

Agenda

Swale Rainbow Homes Shareholder Sub-Committee Meeting

Date: Monday, 9 September 2024

Time 7.00 pm

Venue: Council Chamber, Swale House, East Street, Sittingbourne, ME10 3HT

Membership: Councillors Kieran Golding, Alastair Gould, Angela Harrison (Chair), Peter Macdonald, Peter Marchington, Hannah Perkin and Karen Watson (Vice-Chair)

Quorum = 3

Pages

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the car park. Do not leave the assembly point or re-enter the building until advised to do so. Do not use the lifts.

- (d) Anyone unable to use the stairs should make themselves known during this agenda item.

2. Apologies for Absence

3. Minutes

To approve the [Minutes](#) of the meeting held on 14 February 2024 (Minute Nos. 631 - 635) as a correct record.

4. Declarations of Interest

Councillors should not act or take decisions in order to gain financial or other material benefits for themselves, their families or friends.

The Chair will ask Members if they have any disclosable pecuniary interests (DPIs) or disclosable non-pecuniary interests (DNPIs) to declare in respect of items on the agenda. Members with a DPI in an item must leave the room for that item and may not participate in the debate or vote.

Aside from disclosable interests, where a fair-minded and informed observer would think there was a real possibility that a Member might be biased or predetermined on an item, the Member should declare this and leave the room while that item is considered.

Members who are in any doubt about interests, bias or predetermination should contact the monitoring officer for advice prior to the meeting.

5. Swale Rainbow Homes Shareholder Update

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Issued on Thursday 29 August 2024

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**Chief Executive, Swale Borough Council,
Swale House, East Street, Sittingbourne, Kent, ME10 3HT**

Swale Rainbow Homes Shareholder Sub Committee	
Meeting Date	9 th September 2024
Report Title	Swale Rainbow Homes Shareholder update
EMT Lead	Emma Wiggins, Director of Regeneration and Neighbourhoods
Head of Service	Charlotte Hudson, Head of Housing and Communities
Lead Officer	Charlotte Hudson, Head of Housing and Communities
Classification	Open
Recommendations	The committee is recommended to: 1. To approve use of funds to progress the construction tender.

1 Purpose of Report and Executive Summary

- 1.1 This report provides the Council as the sole Shareholder of Swale Rainbow Homes (SRH) with an update following discussions with Homes England and seeks approval to carry out further work to progress the scheme.

2 Background

- 2.1 At the SRH Shareholder Sub Committee on 14th February 2024 a detailed update was provided from SRH in terms of progress made and detailed the current viability gap that existed to progress the scheme. The SRH Shareholder Sub Committee resolved to pause the scheme. However, SRH was asked to continue to review grant funding opportunities that could enable the scheme to be viable.
- 2.2 Since the meeting in February SRH have secured planning consent for the Cockleshell Walk on 23rd May 2024. With planning permission secured this enabled SRH Board and Consultants from Counties and Capital Consulting (C&CC) to engage with Homes England regarding the level of grants available for the scheme.
- 2.3 The scheme appraisal with updated parameters (interest rate, new LHA rates and revised QS build costs) was reviewed in April to inform Homes England (HE) grant discussions, there have been fluctuations in the figures since, but no material changes have occurred since April. SRH wrote to Homes England on the 8th April 2024 seeking a level of grant funding far higher than the usual allocation. A meeting took place with representatives from Homes England who have reviewed our scheme financial appraisal information and confirmed that we can assume grant for all 51 homes and that whilst an enhanced grant level is possible (for Social Rented homes) there would not be funding available to entirely remove the entire development funding deficit

- 2.4 To fully review our scheme and grant requirement Homes England have asked us to undertake our construction tender work to understand our build costs as this is the final variable in confirming our exact funding need. C&CC have estimated that the cost to tender the works contract will be in the region of £65,000, made up of 6-8 months of work from our Employers Agent, some architectural assessments and c£35,000 of surveys.
- 2.5 Due to the decision by SRH Shareholder Sub Committee to pause the scheme, before any further work is commissioned on the scheme, SRH is seeking authority to progress.

3 Proposals

- 3.1 For the Shareholder Panel to approve use of funds to progress the construction tender.

4 Alternative Options

- 4.1 To not approve the progressing of the construction tender.

5 Consultation Undertaken or Proposed

- 5.1 A meeting has taken place with Homes England as discussed in the main body of the report.

6 Implications

Issue	Implications
Corporate Plan	Health & Housing - To aspire to be a borough where everyone has access to a decent home and improved health and wellbeing.
Financial, Resource and Property	The costs of the construction tender are estimated to be circa. £65k. This can be funded from the earmarked reserve allocated to fund the initial costs of SRH capital project
Legal, Statutory and Procurement	None at this stage. If approved the tender would be undertaking in line with Public Procurement legislation.
Crime and Disorder	None identified at this stage.
Environment and Climate/Ecological Emergency	None identified at this stage.
Health and Wellbeing	None identified at this stage.
Safeguarding of Children, Young People and Vulnerable Adults	None identified at this stage.
Risk Management and Health and Safety	None identified at this stage.

Equality and Diversity	None identified at this stage
Privacy and Data Protection	None identified at this stage

7 Appendices

7.1 None

8 Background Papers

8.1 None

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