

Rother District Council

COUNCIL MEETING

31 July 2023

PUBLIC QUESTION 3



Name of person submitting the question: Gary Curtis

Member to whom the question is to be put: Councillor Oliver

Question

Blackfriars Project - because the Council, through Cabinet, has deployed the tactic of making items exempt and thereby avoiding public scrutiny, my question relates primarily to data contained in the public report to Cabinet on 17 July.

It is clear, that by the end of the financial year 2023/24 at least £8m, and possibly £10m will have been provided to the Housing Company. The report does not say where these funds will come from, how much will come from reserves and how much by borrowing, or what the costs will be in terms of interest, and where this cost will rest in the short, medium and long term future.

Will the Leader of the Council clarify in clear and simple terms where this money will come from, how much the financing will cost and how and when will it be repaid?

Answer

There is an £80 million provision within the capital programme for loans to the Housing Company over future years for various potential schemes, including Blackfriars, which has been in the capital programme for a number of years now and has previously been approved. The proposal was always to fund this provision through borrowing.

The loans and interest payments will be funded by the Housing Company and covered by the disposal of the homes as they are completed and as such there is no direct impact on the Council's finances in terms of funding this provision.

In terms of the actual borrowing undertaken by the Council to facilitate this development, we will endeavour to minimise borrowing costs to the Housing Company wherever we can by exploring the best sources of funding available at the time they are required, whilst also minimising the length of time funding is provided for based on cash flow requirements which will help to keep borrowing costs for the Company as low as possible.

This page is intentionally left blank