

WRITTEN STATEMENT OF DECISION BY CHIEF EXECUTIVE

SECTION A

DATE OF DECISION: 17 August 2023
PORTFOLIO AREA: Housing & Environmental Health Portfolio
SUBJECT TITLE: Local Authority Housing Fund (LAHF 2nd tranche)

It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.

SECTION B – IDENTITY OF THE “DECISION-MAKER”

Name of Officer: Andrew Ferrier
Title: Chief Executive

Pursuant to Delegated Powers as set out in paragraph (2) of “Delegations to Chief Executive” in Part 3 of the Constitution, namely

“To do anything, in consultation with the Leader, which is calculated to facilitate, or is conducive or incidental to the discharge of the Council’s functions subject to:

- (i) the matter being regarded as an emergency or urgent situation; and
- (ii) a report back to the Council, Cabinet or Committee concerned. “

SECTION C – SUMMARY

Background

On 22 February, 2023, the Chief Executive exercised his delegated powers to authorise various decisions and actions in connection with Government funding provided by DLUHC to provide accommodation to families who are homeless, threatened with homelessness, or otherwise living in unsuitable temporary accommodation arrangements, and who arrived in the UK via Ukrainian and Afghan resettlement and relocation schemes. This funding was known as the Local Authority Housing Fund (LAHF) and Test Valley Borough Council was awarded funding of £1,817,776 comprised of £1,560,000 (intended to provide 13 homes) and £257,776 (intended to provide 1 larger four (+) bedroomed home for Afghan households residing in Home Office bridging accommodation.

Since that award, DLUHC have expanded the LAHF to provide a second round of funding (£250m), and this time the majority of the funding will be for housing those on the Afghan resettlement schemes (ARAP/ACRS) currently in bridging accommodation and the rest used to ease wider homelessness pressures.

Test Valley was originally allocated £656,000 from this second round for the provision of 3 homes for the resettlement scheme, together with 1 home for temporary accommodation. The outcomes from this second tranche must be completed by 29 March 2024.

Initially a Validation Form was submitted by the Council to confirm its commitment to delivering the number of homes required. Since the submission of the Validation Form discussions have taken place between TVBC and Vivid, but due to capacity and resource issues Vivid are no longer able to assist. TVBC has subsequently entered into discussions with Aster who have committed to delivering 2 homes for the resettlement scheme, rather than the full allocation. It is Aster’s preference that the two homes will be identified from existing stock which had been earmarked for disposal, but if that is not possible they would be expected to seek to acquire new build homes on new developments, or suitable existing homes for sale on the open market, securing them as affordable homes for the long term.

DLUHC have agreed to this amendment and have issued a revised Memorandum of Understanding (MoU) which reflects the revised funding of £328,000, and which needs to be signed by TVBC by 31st August 2023.

Following submission of the signed Memorandum of Understanding, payment of the grant will be made in tranches as follows:-

Tranche 1 – 30% of allocation – paid September 2023 - £98,400

Tranche 2 – 70% of allocation – paid December 2023 - £229,600 (The local authority must have spent at least 60% of tranche 1 payment (£59,040) before receiving tranche 2).

This decision notice therefore seeks approval for the revised proposals in connection with the second tranche of funding, together with any further tranches (in the event that the scheme is extended by the Government).

SECTION D – THE DECISION

“That authority is given to the Head of Housing & Environmental Health:-

1. In consultation with the Portfolio Holder for Housing & Environmental Health, the Portfolio Holder for Finance & Resources, and the Head of Finance & Revenues, to make decisions associated with the targeting and spending of the second and any subsequent tranches of the Local Authority Housing Fund, in accordance with the requirements of the funding prospectus, to enable the delivery of affordable homes for the eligible cohort in the short term, with a view to those homes adding to the existing affordable housing stock in the borough.
2. In consultation with the Portfolio Holder for Housing & Environmental Health, the Portfolio Holder for Finance & Resources, and the Head of Finance & Revenues, to make decisions associated with the targeting and spending of S106 affordable housing contributions towards delivery of these homes , in accordance with the conditions set out in the relevant S106 agreements.
3. That the grant and any required S106 affordable housing contributions be added to the Council’s capital programme.”

SECTION E – REASONS FOR THE DECISION

The decision-maker’s reasons for making the decision recorded in Section D:

The LAHF does not fall within the scope of existing delegated authority and the government timelines are incredibly ambitious and pressing. The Council must sign up to the revised Memorandum of Understanding by 31st August 2023 to receive the first tranche of funding set out in this decision notice. The Council is discussing already working with a Registered Provider who is actively seeking suitable properties, and the ability to spend funds by 29 March 2024 is essential. Therefore, appropriate authority is urgently required to enable officers to proceed.

There is no convenient meeting of the Council to which this decision could be brought. Waiting to bring the decision to a full Council or Cabinet meeting would cause unacceptable delay and could result in the Council failing to meet DLUHC milestones. This could ultimately result in funds being returned to DLUHC and re-distributed to other local authorities.

SECTION F – DETAILS OF ANY ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

The options are:

1. to give delegated authority to the Head of Housing & Environmental Health (in consultation with specified members and the Head of Finance & Revenues where appropriate); or
2. to refer decisions around how this funding is targeted (or the issue of giving delegated authority) to Committee.

Option 2 would result in delays in acquiring properties and spending the grant within the required timeframe and could ultimately lead to the funds being returned to DLUHC. It would also delay the rehousing of vulnerable refugee households, some of whom are currently residing temporarily in bed and breakfast accommodation, and in the case of the Afghan refugee cohort, still residing in a bridging hotel. Delays in targeting this funding may also cause damage to the Council's reputation. Option 2 is therefore rejected.

SECTION G – OTHER RELEVANT MATTERS CONCERNING THE DECISION

None

SECTION H – BACKGROUND PAPERS

The following background papers were taken into consideration when making the decision:

1. Local Authority Housing Fund Prospectus

SECTION I – Any Conflict of Interest Declared and Dispensation Granted

None.

We certify that the decision this document records was made Pursuant to Delegated Powers as set out in paragraph (2) of "Delegations to Chief Executive" in Part 3 of the Constitution and is a true and accurate record or minute of that decision.

Chief Executive:



Dated:

23/8/23

The Leader of the Council



Dated:

23/08/2023

