



WEST OXFORDSHIRE  
DISTRICT COUNCIL

## WEST OXFORDSHIRE DISTRICT COUNCIL

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| Name and Date of Committee | EXECUTIVE – 17 APRIL 2024   |
| Subject                    | LOCAL AUTHORITY HOUSING FUND ROUND THREE APPLICATION  |
| Wards Affected             | ALL   |
| Accountable Member         | Councillor Geoff Saul – Executive Member for Housing and Social Welfare.<br>Email: <a href="mailto:geoff.saul@westoxon.gov.uk">geoff.saul@westoxon.gov.uk</a>   |
| Accountable Officer        | Jon Dearing – Assistant Director, Resident Services.<br>Email: <a href="mailto:murry.burnett@westoxon.gov.uk">murry.burnett@westoxon.gov.uk</a>   |
| Report Author              | Murry Burnett – Strategic Housing and Development Officer.<br>Email: <a href="mailto:murry.burnett@westoxon.gov.uk">murry.burnett@westoxon.gov.uk</a>   |
| Purpose                    | To determine whether to support a third-round application to the Local Authority Housing Fund (LAHF) and sign the associated Memorandum of Understanding ('MoU').   |
| Annexes                    | Annex A – Memorandum of Understanding.  |
| Recommendations            | <p>That the Executive Resolves to:</p> <ol style="list-style-type: none"><li>1. Approve the signature of the Memorandum of Understanding ('MoU') with government in respect of round three of the Local Authority Housing Fund ('LAHF');</li><li>2. Agree to accept a proposal from Soha Housing to fulfil the requirements of the LAHF on behalf of the Council in respect of the delivery of a further 4 additional affordable homes;</li><li>3. Agree to passport the funding received by the Council to Soha Housing underpinned by a funding agreement setting out the relevant grant terms;</li><li>4. Delegate authority to the Assistant Director for Resident Services, in consultation with the Director of Finance, to agree to provide funding (if necessary) from relevant refugee budget to fit out properties to an appropriate standard for affordable provision as</li></ol> |

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|                             | set out in paragraph 4.2 of the report.  |
| Corporate Priorities        | <ul style="list-style-type: none"><li>● A Good Quality of Life for All</li><li>● Working Together for West Oxfordshire</li></ul> |
| Key Decision                | YES  |
| Exempt                      | NO   |
| Consultees/<br>Consultation | Soha Housing   |

## **1. BACKGROUND**

- 1.1** In February, April and August 2023 the Executive considered reports which set out the LAHF Rounds 1 and 2 aimed at providing housing initially for Afghan and Ukraine families, and with an element of temporary accommodation, which would then subsequently be recycled into the general affordable housing stock or emergency housing provision.
- 1.2** The Executive resolved to approve applications to the LAHF and the signing of MoUs with the Department of Levelling Up, Housing and Communities to provide a total of twenty-three affordable housing units under the scheme and receive £3,521,597 made available via two rounds of funding for this purpose.
- 1.3** The Executive determined, after an options appraisal, that delivery via partnership with a Registered Provider would provide the best value for money for local taxpayers requiring no additional support to be provided by the Council for the acquisition of the houses.
- 1.4** The delivery programme for these Round 1 and 2 homes is January to June 2024.

## **2. MAIN POINTS**

- 2.1** On 7 March 2024 the Government announced a further round of funding (Round 3) to support the Afghan resettlement programme and ease wider homelessness pressures and has prioritised Local Authorities that successfully delivered the previous two rounds of funding in its initial offer.
- 2.2** For Round 3 West Oxfordshire has been offered a further allocation of funding to deliver four units of property over financial years 2024/25 and 2025/26.
- 2.3** Flexibilities in the grant rates offered have been introduced that offer additional funding if the homes are acquired as new build.
- 2.4** The Round 3 grant offer also includes £5,500 revenue funding.
- 2.5** The total Round 3 offer of funding to West Oxfordshire to acquire the 4 homes is £735,500 if acquired from existing market housing stock or £800,100 if acquired from new build housing stock.
- 2.6** As previously appraised for Rounds 1 and 2 of the funding, officers consider that partnering with a Registered Provider to deliver the homes remains the best value route.
- 2.7** The Registered Provider Soha Housing have made an offer to partner with West Oxfordshire District Council to deliver the Round 3 homes in accordance with the grant conditions.
- 2.8** Indications from discussions with Soha are that the best route to acquiring the homes would be through the existing market housing stock meaning the lower of the grant rates outlined at para 2.5 would be applicable.
- 2.9** Officers will work with Soha on delivering the 'fit out' within the funding envelope and will also explore whether the fit-out costs can be delivered through previous refugee funding allocated to the Council which is no longer required for its original refugee purpose. Alternatively Officers can explore with other agencies whether voluntary or other funding is available.

### **3. ALTERNATIVE OPTIONS**

3.1 The Council could choose not to seek the funding for the further four units.

### **4. FINANCIAL IMPLICATIONS**

4.1 If the proposed transactions conclude as set out the Council will have access to a further 4 units of affordable homes without any cost to local taxpayers.

4.2 To enable the fit out of these units it is proposed that delegated authority is granted for the release of up to £7,000 per affordable unit from previous government funding for refugee support subject to confirmation that it can be used for this refugee programme purpose.

### **5. LEGAL IMPLICATIONS**

5.1 A legal agreement will be put in place to ensure the grant funding passported to Soha meets the requirements of the scheme.

### **6. RISK ASSESSMENT**

6.1 The use of the Registered Provider ('RP') approach de-risks several aspects of the scheme as they have a strong business model which supports the provision of affordable housing. Direct provision would require the Council to build up the capacity to do it itself or procure a partner to provide this service on its behalf.

6.2 Specifically the risks around the following activities will be mitigated via an RSL approach:

- Voids;
- Maintenance risk;
- Rent collection and bad debts;

### **7. EQUALITIES IMPACT**

7.1 This housing will, in the first instance be set aside for refugee utilisation as per the scheme requirements. Thereafter lettings will be controlled by an agreed letting strategy which will be reviewed for equality compliance.

### **8. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS**

8.1 The scheme will utilise existing stock (or stock being currently built) so will have a neutral impact on the climate and ecological emergencies.

### **9. BACKGROUND PAPERS**

Executive – February 2023; April 2023; - Chief Executive Decision Making Meeting August 23.

(END)