

**Report for:** Cabinet - 6th February 2024

**Title:** Acceptance of LAHF R2 grant funding to acquire 30 new Homes.

**Report**

**authorised by:** **David Joyce, Director of Housing, Regeneration and Planning**

**Lead Officer:** **Robbie Erbmman, Assistant Director of Housing 020 8489 1784**

**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 capital allocation of £7,644,000 from the DLUHC LAHF2 programme that has been awarded to support an acquisition programme of up to 30 homes.

1.2. The Forward plan entry is amended to the above to reflect the additional £2,548,000 that has been secured to acquire another 10 homes.

**2. Cabinet Member Introduction**

2.1. Haringey is a welcoming and inclusive place for people from all cultures, nationalities and backgrounds who want to live and work here. Throughout our borough's history, Haringey has been proud to offer a new home to people fleeing violence and persecution. We are continuing this proud tradition by offering homes to people who have been forced to flee Afghanistan by years of war and human rights abuses.

2.2. To support our commitment to welcoming these Afghan families, I am delighted to have secured £7,644,000 from the Government's Local Authority Housing Fund. This grant will support our delivery of up to 30 new homes which could help to give a new start to 30 families, letting them put down roots and flourish - contributing to the Haringey community. In turn,

these additional homes will free up temporary and emergency accommodation, helping ease wider homelessness pressures.

### **3. Recommendations**

It is recommended that Cabinet:

- 3.1. In accordance with Contract Standing Order 17.1 and Contract Standing Order 9.07.1(d), approves the acceptance of capital grant from DLUHC LAHF2 funding, the terms of which are summarised below in part 6.
- 3.2. Delegates authority to agree the final grant documentation and contracts to the Director of Housing, Planning and Regeneration, after consultation with the Director of Finance and the Head of Legal and Corporate Governance (Monitoring Officer).
- 3.3. Delegates authority to agree further tranches of the grant funding to the Director of Housing, Planning and Regeneration, after consultation with the Director of Finance and the Head of Legal and Corporate Governance (Monitoring Officer).

### **4. Reasons for decision**

- 4.1. to providing housing and support for vulnerable residents in the Borough. 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 the council will be able to deliver more homes for rent.

### **5. Alternative options considered**

- 5.1. To use Right to Buy receipts to fund the acquisitions programme. The grant associated with DLUHC funding represents lower acquisition and borrowing costs to the Council, so the Council would prioritise the use of the DLUHC grant funding in the first instance.

### **6. Background information**

- 6.1. LAHF R2 is a £250m capital grant fund to provide sustainable housing for those on Afghan resettlement schemes and ease wider homelessness pressures.
- 6.2. DLUHC originally accepted the Council's plan to provide 20 homes ('the delivery target') under LAHF R2, and DLUHC will provide a grant of £5,096,000 ('the total allocation'). The Council agreed to deliver at least: 2 properties for households that meet the resettlement scheme criteria and 18 properties to be allocated to households that meet the TA criteria.
- 6.3. Further funding of £2,548,000 has been allocated to deliver an additional 10 properties to be allocated to households that meet the resettlement scheme criteria.
- 6.4. The funding will part fund the cost of the Council obtaining properties and carrying out void works. Eligible costs include the purchase price, stamp duty, surveying, legal and other fees, refurbishments, energy efficiency

measures, decoration, furnishings, or otherwise preparing the property for rent and potentially irrecoverable VAT incurred on these items.

- 6.5. The funding conditions relate to achieving milestone dates and ensuring a legal interest is secured in the properties by March 2024. Grant conditions are shown in the DLUHC's grant funding Memorandum of Understanding (MOU) agreement attached as Appendix 1 and further information is available online at <https://www.gov.uk/government/publications/local-authority-housing-fund-round-2/local-authority-housing-fund-round-2-prospectus-and-guidance>.
- 6.6. The acquisition programme for 2023/24 has delivered 22 properties to date and anticipate completing on at least 9 eligible properties to the end of March 2024.

## **7. Contribution to the Corporate Delivery Plan 2022-2024 High level Strategic outcomes'**

- 7.1. The proposal would help to meet the following outcomes within the Council's Corporate Delivery Plan 2023 – 2024: Theme 5 - Homes for the Future - *Everyone has a home that is safe, sustainable, stable, and affordable.*
- 7.2. An improvement in the quality of housing and resident services in the social rented sector. The properties to be acquired will undergo works to ensure they meet decent homes standards and energy efficient measures are undertaken where possible.
- 7.3. Increasing the quality of temporary accommodation supply within the Council's control to provide safe and affordable supply options and tackle problematic and unsafe exempt accommodation and private hostels.

## **8. Carbon and Climate Change**

- 8.1. The acquisition properties will undergo void works that incorporate energy efficiency measures where required. As well as reducing the running costs for the tenants moving into these homes, the improvements will contribute to the council's net zero ambitions by improving the energy efficiency and sustainability of its stock.

## **9. Statutory Officers comments**

### **9.1. Finance**

- 9.1.1. The total grant awarded (£7.64m) for 30 homes represent a grant of £254,800 per unit, towards the acquisition of homes for temporary accommodation and Afghan resettlement scheme.
- 9.1.2. The acquisition of these homes, and its implication have been assessed within the HRA financial model.

- 9.1.3. Finance is satisfied that the acquisition of these homes, with this level of grant, can be contained within the current HRA budget/MTFS.
- 9.1.4. It was expected that subject to acceptance of the award, the grant will be paid. However, part of this grant, £5.09m, has already been paid by DLUHC.
- 9.1.5. This will help in facilitating the acquisition of these homes and minimise the need for initial borrowing.

## **9.2. Procurement**

- 9.2.1. Strategic Procurement notes the contents of this report and confirms there are no procurement related matters preventing Cabinet from approving the Recommendations in paragraph 3 above

## **9.3. Head of Legal & Governance (Oliver Higgins, Principal Lawyer)**

- 9.3.1. The Head of Legal and Governance (Monitoring Officer) has been consulted in the preparation of this report.
- 9.3.2. Pursuant to Contract Standing Order 17.1 and powers under the Constitution the Cabinet has authority to approve the recommendations in the report.
- 9.3.3. The Head of Legal and Governance (Monitoring Officer) sees no legal reasons preventing Cabinet approving the recommendations in the report.

## **9.4. Equality**

- 9.4.1. 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.
- 9.4.2. 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.
- 9.4.3. Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

- 9.4.4. The decisions in this report are designed to accept a grant through the DLUHC LAHF R2, which will put in place appropriate financial arrangements to help to increase the supply of homes which are genuinely affordable to residents by acquiring new council-rented homes.
- 9.4.5. This decision is likely to positively impact individuals in unsuitable temporary accommodation and those who are vulnerable to homelessness. Data held by the council suggests that women, young people, those from a lower socioeconomic background and Black, Asian and Minority Ethnic (BAME) people are over-represented among those living in temporary accommodation. Furthermore, individuals with these protected characteristics, as well as those who identify as LGBT+ and disabled people, are known to be vulnerable to homelessness. As such, it is reasonable to anticipate a positive impact on residents with these protected characteristics and that this decision will positively advance the public sector equality duty in Haringey.
- 9.4.6. Additionally, it is noted there are no negative impacts on those with protected characteristics expected from these decisions.

## 10. Use of Appendices

- 10.1. Appendix 1 – LAHF Round 2 MOU. (This is exempt under section 12a of the local government act 1972 in particular paragraph 3 ). defined under paragraph 3 , Part 1, Schedule 12A of the Local Government Act 1972:Information relating to the financial or business affairs of any particular person (including the authority holding that information).

## 11. Background papers

- 11.1. There are no background papers for this report

## 12. External Links:

- 12.1. The DLUHC funding prospectus for the grant funding
- <https://www.gov.uk/government/publications/local-authority-housing-fund-round-2/local-authority-housing-fund-round-2-prospectus-and-guidance>.

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