

# Core Strategy Review - Inspectors' Action Points

## Matter 9 - Housing Revenue Account

11 January 2021



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# **Note on Folkestone & Hythe District Council's Housing Revenue Account**

## **1. Introduction**

- 1.1. The purpose of this note is to set out the past performance of the council's Housing Revenue Account (HRA) and the future aspirations as set out in the Business Plan for the new build and acquisition programme.
- 1.2. The HRA Business Plan was updated in February 2020. The council is required to have a comprehensive HRA Business Plan in place to set out its proposals for financing and maintaining its housing stock and other assets held within the HRA.
- 1.3. The council's HRA is a ring-fenced account held by the council. It contains all the expenditure and income relating to the 3,395 properties and other assets owned and managed by the council in its role as a landlord. The council now acts as landlord as this function was brought back into the local authority in October 2020 (following the disbandment of East Kent Housing which previously undertook this function for Folkestone & Hythe, Canterbury City, Dover District and Thanet District Councils).
- 1.4. The key strategic objectives of the HRA Business Plan are:
  - To provide high quality affordable homes;
  - To provide an efficient and effective housing management service;
  - To achieve efficiencies in service delivery and invest in service;
  - Improvement for tenants and leaseholders;
  - To maximise the recovery of rental income;
  - To continue the Council's new build and acquisition programme; and

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- Delivering affordable homes for rent and shared ownership.

### 2. Council's New Build and Acquisition Programme

2.1. The Business Plan update (as reported to council's Cabinet on the 19th February 2020<sup>1</sup>), indicates that to date the council has delivered over 100 additional homes through the council's new build and acquisition programme, including homes for rent and shared ownership purchase. The completions and acquisitions are set out in Table 1 below.

	2015/16	2016/17	2017/18	2018/19	2019/20
<b>New build</b>	6	9	37	26	8
<b>Acquired</b>	11	11	1	2	2

*Table 1: Housing completions and acquisitions*

2.2. The update also indicates that further sites are in the pipeline over the next four years which will enable the council to continue to deliver its new build and acquisition programme. The pipeline sites at this time are as set out in Table 2 below.

Site	Number of dwellings
<b>Highview School, Moat Farm Road, Folkestone</b> (Places and Policies Local Plan Policy UA08)	35
<b>Fernfield Lane, Hawkinge</b>	6
<b>Biggins Wood, Folkestone</b>	25
<b>Ship Street, Folkestone</b>	30
<b>Princes Parade, Hythe</b> (Places and Policies Local Plan Policy UA18)	30

<sup>1</sup> C/19/67 <https://www.folkestone-hythe.gov.uk/moderngov/documents/s32631/Cabinet%20HRA%20BPlan%20Report%2019%20February%202020%20FINAL.pdf>

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Site	Number of dwellings
Littlestone	14
<b>Total</b>	<b>140</b>

Table 2: Pipeline sites through new build and acquisition programme (January 2021)

- 2.3. Subject to overall viability within the programme, it is envisaged that approximately 37 of the homes above will be provided for shared ownership purchase.
- 2.4. The Business Plan update also sets out plans for the council to deliver 1,200 homes up to 2034/35. This programme will also include units for affordable rent and shared ownership purchase. For the purposes of modelling, the profiled delivery of these units is as set out in Table 3 below.

Year	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
<b>Number of dwellings</b>	65	26	55	40	14	100	100	100	100	100	100	100	100	100	100

Table 3: New build and acquisition programme profiled delivery of sites

- 2.5. In order to fully deliver the programme, it will be necessary for the council to identify a number of additional sites or properties for conversion. Whilst in principle it is possible to deliver the 1,200 homes over the next 15 years, it is not possible to provide a precise timeframe as this will be subject to the council securing the necessary sites/properties for conversion. This could include acquiring sites identified through the Section 106 process, including sites in the Garden Settlement.

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