

<b>REPORT TO THE EXECUTIVE</b>		Report No. 10
<b>Date of Meeting</b>	8 January 2009	
<b>Title of Report</b>	Grant Request – Homes	
<b>Portfolio</b>	Housing	
Link to Corporate Priorities	Housing	
Key Decision	Yes	
Executive Workplan Ref	B412	
Public Report	Yes	

<p><b>Summary of Report</b></p> <p>The purpose of the report is to provide the Executive with information and seek a decision in respect of a request for grant funding for a scheme to provide four homes at affordable rents as part of a community scheme.</p>
<p><b>Officer Recommendations</b></p> <p><b>It is recommended that Members:</b></p> <ol style="list-style-type: none"> <li><b>Note the report.</b></li> <li><b>Approve the request from Colerne Parish Council for a grant of £200K toward the provision of a community hall and four homes at affordable rents.</b></li> </ol>

Other than those implications agreed with the relevant Officers and referred to below, there are no other implications associated with this report.				
Financial Implications	Legal Implications	Community & Environmental Implications	Human Resources Implications	Equality & Diversity Implications
Yes	Yes	Yes	None	None
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## **1. Introduction**

- 1.1. North Wiltshire District Council has received a request for a grant from Colerne Parish Council for £200K to enable the Parish Council to provide for a community asset plus four housing units to be rented at affordable rents. The whole scheme is forecast to cost £400K.
- 1.2. The scheme embraces several aspects of Community use and the provision of homes at affordable rents in an area where such accommodation is required.

## **2. Options and Options Appraisal**

- 2.1 Option 1: To approve the grant to Colerne Parish Council.
- 2.2 Option 2: To not approve the recommendation and provide an alternative.

## **3. Background Information**

- 3.1. The Parish Council acquired the building in July 2005 with the aim of providing a community hub which encompasses a play group and separate community hall facilities. The total cost of this project is expected to be £400K, the Parish Council has the balance of the funds set aside to ensure its completion. If the grant is approved the scheme will move forward immediately, contracts will be placed and stage payments completed by 31st March 2009. The current economic position has proved advantageous in ensuring that tenderers have provided lean prices and so an assurance that the scheme is affordable and viable.
- 3.2. The Parish Council have provided a detailed and robust business case which demonstrates the viability of the project. This covers both the capital costs but more importantly in respect of the ongoing costs, including the need for a sinking fund to cover large planned maintenance and structural repairs over the anticipated life of the building.
- 3.3. Whilst the prime purpose of acquiring and converting this building is to provide community facilities within the village community, the sustainability of the overall scheme will be challenging if the homes element is not achieved. The grant sought is therefore primarily to support the provision of four units of accommodation that is affordable within the community.
- 3.4. The housing Manager has provided confirmation that there is a housing need in this area for small low cost units, in addition it has proved difficult to achieve such provision in this particular community area. Whilst these units do not meet the modern Affordable Housing criteria (It would be difficult to achieve such standards in an old building conversion scenario) Planning permission has been sought and gained which demonstrates they are of a suitable standard.
- 3.5. The management of the accommodation and the tenants will be carried out by a committee of the Parish Council, consisting of five Parish Councillors

plus three co-opted individuals from the village. To ensure the tenants are adequately supported it may be appropriate to make a condition of the grant a requirement for the Parish Council to provide third party cover in respect of utility repairs and emergencies on a 24/7 basis such as that provided by British Gas or similar companies in respect of Gas, Electric, Heating and Plumbing.

- 3.6. Copies of the Colerne Parish Council Grant Request Pack are available on request.

**4. Legal Implications**

- 4.1. Whilst it is unusual for a Parish Council to be a Landlord for housing tenants, it is not unheard of, the key test is the nature of the scheme and which element is the primary purpose. To that end the District Solicitor has advised 'that in the case of the Old School the prime purpose in the purchase was to retain the facility for the Community. The provision of the flats was ancillary to this and had the sole objective of generating an income to ensure that the building did not become a drain on the precept. As a consequence, there is no problem with the Parish Council passing monies or paying for work on the Old School. As a consequence the argument is sustainable, as the prime purpose of the building will be as a Community facility.' The Parish Council auditor has also been kept informed of the project and has raised no objections.

**5. Financial Implications**

- 5.1. If approved, this grant will be made from funds received from the central Housing and Planning Delivery Grant. As a grant there is no requirement to seek Wiltshire County Council consent, however there is a need for the Executive to note that any funds used will reduce the balance of reserves passed to the new authority in April 2009. That said as this would be drawn from the additional Housing and Planning Delivery Grant not budgeted/planned for, it should not have a detrimental impact on the new authority's finances.
- 5.2. At a grant per unit of £50K, this reflects very favourably with the normal grant award toward a Registered Social Landlord scheme, which normally exceeds £50K per unit.

Previous decisions connected with this report

<b>Report</b>	<b>Committee &amp; Date</b>	<b>Minute Reference</b>
None		