

Single Member Cabinet Decision

<b>Executive Forward Plan Reference</b>	<b>E3531</b>
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## Local Authority Housing Fund Round 3

<b>Decision maker/s</b>	Cllr Matthew McCabe, Cabinet Member for Built Environment, Housing and Sustainable Development
<b>The Issue</b>	<p>1.1 On the 14th March 2023 the Council agreed a Memorandum of Understanding with DLUHC to provide 22 units of accommodation in return for £3.04m of funding as part of the Local Authority Housing Fund (LAHF) Round 1 funding agreement. In partnership with Aequus this programme has progressed positively and to date 22 units have been purchased and deployed or are progressing through conveyancing.</p> <p>1.2 On the 7th March 2024 DLUHC (now MHCLG) launched LAHF Round 3 and in July B&amp;NES received an offer of an additional £944k grant of which £6k is revenue funding and £938k is capital funding to provide a further 5 properties as follows:</p> <ul style="list-style-type: none"> <li>• <b>Temporary Accommodation:</b> provide a minimum of 1 home for use as temporary accommodation.</li> <li>• <b>Resettlement element:</b> provide a minimum of 3 homes to support the Afghan resettlement scheme.</li> <li>• <b>Large resettlement element (4+ bed):</b> provide a minimum of 1 home for the large Afghan resettlement scheme.</li> </ul>
<b>Decision Date</b>	19 <sup>th</sup> August 2024
<b>The decision</b>	<p>The Cabinet Member agrees to:</p> <p>1.1 Accept the MHCLG offer of £944k grant to expand the scheme by a further 5 properties in accordance with the principles articulated and agreed in the original LAHF Round 1 decision (E3480) and supported by the additional high-level business case attached in Appendix 1.</p> <p>1.2 To delegate all operational decisions, including agreement of Memorandum of Understanding with MHCLG, individual property business cases, to the Director of Capital &amp; Housing and Aequus loan funding decisions to the s151 Officer.</p> <p>1.3 To increase the capital programme for the Local Authority Housing fund, having regard to the existing full approval of £3.567m, as follows:</p> <p>(1) Full approval of additional capital budget of £1.175m which reflects estimates for purchases of five properties on the open market funded by £938k government grant from MHCLG, £75k Afghan Integration Tariff, £139k Homelessness Prevention Grant and £23k from developer S106 contributions.</p> <p>(2) Noting estimated loans of £637k to Aequus will be reflected in the existing Approval for Property Company Investment - Council (Loan): Developments</p>

<p><b>Rationale for decision</b></p>	<p>The scheme will secure an additional 5 properties, 4 of which will provide accommodation for those who are being resettled under the Afghan Citizen Resettlement Scheme. This fully aligns and supports the Council’s strategic ambitions, including a January 2024 commitment to resettle 20 individuals arriving via safe and legal routes in approximately 5 households during 2025.</p> <p>The fifth property will immediately be available for the council to use to as temporary accommodation (TA). Demand for TA is high within the district and the funding provided by this scheme could be usefully deployed to purchase a suitable single unit for those clients that are challenging to house due to placement constraints, such as, proximity to other vulnerable clients, sensitive locations, accessibility etc.</p>
<p><b>Financial and budget implications</b></p>	<p>The capital costs are fully funded by the Council in two capital programmes.</p> <ol style="list-style-type: none"> <li>1. Local Authority Housing Fund (Ukrainian/Afghan homes) - for which this decision increases the approved capital budget by £1.175m funded through a combination of LAHF grant, Homelessness Prevention Grant, Afghan Integration Tariff and Developer S106 contributions.</li> <li>2. Property Company Investment - Council (Loan): Developments – this is an existing approval for loan funding to Aequus (supported through rental receipts).</li> </ol> <p>The TA unit will be purchased by the Council via “B&amp;NES Homes” and the costs of purchasing this asset will be funded through the LAHF grant and Homeless Prevention Grant. Running costs and income will be managed in the revenue budget and are estimated to have a net impact of nil.</p> <p>The LAHF grant includes £6k for revenue costs for any activities which support delivery of the total allocation. The programme is revenue neutral in operation with rental income supporting financing costs, management, maintenance, voids &amp; bad debts.</p>
<p><b>Issues considered</b></p>	<p>Social Inclusion; Equality (age, race, disability, religion/belief, gender, sexual orientation); Human Rights</p>
<p><b>Consultation undertaken</b></p>	<p>Stakeholders/Partners; Section 151 Finance Officer; Chief Executive; Monitoring Officer</p>
<p><b>How consultation was carried out</b></p>	<p>Internal consultation.</p>
<p><b>Other options considered</b></p>	<ol style="list-style-type: none"> <li>1. Do nothing and miss the opportunity to secure £944k towards the delivery of 5 units for affordable housing.</li> <li>2. Housing Services internally deliver the programme, requiring the recruitment of specific resources to purchase and manage the properties integrating into B&amp;NES Homes as Registered Provider.</li> </ol>

<b>Declaration of interest by Cabinet Member(s) for decision:</b>	None
<b>Any conflict of interest declared by anyone who is consulted by a Member taking the decision:</b>	None

<b>Name and Signature of Decision Maker/s</b>	Cllr Matt McCabe Cabinet Member for Built Environment, Housing and Sustainable Development
<b>Date of Signature</b>	19 <sup>th</sup> August 2024

**NOT Subject to Call-in**