

**Report for:** Cabinet Member Signing – 21 October 2022

**Title:** Acceptance of Grant Funding

**Report**

**Authorised by:** David Joyce, Director of Placemaking and Housing

**Lead Officer:** Robbie Erbmann, Assistant Director of Housing

**Ward(s) affected:** All

**Report for Key/**

**Non Key Decision:** Key Decision

**1. Describe the issue under consideration**

1.1. This report recommends accepting grant of up to £5,164,319 from the One Public Estate partnership through the Brownfield Land Release Fund 2.

**2. Cabinet Member Introduction**

2.1. Accepting additional grant would help to deliver new council homes on some of our most complex sites, ensuring that they are brought forward as council homes that are genuinely affordable and built to the highest standard.

**3. Recommendations**

3.1. The Cabinet Member is recommended:

3.1.1. In accordance with Contract Standing Order 17.1, to approve the acceptance of capital grant from the One Public Estate partnership through the Brownfield Land Release Fund 2 the terms of which are summarised in part 6 of the report.

3.1.2. To delegate authority to agree the final grant documentation and contracts to the Director of Placemaking and Housing, after consultation with the Director of Finance and the Head of Legal and Corporate Governance (Monitoring Officer).

**4. Reasons for decision**

4.1. The Council is committed to a new era of Council house building in Haringey. This decision is an important step in achieving that aim.

4.2. Accepting this grant is an opportunity to lever more funding into our programme - which will mean overall we are able to deliver more homes for social rent.

## 5. Alternative options considered

- 5.1. **Not to accept any offer of grant from the Brownfield Land Release Fund.**  
This option was rejected because it would prevent the Council from delivering the highest possible number of new Council homes.

## 6. Background information

- 6.1. One Public Estate (OPE) is a partnership between the Office of Government Property (OGP) in the Cabinet Office (CO), the Local Government Association (LGA) and the Department for Levelling Up, Housing and Communities (DLUHC). Its joint aim is to bring public sector bodies together in order to create better places by using public assets more efficiently, creating service and financial benefits, and releasing land for development to create new homes and jobs in local areas.
- 6.2. Since 2017, OPE has partnered with DLUHC to deliver the Land Release Fund (LRF) and subsequent Brownfield Land Release Fund (BLRF), a programme that enables councils to bring forward their surplus land for new homes.
- 6.3. At the Spending Review 2021, the Chancellor announced a £1.8 billion package of investment to regenerate communities and level-up the country, unlocking new homes on derelict and underused brownfield land.
- 6.4. As part of this, up to £180 million Brownfield Land Release Fund 2 (BLRF2) capital grant funding is available to all English councils over a three-year period to support the release of council-owned brownfield land for housing.
- 6.5. The funding will provide up front capital to address viability issues arising from abnormal costs of the proposed development. The type of abnormal costs requiring funding may include but are not limited to:
- site levelling, groundworks, demolition, remediation
  - provision of small-scale infrastructure
  - highways works or other access challenges
  - addressing environmental constraints.
- 6.6. The Council has bid for an allocation of £5,164,319 from the first £40m of BLRF2 to support the delivery of homes on six complex sites meeting the grant criteria.
- 6.7. The Council's application is in respect of the following six sites:

<b>Scheme name</b>	<b>Number of units</b>	<b>Bid amount</b>
Cranwood	41	£1,435,000.00
Brunel walk	45	£601,358.00

Partridge way	23	£574,990.00
Kerswell	25	£1,345,000.00
Woodridings court	33	£1,175,000.00
Frederick Morfill	2	£32,971.00
<b>Total</b>	<b>169</b>	<b>£5,164,319.00</b>

6.8. BLRF2 grant can be used to supplement GLA grant. As such it offers an opportunity to support the viability of the individual sites and also the programme.

6.9. The funding conditions relate to achieving milestone dates and ensuring land is developed. Grant conditions are shown in the DLUHC's template grant funding agreement attached as Appendix 1 and available online at <https://www.local.gov.uk/sites/default/files/documents/DRAFT%20GFA%20Brownfield%20Land%20Release%20Fund%20July2022%20MASTER.pdf>

## 7. Contribution to strategic outcomes

7.1. The Council's Borough Plan is very clear that "increasing the supply of council housing is one of the most important things we can do, because for many people a council home offers the only real chance of putting down roots in Haringey, in a stable good-quality home. One of our very highest priorities is to start a new era of council housebuilding in the borough". The decisions recommended in this report will help the Council to meet this objective.

## 8. Statutory Officer Comments

### Finance

8.1. Capital grant receipt from Brownfield Land Release Fund 2 will constitute a vital source of funding for housing delivery programme and vital for scheme viability in this current period of build cost inflation.

8.2. The six sites are all listed schemes in the current new homes' delivery capital programme – funding and viability will be assessed as part of the 2023/24 budget/ 2023/24-28 MTFS setting.

8.3. Any grant received could be recalled if the scheme did not progress.

### Legal

8.4. The Head of Legal & Governance has been consulted on the content of this report.

8.5. The receipt of grant funding is subject to the procedures set out in the Council's Contract Standing Orders (CSOs), under Part 4, section J of the Constitution. Under CSO 17.1 approval for receipt of grants is to follow the same process as that for award of contracts as set out in CSO 9.07. As the value of the grant is over £500,000.00 approval of receipt of the grant will fall to Cabinet.

- 8.6. The Cabinet has power under Section 14 (3) (b) of the Local Government Act 2000 to delegate the finalisation of the grant documentation and contracts to the Director of Housing, Planning and Regeneration after consultation with the Director of Finance and Head of Legal and Governance (Monitoring Officer).
- 8.7. The recommendations in this report are a Key Decision and therefore the Council must comply with its governance processes in respect of Key Decisions including publication in the Forward Plan.

## **Procurement**

- 8.8. Strategic Procurement note the contents of the report. There are no current procurement implications associated with the report and recommendations. Strategic Procurement will work with the service area to support the delivery of any future procurement activity.

## **Equality**

- 8.9. The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
  - Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
  - Advance equality of opportunity between people who share those protected characteristics and those people who do not
  - Foster good relations between people who share those characteristics and people who do not.
- 8.10. The three parts of the duty applies to the following protected characteristics: age disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex, and sexual orientation. Marriage and civil partnership status apply to the first part of the duty.
- 8.11. The decisions in this report are designed to accept a grant through the One Public Estate partnership, which will put in place appropriate financial arrangements to support this next phase of the Housing Delivery Programme. This will help to increase the supply of homes which are genuinely affordable to residents by delivering new build council-rented homes.
- 8.12. This decision is likely to positively impact individuals in temporary accommodation and those who are vulnerable to homelessness. Data held by the council suggests that women, young people, and BAME communities are over-represented among those living in temporary accommodation. Furthermore, individuals with these protected characteristics, as well as those who identify as LGBT+ and individuals with disabilities, are known to be vulnerable to homelessness. As such, it is reasonable to anticipate a positive impact on residents with these protected characteristics.
- 8.13. Additionally it is noted there are no negative impacts on those with protected characteristics expected from these decisions.

**9. Use of appendices**

Appendix 1 – Template BLRF2 Funding Agreement

There are no background papers for this report

**10. Local Government (Access to Information) Act 1985**

Not applicable.