat 5, 19 Castle Hill Avenue, Folkestone	1 bed flat	£675	**£161,500**	**£161,500**
26	AR0010.6	Flat 6, 19 Castle Hill Avenue, Folkestone	1 bed flat	£675	**£161,500**	**£161,500**
27	AR0010.7	Flat 7, 19 Castle Hill Avenue, Folkestone	1 bed flat	£685	**£148,000**	**£148,000**
28	AR0010.8	Flat 8, 19 Castle Hill Avenue, Folkestone	1 bed flat	£675	**£148,000**	**£148,000**
29	AR0010.9	Flat 9, 19 Castle Hill Avenue, Folkestone	1 bed flat	£680	**£140,750**	**£140,750**
30	AR0010.10	Flat 10, 19 Castle Hill Avenue, Folkestone	1 bed flat	£670	**£142,000**	**£142,000**
31	AR0011.1	Flat 1, 84 Sidney Street, Folkestone	2 bed flat	£625	**£99,500**	**£99,500**
32	AR0011.2	Flat 2, 84 Sidney Street, Folkestone	1 bed flat	£570	**£118,000**	**£118,000**
33	AR0011.3	Flat 3, 84 Sidney Street, Folkestone	1 bed flat	£570	**£118,500**	**£118,500**
34	AR0011.4	Flat 4, 84 Sidney Street, Folkestone	1 bed flat	£700	**£138,500**	**£138,500**
35	AR0012.1	Flat 1, 1 Claremont Road, Folkestone	1 bed flat	£645	**£103,000**	**£103,000**
36	AR0012.2	Flat 2, 1 Claremont Road, Folkestone	1 bed flat	£645	**£113,150**	**£113,150**
37	AR0012.3	Flat 3, 1 Claremont Road, Folkestone	1 bed flat	£550	**£112,400**	**£112,400**
38	AR0012.4	Flat 4, 1 Claremont Road, Folkestone	1 bed flat	£590	**£113,150**	**£113,150**
39	AR0012.5	Flat 1a, 1 Claremont Road, Folkestone (formerly Flat 5)	1 bed flat	£725	**£112,350**	**£122,350**

Appendix 2 - Oportunitas Limited Property Portfolio at 31 March 2025

ITEM NUMBER	ASSET REFERENCE	PROPERTY ADDRESS	DESCRIPTION	RENTAL YIELD (PCM)	PREVIOUS VALUATION 31/03/2024	Per VALUATION REPORTS AT 31/03/2025
40	AR013.1	Flat 1, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,095	**£200,500**	**£200,500**
41	AR013.2	Flat 2, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,165	**£196,800**	**£196,800**
42	AR013.3	Flat 3, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,065	**£186,150**	**£186,150**
43	AR013.4	Flat 4, 10 Radnor Park Avenue, Folkestone	2 bed flat	£915	**£186,150**	**£186,150**
44	AR013.5	Flat 5, 10 Radnor Park Avenue, Folkestone	2 bed flat	£985	**£186,150**	**£186,150**
45	AR013.6	Flat 6, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,095	**£191,500**	**£191,500**
46	AR013.7	Flat 7, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,075	**£191,500**	**£191,500**
47	AR013.8	Flat 8, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,180	**£227,250**	**£227,250**
48	AR013.9	Flat 9, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,240	**£227,250**	**£227,250**
49	AR013.10	Flat 10, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,205	**£186,150**	**£186,150**
50	AR013.11	Flat 11, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,200	**£186,150**	**£186,150**
51	AR013.12	Flat 12, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,170	**£203,000**	**£203,000**
52	AR013.13	Flat 13, 10 Radnor Park Avenue, Folkestone	1 bed flat	£920	**£170,250**	**£170,250**
53	AR013.14	Flat 14, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,300	**£203,000**	**£203,000**
54	AR013.15	Flat 15, 10 Radnor Park Avenue, Folkestone	1 bed flat	£850	**£148,950**	**£148,950**
55	AR013.16	Flat 16, 10 Radnor Park Avenue, Folkestone	1 bed flat	£890	**£148,950**	**£148,950**
56	AR013.17	Flat 17, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,155	**£174,500**	**£174,500**
57	AR013.18	Flat 18, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,110	**£174,500**	**£174,500**
58	AR014.01	Flat 1, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,025	**£237,500**	**£237,500**
59	AR014.02	Flat 2, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,045	**£230,000**	**£230,000**
60	AR014.03	Flat 3, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,045	**£230,000**	**£230,000**
61	AR014.04	Flat 4, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,045	**£230,000**	**£230,000**
62	AR014.05	Flat 5, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,025	**£237,500**	**£237,500**
63	AR014.06	Flat 6, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,095	**£247,500**	**£247,500**
64	AR014.07	Flat 7, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,045	**£234,500**	**£234,500**
65	AR014.08	Flat 8, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,125	**£241,500**	**£241,500**
66	AR014.09	Flat 9, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,075	**£241,500**	**£241,500**
67	AR014.10	Flat 10, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,045	**£230,000**	**£230,000**
68	AR014.11	Flat 11, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,130	**£253,000**	**£253,000**
69	AR014.12	Flat 12, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,075	**£241,500**	**£241,500**
70	AR014.13	Flat 13, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,100	**£247,500**	**£247,500**
71	AR014.14	Flat 14, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,105	**£247,500**	**£247,500**
72	AR014.15	Flat 15, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,150	**£257,500**	**£257,500**
73	AR014.16	Flat 16, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,150	**£257,500**	**£257,500**
74	AR014.17	Flat 17, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,100	**£247,500**	**£247,500**
75	AR014.18	Flat 18, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,100	**£247,500**	**£247,500**
76	AR014.19	Flat 19, 8A Radnor Park Avenue, Folkestone	1 bed flat	£825	**£205,000**	**£205,000**
			Total		£13,681,150	£13,615,800

Appendix 2 - Oportunitas Limited Property Portfolio at 31 March 2025

ITEM NUMBER	ASSET REFERENCE	PROPERTY ADDRESS	DESCRIPTION	RENTAL YIELD (PCM)	PREVIOUS VALUATION 31/03/2024	Per VALUATION REPORTS AT 31/03/2025
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2	AR0002	Flat 2, 2 Walter Tull Way, Folkestone	1 bed flat	£625	**£174,000**	**£180,000**
3	AR0003	4 Walter Tull Way, Folkestone	2 bed house	£1,000	**£283,500**	**£255,000**
4	AR0004	6 Watler Tull Way, Folkestone	2 bed house	£940	**£283,500**	**£255,000**
5	AR0005	16 Walter Tull Way, Folkestone	3 bed house	£980	**£315,000**	**£295,000**
6	AR0006	2 Grove Terrace, Folkestone	4 bed house	£865	**£275,000**	**£275,000**
7	AR0007.1	Flat 1, 15 Grace Hill, Folkestone	1 bed flat	£590	**£124,500**	**£124,500**
8	AR0007.2	Flat 2, 15 Grace Hill, Folkestone	1 bed flat	£625	**£115,500**	**£115,500**
9	AR0007.3	Flat 3, 15 Grace Hill, Folkestone	1 bed flat	£660	**£119,700**	**£119,700**
10	AR0007.4	Flat 4, 15 Grace Hill, Folkestone	1 bed flat	£575	**£113,150**	**£113,150**
11	AR0007.5	Flat 5, 15 Grace Hill, Folkestone	1 bed flat	£530	**£113,150**	**£113,150**
12	AR0007.6	Commercial Unit, 15 Grace Hill	Office space	£7,500	**£45,000**	**£35,000**
13	AR0008.1	Flat 1, 82 Leyburne Road, Dover	2 bed flat	£590	**£108,000**	**£108,000**
14	AR0008.2	Flat 2, 82 Leyburne Road, Dover	2 bed flat	£625	**£125,700**	**£125,700**
15	AR0008.3	Flat 3, 82 Leyburne Road, Dover	2 bed flat	£660	**£127,800**	**£127,800**
16	AR0008.4	Flat 4, 82 Leyburne Road, Dover	2 bed flat	£575	**£120,500**	**£120,500**
17	AR0009.1	Flat 1, 84 Leyburne Road, Dover	2 bed flat	£645	**£108,000**	**£108,000**
18	AR0009.2	Flat 2, 84 Leyburne Road, Dover	2 bed flat	£610	**£125,700**	**£125,700**
19	AR0009.3	Flat 3 84 Leyburne Road, Dover	2 bed flat	£600	**£127,800**	**£127,800**
20	AR0009.4	Flat 4, 84 Leyburne Road, Dover	2 bed flat	£635	**£120,500**	**£120,500**
21	AR0010.1	Flat 1, 19 Castle Hill Avenue, Folkestone	1 bed flat	£750	**£161,500**	**£161,500**
22	AR0010.2	Flat 2, 19 Castle Hill Avenue, Folkestone	1 bed flat	£750	**£174,000**	**£174,000**
23	AR0010.3	Flat 3, 19 Castle Hill Avenue, Folkestone	2 bed flat	£750	**£203,000**	**£203,000**
24	AR0010.4	Flat 4, 19 Castle Hill Avenue, Folkestone	1 bed flat	£725	**£166,800**	**£166,800**
25	AR0010.5	Flat 5, 19 Castle Hill Avenue, Folkestone	1 bed flat	£675	**£161,500**	**£161,500**
26	AR0010.6	Flat 6, 19 Castle Hill Avenue, Folkestone	1 bed flat	£675	**£161,500**	**£161,500**
27	AR0010.7	Flat 7, 19 Castle Hill Avenue, Folkestone	1 bed flat	£685	**£148,000**	**£148,000**
28	AR0010.8	Flat 8, 19 Castle Hill Avenue, Folkestone	1 bed flat	£675	**£148,000**	**£148,000**
29	AR0010.9	Flat 9, 19 Castle Hill Avenue, Folkestone	1 bed flat	£680	**£140,750**	**£140,750**
30	AR0010.10	Flat 10, 19 Castle Hill Avenue, Folkestone	1 bed flat	£670	**£142,000**	**£142,000**
31	AR0011.1	Flat 1, 84 Sidney Street, Folkestone	2 bed flat	£625	**£99,500**	**£99,500**
32	AR0011.2	Flat 2, 84 Sidney Street, Folkestone	1 bed flat	£570	**£118,000**	**£118,000**
33	AR0011.3	Flat 3, 84 Sidney Street, Folkestone	1 bed flat	£570	**£118,500**	**£118,500**
34	AR0011.4	Flat 4, 84 Sidney Street, Folkestone	1 bed flat	£700	**£138,500**	**£138,500**
35	AR0012.1	Flat 1, 1 Claremont Road, Folkestone	1 bed flat	£645	**£103,000**	**£103,000**
36	AR0012.2	Flat 2, 1 Claremont Road, Folkestone	1 bed flat	£645	**£113,150**	**£113,150**
37	AR0012.3	Flat 3, 1 Claremont Road, Folkestone	1 bed flat	£550	**£112,400**	**£112,400**
38	AR0012.4	Flat 4, 1 Claremont Road, Folkestone	1 bed flat	£590	**£113,150**	**£113,150**
39	AR0012.5	Flat 1a, 1 Claremont Road, Folkestone (formerly Flat 5)	1 bed flat	£725	**£112,350**	**£122,350**

Appendix 2 - Oportunitas Limited Property Portfolio at 31 March 2025

ITEM NUMBER	ASSET REFERENCE	PROPERTY ADDRESS	DESCRIPTION	RENTAL YIELD (PCM)	PREVIOUS VALUATION 31/03/2024	Per VALUATION REPORTS AT 31/03/2025
40	AR013.1	Flat 1, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,095	**£200,500**	**£200,500**
41	AR013.2	Flat 2, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,165	**£196,800**	**£196,800**
42	AR013.3	Flat 3, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,065	**£186,150**	**£186,150**
43	AR013.4	Flat 4, 10 Radnor Park Avenue, Folkestone	2 bed flat	£915	**£186,150**	**£186,150**
44	AR013.5	Flat 5, 10 Radnor Park Avenue, Folkestone	2 bed flat	£985	**£186,150**	**£186,150**
45	AR013.6	Flat 6, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,095	**£191,500**	**£191,500**
46	AR013.7	Flat 7, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,075	**£191,500**	**£191,500**
47	AR013.8	Flat 8, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,180	**£227,250**	**£227,250**
48	AR013.9	Flat 9, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,240	**£227,250**	**£227,250**
49	AR013.10	Flat 10, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,205	**£186,150**	**£186,150**
50	AR013.11	Flat 11, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,200	**£186,150**	**£186,150**
51	AR013.12	Flat 12, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,170	**£203,000**	**£203,000**
52	AR013.13	Flat 13, 10 Radnor Park Avenue, Folkestone	1 bed flat	£920	**£170,250**	**£170,250**
53	AR013.14	Flat 14, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,300	**£203,000**	**£203,000**
54	AR013.15	Flat 15, 10 Radnor Park Avenue, Folkestone	1 bed flat	£850	**£148,950**	**£148,950**
55	AR013.16	Flat 16, 10 Radnor Park Avenue, Folkestone	1 bed flat	£890	**£148,950**	**£148,950**
56	AR013.17	Flat 17, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,155	**£174,500**	**£174,500**
57	AR013.18	Flat 18, 10 Radnor Park Avenue, Folkestone	2 bed flat	£1,110	**£174,500**	**£174,500**
58	AR014.01	Flat 1, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,025	**£237,500**	**£237,500**
59	AR014.02	Flat 2, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,045	**£230,000**	**£230,000**
60	AR014.03	Flat 3, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,045	**£230,000**	**£230,000**
61	AR014.04	Flat 4, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,045	**£230,000**	**£230,000**
62	AR014.05	Flat 5, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,025	**£237,500**	**£237,500**
63	AR014.06	Flat 6, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,095	**£247,500**	**£247,500**
64	AR014.07	Flat 7, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,045	**£234,500**	**£234,500**
65	AR014.08	Flat 8, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,125	**£241,500**	**£241,500**
66	AR014.09	Flat 9, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,075	**£241,500**	**£241,500**
67	AR014.10	Flat 10, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,045	**£230,000**	**£230,000**
68	AR014.11	Flat 11, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,130	**£253,000**	**£253,000**
69	AR014.12	Flat 12, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,075	**£241,500**	**£241,500**
70	AR014.13	Flat 13, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,100	**£247,500**	**£247,500**
71	AR014.14	Flat 14, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,105	**£247,500**	**£247,500**
72	AR014.15	Flat 15, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,150	**£257,500**	**£257,500**
73	AR014.16	Flat 16, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,150	**£257,500**	**£257,500**
74	AR014.17	Flat 17, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,100	**£247,500**	**£247,500**
75	AR014.18	Flat 18, 8A Radnor Park Avenue, Folkestone	2 bed flat	£1,100	**£247,500**	**£247,500**
76	AR014.19	Flat 19, 8A Radnor Park Avenue, Folkestone	1 bed flat	£825	**£205,000**	**£205,000**
			Total		£13,681,150	£13,615,800

Oportunitas Board Meeting 3 June 2026

Oportunitas Limited – Financial Update for 2025/26

Prepared by Dani Loxton

Summary: This paper provides an update of the company's financial position for the financial year ending 31 March 2026, based on income and expenditure to 31 January 2026, including the latest projected outturn for its trading activities.

Recommendations:

The Board note the latest financial position for 2025/26 outlined in this paper.

1. Introduction and Background

1.1 This paper provides an update to the Board of the company's financial position for the financial year ending 31 March 2026, based on income and expenditure to 31 January 2026. It provides the latest projected outturn for the company's trading activities compared to the approved business plan for the year and explains the key variances. The provisional outturn for the year to 31 March 2026, subject to audit, is planned to be made to the Board during the early summer of 2026.

2. Profit and Loss Account Projected Outturn 2025/26

2.1 The table below provides the latest projection of the outturn position of the company's trading activities for the financial year to 31 March 2026, compared to the approved business plan.

Table 1 - Profit and Loss Account	2025/26 Budget £	2025/26 Latest Projected Outturn £	2025/26 Actual to 31/01/26	2025/26 Variance Budget to Latest Projection £
Property Rental				
Rental Income	773,150	789,347	649,597	16,197
Rental Expenses	(265,246)	(272,055)	(229,615)	(6,809)
Special Item - Stock Condition Survey	(20,000)	(9,735)	0	10,265
Special Item - Major External Repairs & Redecorations	(32,150)	0	0	32,150
Net	455,754	507,557	419,983	51,803
Grounds Maintenance				
Income	10,000	8,000	6,797	(2,000)
Expenses	(8,000)	(6,400)	0	1,600
Net	2,000	1,600		(400)
Overheads				
Directors Remuneration	(12,094)	(11,944)	0	150
FHDC Officer Support	(46,358)	(46,358)	0	0
Operating Expenses	(26,087)	(22,392)	(6,360)	3,695
Total Overheads	(84,539)	(80,694)	(6,360)	3,845
Loan Interest	(363,524)	(310,283)	(186,561)	53,241
P & L Operating Surplus / (Deficit) for period	**9,691**	**118,180**	**227,062**	**108,489**
Corporation Tax	(2,423)	(29,545)	0	(27,122)
P & L Operating Profit b/f	(301,831)	(253,767)	(253,767)	48,064
P & L Operating profit c/f	**(294,563)**	**(165,132)**	**(26,705)**	**129,431**

2.2 The projected outturn shows a pre-tax operating profit of £118.2k for the year, an increase of £108.5k compared to £9.7k profit forecast in the business plan. The main reasons for this variance are outlined below:

Variances 2025/26 Business Plan to Projected Outturn		£'000
i)	**Rental Income** – Rent increased for properties that have been let to new tenants.	16.2
ii)	**Housing Special Items** – The stock condition survey (£10.3k) and major external redecorations to 19 Castle Hill Avenue (£32.1k) are delayed and will now take place later in 2026/27.	42.4
iii)	**Loan Interest –** lower than forecast interest rate on the loan facility from FHDC	53.2
iv)	**Rental Expenses** – net increase in costs, in part due to one-off expenditure for voids properties	(6.8)
v)	**Operating Expenses** – net reduction mainly due to saving on the contingency expenditure provision	3.5
	Total increase in operating profit compared to business plan	108.5

2.3 The stock condition survey was undertaken by the Council on behalf of the company in March 2026. Quotes are being sought for the external redecoration works to 19 Castle Hill Avenue with the works planned for this summer and drier weather.

2.4 The company's accumulated operating loss, after tax, is projected to reduce by £118.2k from £253.7k at 31 March 2025 to £165.1k at 31 March 2026.

3. Debt Structure

3.1 As previously outlined to the Board on 26 November 2025, the implementation of the planned restructuring of the Council's loan to the company was deferred from 1 April 2024 while further specialist advice was sought regarding its correct governance and accounting treatment. At the time of drafting, the professional advice has been received and a proposal to the Board to retain the existing debt structure has been put forward; this proposal is set out in the 2026/27 business plan for approval by the Board as part of this agenda.

3.2 Notwithstanding the decision to retain the existing debt structure, the company will continue to have an accumulated operating loss in the year to 31 March 2026 and will be unable to pay a cash dividend to the Council as shareholder, originally budgeted to be £35k for the year.

4. Company Cash Flow

4.1 The company's projected cash position at 31 March 2026 is summarised below and demonstrates there are no liquidity concerns at this point:

Oportunitas Cash Flow	**£**
Cash b/f (01/04/25)	95,500
P & L net position	118,180
Loan principal repayments	(49,814)
Net trade creditors / (debtors)	(50,000)
Cash c/f (31/03/26)	**113,136**
Dividend payment	**0**
Cash c/f (31/03/26)	**113,136**

This Report will be made public on 16 July 2026

Report Number **C/26/12**

To:	**Cabinet**
Date:	**24 June 2026**
Status:	**Key Decision**
Responsible Officer:	**Alan Mitchell, Director of Finance & Corporate Services**
Cabinet Member:	**Cllr M Blakemore, Cabinet Member for Community & Collaboration**

SUBJECT: **ANALOGUE TO DIGITAL IMPLICATIONS FOR THE LIFELINE365 SERVICE**

SUMMARY:
This report details the impact of the analogue to digital switchover on the Lifeline365 service, and the actions recommended to ensure that the Council provides a continuing effective and resilient service to its Lifeline Customers.

REASONS FOR RECOMMENDATIONS:
The transfer of all remaining analogue Lifeline Customers to digital units by January 2027 will safeguard vulnerable clients and ensure continuity of service.

RECOMMENDATIONS:
1. **To receive and note report C/26/12.**
2. **To approve the proposal as detailed in the report to transfer from analogue to digital lifeline devices.**
3. **That Cabinet recommend to Full Council the following:**
   - **3.1 To approve the funding of a capital and revenue project budget for £337,479 (allocated as detailed in recommendation 3.2 and 3.3) from the Financial Resilience Reserve.**
   - **3.2 Increase the capital budget (MTCP) for 2026/27 by £255,848 to purchase lifeline units.**
   - **3.3 Increase the general fund revenue budget by £82,231 for the installation and sim cards costs.**

1. BACKGROUND

1.1 Lifeline365 is the council's directly provided telecare service, which has been operating a 24/7 emergency telecare service for over 40 years helping and supporting residents and their families across Kent. We provide various telecare equipment such as GPS devices that can be worn in and out of the home as well as a home base lifeline unit which can be operated in the home by pressing a pendant.

1.2 Our client base consists of Council housing schemes and private clients with telecare equipment, in addition to this the service also provides the out of hours call provision service for Folkestone & Hythe, Thanet and Maidstone District Councils. Below is a breakdown of the telecare equipment that is currently installed throughout Kent.

Telecare Equipment @ 18.05.26	Number of Clients
GPS Device	232
Digital Lifeline Alarm	625
Analogue Lifeline Alarm	1588

1.3 In 2017, the telecoms industry announced its intention to retire analogue telephone services and upgrade to new digital technology using an internet connection, such as voice over internet protocol (VOIP) technology, which uses a broadband connection. Full implementation of this upgrade has been delayed but is now expected to be fully completed by 31 January 2027. For most consumers this change will be straightforward as people can still choose to have a landline only service.

1.4 The digital switchover raised the following issues for the Lifeline service:

- Would the existing analogue equipment work on the new digital network after the switchover was completed?
- Was there a reliable and easy way to install a digital lifeline alarm as an alternative?
- Should the council only support the digital lifeline alarm units after the switchover was completed?

1.5 In answer to the first point about whether the existing analogue equipment would work on the digital network.

- The Department of Health and Social Care reported in February 2025 that they recommended that the use of analogue telecare devices is phased out to ensure that only digital devices are being used. Customers are being switched over to digital who have analogue telecare equipment and at present the equipment is working. However, there is significant uncertainty from telephone providers and telecare suppliers regarding whether they will continue to work once the analogue lines are completely switched off and there are only digital lines available.

1.6 In answer to the second point about whether there was a reliable and easy way to install a digital lifeline as an alternative.

- The telecare industry has developed a number of digital lifeline alarms that operate on their own mobile sim cards and do not require any landline. The service has been using these for the past 18 months. They are, however, more costly to purchase and the cost to the client is slightly higher. Until January 2026, it was left to the discretion of the client as to which lifeline alarm they would prefer. However, from January 2026 the decision was taken based on concerns about future network compatibility that only digital lifeline units are being installed.

1.7 In answer to the third point about whether the Council should only support digital lifeline alarms after the switchover is completed.

- To safeguard the Lifeline365 clients, it is important to ensure that they have working telecare equipment which can be relied upon in all circumstances. The lifeline computer system provider and the telecare equipment providers cannot give assurance that after January 2027 the analogue telecare equipment will work effectively.

- Telephone providers have already been switching customers over to a digital lines and this is affecting new and existing customers. The phone providers such as Openreach will provide the customer with a backup battery for the router which the analogue lifeline alarm is connected to. The customer or phone engineer will install the backup battery. This ensures that if there is a power cut the router will continue to operate and subsequently so will the lifeline alarm. However, the back-up batteries have a limited time span dependent on the phone provider and ultimately when this fails the customer will have no router, no phone line and no lifeline alarm – potentially leaving them vulnerable.

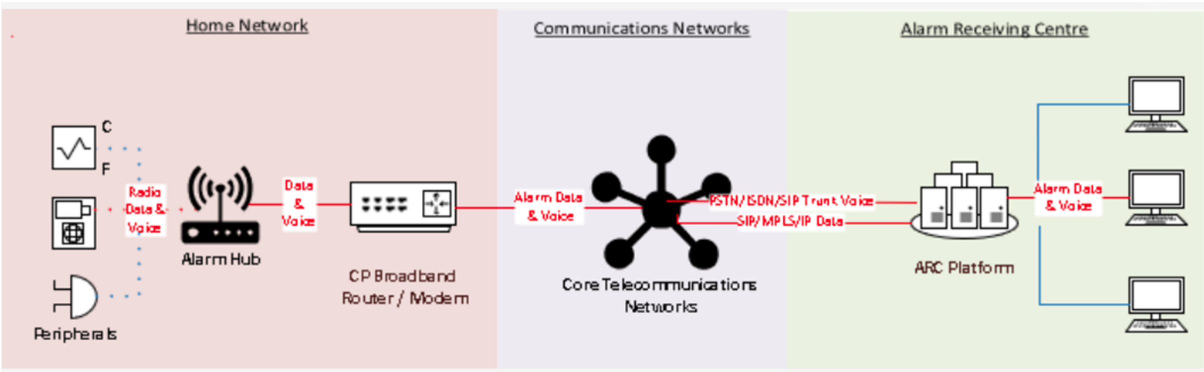
- In addition to the back-up battery reliability, analogue telecare equipment is not designed to operate reliably over digital networks, and there is a real risk of failed, delayed, or corrupted alarm calls as the phonelines increasingly become digital.

- There have been many instances where the customers have been converted to digital and the telephone engineers have not connected the lifeline correctly through the router leaving the customer without a working lifeline and in some cases a working phone line. As we have an inhouse installation team we can visit these clients to assist them, however this then causes an issue when dealing with the daily programmed installs and visits.

1.8 All of the telecare equipment in the council's HRA Independent Living Schemes has been upgraded to digital following a significant project over the last two years. These schemes operate using their own standalone routers with mobile sim cards.

2. ACTION TAKEN

2.1 For background information - the diagram below shows how the lifeline unit connects through a router when the telephone provider has changed to digital.



2.2 The Lifeline Service has since November 2024 been working with Le Grand, the software provider for the lifeline system to install 3 SIP/digital lines to test analogue telecare equipment over a digital line and to see how the equipment would perform and whether there would be any 'handshake' issues. There have been several technical issues when the platform was tested. The consequence of this was that the lines had to be rolled back out of the system. At present we are still waiting for those technical issues to be resolved so that the analogue equipment can be tested on the digital lines.

2.5 Le Grand/Jontek have advised that other organisations are using the analogue telecare alarms that we currently have installed and are having no issues when the calls are being received on a digital line. However, this is something we have not been able to confirm and evidence because of the unresolved technical issues.

2.6 Since 2024 we have only purchased digital telecare equipment to install as the analogue equipment is no longer being provided by the suppliers.

2.7 From January 2026, we have changed our leaflets and posters to only promote the digital equipment, and we are only installing digital equipment for new clients.

3. RECOMMENDATION

3.1 With January 2027 approaching, a decision needs to be made as to how the service proceeds. Whether we undertake a complete transfer of all remaining analogue units to digital or a more gradual approach relying on the analogue units continuing to function post January 2027. **The recommendation is to proceed with the transfer of all remaining analogue units to digital equipment.**

The reasons are as follows.

- The Council does not really have the option to wait to see what happens when January 2027 comes. There needs to be continuity of service for our vulnerable customers, and we are unable to guarantee that their telecare equipment will work after the 'go live' date.

- If we were to make the change voluntary for the customer this could delay them upgrading to a digital unit. As we do not know the reliability of the analogue units using a digital line, this would create a large risk for the service and ultimately the council safeguarding and supporting our clients.

- The best option in terms of continuity of service is for the customers to change to a digital alarm by January 2027 to ensure that their equipment works correctly and for Lifeline365 to continue to support them.

- The main risk to the Council in requesting that clients change to a digital unit is that clients may decide to not continue with the service which will result in a loss of income. However, to ensure we provide the best service to our clients we need to take this approach and change as many customers as possible by the ‘go live’ date.

3.2 The financial requirements to support this recommendation are detailed in section 4.

4. FINANCIAL IMPLICATIONS

4.1 The cost to the Council of a digital lifeline alarm is approximately £159.53 plus £36 per year for the sim card.

4.2 In terms of procurement, it is important that only digital units that have been extensively tested and compatible with the monitoring platform are purchased. Supply of telecare equipment can be procured using the NHC Technology Enables Lives Framework and Chiptech is one of the preferred suppliers on this framework.

4.3 There are approximately 1,600 clients who still have the analogue telecare equipment. Discussion has taken place with the preferred supplier and the cost of purchasing this volume of units has been negotiated down to a reduced cost of £312,848.

4.4 A growth bid would also need to be put in for the next financial year to cover the ongoing costs of the additional sim cards for the digital devices, this would be approximately £57,600. This would be offset by the income received.

Telecare Equipment with Sim Card	**Cost of Unit + 1 year Sim Card**	**Cost of annual Sim Card after 1st year**	**Charge to Customer**
Seven alarm unit	£159.53 + £36 = £195.53	£36	£260.00 pa

4.5 There are 3 installers (2 FTE) employed to cover the whole of Kent and at present one of the part time installer’s post is vacant. To ensure that we could fulfil the digital transfer program we would need to employ a temporary installer on a full-time basis for 6 months to ensure we can complete the switchover of the units by January 2027. The cost of this would be £19,350, which includes oncosts. The Lifeline Manager and one of the Control Centre Operators are also trained to cover the installer role when needed. However, we would also need to hire a temporary vehicle for the additional person to use, the cost of which, for a 6-month period would be £5,281.

4.6 The total expenditure (capital and revenue) to complete a full analogue to digital switchover for financial year 2026/27 is: -

Telecare Equipment (including SIM Cards)	£312,848
Temporary Installer for 6 months	£19,350
Vehicle hire for 6 months	£5,281
TOTAL COST	**£337,479**

1.1. The figures above are estimated based on all current customers transferring. For future years, the ongoing cost of the additional SIM cards for the transferred customers is estimated at £57,600 per annum.

1.2. Finance have detailed the budget implications in the 'Implications' comments below. It is proposed that the full project budget (capital and revenue) is initially funded from the Financial Resilience Reserve with the reserve paid back over five years.

1.3. In line with the constitution, the capital and revenue growth requires approval by cabinet and the full council. The increase to the capital programme is £255,248 for the bulk purchase of digital units. The increase to the general fund revenue budget £82,231 for Sims and installation costs.

5. NEXT STEPS

5.1 Subject to cabinet and council approval, there are 26 weeks from 26 July to the proposed switchover deadline of 31 January 2027. We therefore would need to be changing over at least 50 units a week as well as managing the normal day to day demand to meet the deadline.

5.2 A letter will be sent to all lifeline customers with an analogue alarm unit advising them that they must change to a digital alarm by January 2027, for continued support from Lifeline365.

5.3 The client base will be divided into geographical areas and letters will be sent out in batches of 50-100 at a time to ensure we can manage the uptake effectively. Depending on uptake we may have to send letters out more frequently to ensure we can get clients switched over before the deadline.

6. RISK MANAGEMENT ISSUES

6.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action

Do not switch over the analogue units	Medium	Medium	Switching all clients to a digital lifeline unit which works on a mobile sim and is standalone from their telephone line.
Do not complete the switchover of equipment by January 2027.	High	Medium	Resource and plan for the migration to ensure that all clients are switched to a digital lifeline unit before the deadline.
Not able to procure the volume of digital units required	Low	Low	By placing a large quantity order at the outset, we will be able to draw down the units as and when required to ensure that our needs can be met.
Loss of installer/vehicle	Low	Low	Train other staff to cover this role. Use other available council vehicles if required.
Loss of income and clients.	High	Medium	No action can be taken to prevent this risk. The lifeline prices are compared each year to national and local lifeline services to ensure we remain competitive but also cover the equipment costs.

7. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

7.1 Legal Officer's Comments (KP)

Under the Care Act 2014, the Council has a statutory duty to meet eligible care and support needs of individuals. The legislation does not prescribe specific services such as Lifeline365 but instead requires the Council to ensure that appropriate support is in place. Lifeline365 is one way of complying with this statutory duty. Any changes arising from the analogue to digital switchover should not reduce service reliability or place vulnerable users at an increased risk. Failure to take reasonable steps to ensure continuity and effectiveness of support during any transition period or thereafter could expose the Council to legal challenge. The Council must also comply with the Equalities Act 2010 and the Human Rights Act 1998 ensuring that users with protected characteristics/ older, disabled users etc. are not disproportionately impacted by any proposed changes.

7.2 **Finance Officer's Comments (SO/DL)**

General Fund Revenue Implications –

The main financial implications are outlined in paragraph 4. Assuming all 1,600 customers migrate to the digital service, the move is expected to generate additional income, as shown in the table below. This results in an estimated net revenue of £60,425 in Year 1 and £53,056 in subsequent years, which can be used to repay the initial draw from reserves.

However, as highlighted in the report, there is a risk that some customers may choose not to migrate or may discontinue the service, which would reduce the level of income achieved.

Ongoing SIM costs (estimated at £57,600 at full migration) will only be incurred where customers transfer to the digital service and can therefore be funded from the additional income generated.

Subject to approval, the required budget will be incorporated into the 2027/28 growth and savings process.

Capital Implications –

This project will need to be added to the capital programme as currently there is no capital budget in place to cover the £255,248 (being the initial unit cost of £312,848 less SIM card costs of £57,600). New capital projects must be approved by Full Council who will next be meeting on 22 July 2026.

Capital & Revenue Expenditure

	Year 1	Ongoing (from Year 2)
Lifeline unit purchase	£255,248	-

Revenue Position

Income	Year 1	Ongoing (from Year 2)
Additional income (tariff change)	£110,656	£110,656
Installation fees (one-off)	£32,000	-
Total Income	**£142,656**	**£110,656**
Expenditure	**Year 1**	**Ongoing (from Year 2)**
SIM card costs	£57,600	£57,600
Temporary installer (6 months)	£19,350	-
Temporary vehicle (6 months)	£5,281	-
Total Expenditure	**£82,231**	**£57,600**

Net Revenue Position	**£60,425**	**£53,056**

The capital programme must be fully funded and therefore the recommendation is to fund the £255,248 capital expenditure from The Financial Resilience Reserve with the future surplus used to replenish the reserve.

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

The analogue-to-digital switchover may disproportionately affect older and disabled residents who rely on Lifeline telecare equipment, as they are more likely to be using analogue devices and more vulnerable to service disruption if equipment fails after the digital changeover date. There is also a risk of digital exclusion for clients who may struggle with understanding technical changes or managing backup battery requirements. The increased weekly charge and installation cost may impact low-income households. To mitigate these impacts, clear and accessible communication, flexible support with upgrades, and consideration of financial vulnerability will be important.

7.4 **Climate Change Implications (JW)**

Replacing the analogue telecare equipment will have a short-term increase in carbon emissions from disposal of units, which can be mitigated by properly recycling the units. The digital telecare equipment will be more energy efficient and aligns with the Council's District Wide Carbon Strategy in supporting climate adaptation by improving service reliability for vulnerable residents during, for example, power cuts and extreme weather events.

8. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

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

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