

PORTFOLIO HOLDER FOR HOUSING & PLANNING

19 August 2024

REPORT OF THE CORPORATE DIRECTOR FOR OPERATIONS & DELIVERY

A. COMMUNITY HOUSING FUND – COMMITMENT OF GRANT FUNDING

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To enable the Portfolio Holder for Housing & Planning to make a decision in respect of the allocation of a proportion of the Community Housing Fund grant received by the Council in 2016.

EXECUTIVE SUMMARY

- The Council was awarded £706,000 in 2016 from the former Government’s Community Housing Fund, which was set up to support applications for revenue funding for capacity building and pre-development costs, including revenue grants to local authorities to support community groups.
- Interest in and take up of the scheme locally has generally been low
- The Council has £611,810 of that funding remaining unspent.
- Great Oakley Community Hub has a vision to develop some community led affordable housing in the village. Officers have been in discussions with representatives of the group about their aspirations for the Red House that the group has purchased with a view to redevelopment as affordable housing.
- It is proposed to pay a grant of up to £10,000 to Great Oakley Community Hub Ltd (“the Society”) registered with the Financial conduct Authority (RS 007164) to assist them in their endeavours to develop a community led housing scheme in Great Oakley, known as the Red House Project.

RECOMMENDATION(S)

- (a) It is recommended that the Portfolio Holder agrees to the award of a grant of up to £10,000 from the Community Housing Fund to Great Oakley Community Hub Ltd (the Society), to towards the cost of architectural, structural engineer and similar professional services related to the preparatory work associated with the proposed redevelopment of the Red House in Great Oakley as community led housing; and**
- (b) Subject to (a), authorises the Assistant Director for Housing and Environment to allocate funding to the Society for additional financial support to enable them to complete the associated preparatory work to bring forward the scheme for planning permission to redevelop and bring back into use a long term empty property.**

REASON(S) FOR THE RECOMMENDATION(S)

The recommendations are made in order to facilitate the delivery of community led housing in the district and to make effective use of the remaining Community Housing Fund allocation.

ALTERNATIVE OPTIONS CONSIDERED

An alternation option considered is not to provide any funding to the Society. This would not however be in the spirit of why the Community Housing Fund Grant was allocated to the Council back in 2016. It would also not be supportive of potential development of the Red House in Great Oakley that is currently sitting vacant.

PART 2 – IMPLICATIONS OF THE DECISION**DELIVERING PRIORITIES**

This decision will contribute to the Corporate Plan 2024 – 28 (Our Vision) themes of:

- Pride in our area and services to residents – the Red House is something of land mark in the village of Great Oakley and the redevelopment of it will provide something that is more visually appealing whilst providing affordable housing.
- Championing our local environment - as above, the redevelopment of the building will improve the visual amenity which providing energy efficient accommodation
- Financial sustainability and openness – this decision is being taken in the public domain using government allocated funding
- Working with partners to improve quality of life – GOCH can be considered a partner in the development of affordable, community led housing.
- Raising aspirations and opportunities – provision of affordable housing in Great Oakley will provide local housing that residents of the village and surrounding area can aspire to live in

OUTCOME OF CONSULTATION AND ENGAGEMENT (including with the relevant Overview and Scrutiny Committee and other stakeholders where the item concerns proposals relating to the Budget and Policy Framework)

No consultation has been undertaken in respect of this decision.

LEGAL REQUIREMENTS (including legislation & constitutional powers)

Is the recommendation a Key Decision (see the criteria stated here)	No	If Yes, indicate which by which criteria it is a Key Decision	<input type="checkbox"/> Significant effect on two or more wards <input type="checkbox"/> Involves £100,000 expenditure/income <input type="checkbox"/> Is otherwise significant for the service budget
		And when was the proposed decision published in the Notice of forthcoming decisions for the	N/A

		Council (must be 28 days at the latest prior to the meeting date)	
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The purpose of the Society and the Red House Scheme meets with the conditions of the Community Housing Fund grant awarded to the Council in 2016 in that they seek to provide community led housing.

The allocation of funding to the Society should set out its purpose and how it will be monitored, this can be by way of letter or agreement setting out the terms and conditions. Receipt of these terms and conditions must be accepted prior to the monies being paid.

The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:

The Society, according to its website, Great Oakley Community Hub (goch.org.uk) has established a dedicated Housing Committee with responsibility for managing the Society's housing portfolio in line with its Vision, Aims and Policy. At the time of writing, District Councillor Mike Bush is a Committee member and will have no dealings with the matter at a District level as this is an Other Registerable Interest within the Members' Code of Conduct, and no dispensation has been sought or granted.

FINANCE AND OTHER RESOURCE IMPLICATIONS

A total of £706,620 was received in 2016 from the Government's Community Housing Fund. The funding was intended to help communities mitigate against the economic market pressures of second and holiday homes. The fund is flexible in that it can be used to provide capital investment, technical support and revenue funding to make schemes more viable and significantly increase the delivery of community led affordable housing of all tenures. It was left to individual councils who were allocated funding to determine how to spend the monies to deliver the objectives of the fund.

After taking into account a limited number of small grants paid along with the external consultancy capacity purchased the budget remaining is £611,810. Based on the proposals set out in this report, the budget can accommodate the cost of the proposed grant award in this instance along with funding to support a proportion of the redevelopment work if it reaches that stage.

The award of this grant will be a continuation of previous small grant awards of up to £5,000 that have been made to other community led housing groups in the district. These previous awards have been made following a decision by the Housing Portfolio Holder at the time in 2018 to provide small grants of up to £5,000 from the Community Housing Fund allocation to community organisations to assist in the setting up of Community Land Trusts.

As part of any separate decision making to award any additional funding over and above the amount set out in this report, consideration will need to be given to issues such as any maximum grants provided or where the money available can support only the one scheme. It is acknowledged that no other schemes has come forward to date and therefore it may be reasonable to support only one scheme or to remarket the opportunity again.

X	The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:	
There are no comments over and above those set out in the report		
USE OF RESOURCES AND VALUE FOR MONEY		
The following are submitted in respect of the indicated use of resources and value for money indicators:		
A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;		
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and		
C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.		
MILESTONES AND DELIVERY		
The key milestone will be the approval of a grant award.		
ASSOCIATED RISKS AND MITIGATION		
The proposals pose minimal risks, the main risk being that funding is awarded towards the development of a proposal that does not materialise into a housing scheme that is built. The impact of this risk is considered acceptable as the funding would have been used for its intended purpose to assist in bringing schemes forward.		
EQUALITY IMPLICATIONS		
There are no equality implications to consider at this stage.		
SOCIAL VALUE CONSIDERATIONS		
Overall this proposal contributes to a wider social investment in a community housing project by residents of Great Oakley.		
IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2030		
This decision does not have a direct impact on the Council's aims to net zero carbon ambitions.		
OTHER RELEVANT CONSIDERATIONS OR IMPLICATIONS		
Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.		
Crime and Disorder		None
Health Inequalities		None

Subsidy Control (the requirements of the Subsidy Control Act 2022 and the related Statutory Guidance)	None
Area or Ward affected	Oakleys and Wix

PART 3 – SUPPORTING INFORMATION

BACKGROUND & PROPOSED COMMUNITY HOUSING FUND SCHEME

In 2016 the Government announced a £60 million fund to support community-led housing developments in areas where the impact of second homes is particularly acute. As part of this commitment, TDC was allocated £706,000 that was received in the 2016/17 financial year and carried forward since.

The fund enabled local community groups to deliver affordable housing units of mixed tenure on sites which were likely to be of little interest to mainstream house builders and thereby contribute to the overall national effort to boost housing supply. The fund also aimed to help build collaboration, skills and supply chains at a local level to promote the sustainability of this approach to housebuilding. The fund would enable capital investment, technical support and revenue to be provided to make more schemes viable and significantly increase community groups' current delivery pipelines. The funding was allocated between local authorities proportionate to the number of holiday homes in the local area and taking account of the affordability of housing to local people.

Since 2016/17 the scheme has been advertised based on the guidance and criteria provided by the Government. The Council has provided small grants to four organisations that have used the funding to support setting up Community Land Trusts. This work was supported by external consultancy resource from Locality and prior to that CLT East.

Unfortunately, despite the specialist consultancy support, to date, none of the CLTs have been able to bring forward any housing schemes apart from Great Oakley Community Housing (GOCH). Senior officers have met with representatives from GOCH to understand and seek to support them in bringing a qualifying scheme forward that could be funded from the CHF.

GOCH are at a reasonably advanced stage in bringing forward their scheme that seeks to redevelop and bring back into use a long term empty property in their ward/Parish. Returning an empty property to use is listed as one of the main approaches that can be undertaken as part of the CHF. There are number of stages that the group need to complete, one of which is gaining the relevant planning consent for their proposed housing scheme. Although any decision to formally award grant funding to deliver the main scheme has not been made, the group have requested some additional financial support to enable them to complete the associated preparatory work. It is therefore proposed to offer them a grant of up to £10,000 to support their approach.

At the present time, the Council is not aware of any other schemes being developed and therefore supporting the one organisation that has come forward would enable the effective use of the grant to provide additional affordable housing in the district. In repeating an earlier point, the decision to award a further grant such as that associated with undertaking the development work will be subject to any appropriate decision at the time.

In terms of the governance arrangements associated with the award of the grant of up to £10,000, this will be agreed between the AD for Housing & Environment, the AD for Finance & IT and the

Internal Audit Manager which will ensure the money is spent in accordance with the criteria originally set out by Government in 2016.

PREVIOUS RELEVANT DECISIONS

BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL

APPENDICES

REPORT CONTACT OFFICER(S)

Name	Tim Clarke
Job Title	Assistant Director – Housing & Environment
Email/Telephone	01255 686745