

<b>Cabinet Meeting</b>	
<b>Meeting Date</b>	3 June 2020
<b>Report Title</b>	Community Housing Fund: Options for future delivery models in Swale
<b>Cabinet Member</b>	Cllr Ben Martin, Cabinet Member for Housing
<b>SMT Lead</b>	Charlotte Hudson, Head of Housing, Economy and Community Services
<b>Head of Service</b>	Charlotte Hudson
<b>Lead Officer</b>	Rebecca Walker, Affordable Housing Manager
<b>Key Decision</b>	Yes
<b>Classification</b>	<b>Open</b>
<b>Recommendations</b>	1. To consider options available to the Council regarding Swale's remaining Community Housing Fund of £281,232 and, agree an approach for spending this ring-fenced grant.

## **1 Purpose of Report and Executive Summary**

- 1.1 This report provides information on the remaining Community Housing Fund (CHF) that was awarded to Swale Borough Council in 2016/17. The fund was provided to local authorities where the impact of second homes is especially acute, and to develop local community groups who will work to support the delivery of community led affordable housing schemes.
- 1.2 In early 2017 the Council was awarded a total grant of £341,232, and at the beginning of 2018 it was agreed by SMT that £60,000 could be used in partnership with Action for Communities in Rural Kent (ACRK) to deliver an 18 month pilot Swale Hub programme that runs until May 2020. This report identifies options on how the Council can utilise the remaining £281,232 fund to support the delivery of community-led affordable housing schemes.

## **2 Background**

- 2.1 In December 2016, the government launched the Community Housing Fund (CHF) made up of £60 million of increased Stamp Duty Land Tax applicable on additional properties such as holiday homes and buy to let properties. The CHF was made available to local authorities where the impact of second homes was deemed to be particularly high and impacting on affordability of housing for local people, and as such Swale's award was in recognition of the high number of holiday park homes in the district.

- 2.2 The overall purpose of the grant is to help set-up and support community led housing groups to provide homes in urban, coastal and rural areas to be sold or rented at values linked to local wages and made available to those with a local connection to the area. To facilitate this, the fund can be used flexibly to provide capital investment, technical support and revenue funding to make schemes more viable.
- 2.3 In January 2018 an options paper was presented to SMT, and it was decided that through a grant partnership agreement, £60,000 of the total fund should be used to deliver an 18 month pilot programme in partnership with ACRK, launched as the 'Swale Community Housing Hub', with funds utilised as follows:
- £30,500 to recruit and resource a dedicated part-time CHF officer
  - A 'Pump Priming' fund of £29,500 to enable Community Housing Groups to buy-in specific expertise such as architects or solicitors
- 2.4 Unlike many other local authorities' that received CHF grant, Swale was starting from a point of having only one existing CLT, Minster Housing Cooperative. Therefore, the primary focus of the pilot programme was to gain new engagement from the local community and provide advice, support and assistance to those wishing to establish a local community housing group.
- 2.5 Swale's pilot Hub programme has been successful and provided advice and support to local groups to enable them to explore the creation of community housing trusts. A large and well-attended workshop event was held in Faversham on the 27 September, smaller community events have also been held, specialists have been engaged from around the country to share knowledge and expertise, promotional and social media material has been developed and local groups have been engaged to explore urban and rural affordable community housing options.
- 2.6 In July 2018 ACRK submitted a successful bid for a 'Development Grant' to enable the initiation of a Kent Community Led Housing Hub. This bid enabled ACRK to engage a consultant to support delivery of the initial phase, including the completion of a 5 year business plan and economic appraisal detailing how the Hub will be sustained into the future. A further 'Full Grant' application was successful in January 2020 and is being used to cover costs of the Kent Hub up until March 2021, after which it is anticipated that the Hub will be financially self-sustaining.
- 2.7 Swale's 18 month pilot programme with ACRK is due to cease in May 2020, and in preparation for this, future options on how to spend the remaining £281,232 community housing fund need to be explored. These options are detailed in Appendix I.

### **3 Proposals**

- 3.1 Options are shown in Appendix I, and the preferred choice is Option 3. This will incorporate the remaining community housing fund into the Council's new affordable housing programme and be managed using existing staff resources. This local programme will enable a scheme in any part of the borough to 'get off

the ground' for example, supporting FCLT to actively seek acquiring properties for re-development in Faversham, providing CHF grant to undertake feasibility and legal work to inform how the project could progress.

## 4 Alternative Options

- 4.1 The Council could choose to retain the grant but not utilise it in any type of CLT partnership. This would have a detrimental impact on the continued development of local groups who are working to establish and progress local community housing trusts and could result in the grant having to be handed back to Government.

## 5 Consultation Undertaken or Proposed

- 5.1 None required.

## 6 Implications

Issue	Implications
Corporate Plan	This report has relevance to all Corporate Plan Priorities, in particular enabling access to affordable housing options and engaging new approaches to partnership working.
Financial, Resource and Property	The delivery of Swale's community housing fund programme will be managed through the remaining grant funding allocation of £281,232.
Legal, Statutory and Procurement	A grant partnership agreement with ACRK may need to be extended, or other legal agreements established to enable funding arrangements with local CLT's.
Crime and Disorder	There are no issues relating to Crime and Disorder arising from this report.
Environment and Sustainability	Community-led housing is a viable solution to increase the number of affordable homes with opportunities to prioritise the environment through the delivery of energy-efficient housing, green spaces and the sharing of material resources.
Health and Wellbeing	Community led housing schemes will have positive health and wellbeing impacts on improving mental health and physical wellbeing of those involved and the wider community.
Risk Management and Health and Safety	It is important that community expectations for the fund are relative to the availability of funding. Whilst schemes will be developed with local communities there may be objections in the local community to proposed schemes which could delay proposals being brought forward. CHF enablers and local CLT's can work to ensure the delivery of good communication material and deliver talks and promotional activities when required.

Equality and Diversity	There are no equality and diversity implications directly associated with this report.
Privacy and Data Protection	<p>Information submitted through a grant application process will ensure applicants are aware that the Council, CLT's and any other relevant CHF Partner may use the data provided, but that any personal information held as part of this programme will be protected from unauthorised access or disclosure.</p> <p>Any grant partnership agreement will also ensure that partners shall procure that any personnel involved in connection with activities and programmes under the Grant Agreement shall comply with notification requirements under the Data Protection Act 1998 (DPA) and both Parties will duly observe all their obligations under the DPA, which arise in connection with this Service Level Agreement.</p>

## 7 Appendices

7.1 The following documents are to be published with this report and form part of the report:

- Appendix I: Options Appraisal

## 8 Background Papers

None