

Committee: Cabinet

Date: Thursday, 24
October 2024

Title: Local Authority Housing Fund round 3 (LAHF3)

Portfolio Holder: Cllr Arthur Coote,
Portfolio Holder for Housing

Report Author: Peter Lock, Housing Strategy, Enabling &
Development Officer

Key decision: Yes

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Summary

1. To seek Cabinet approval to proceed with round 3 of the Local Authority Housing Fund (LAHF3) in order to acquire two properties as additions to the council's housing stock.

Recommendations

2. To accept the offer of £454,633 LAHF3 grant funding from MHCLG towards the acquisition costs of two additional properties to be acquired by the council in the 2024/25 financial year.

Financial Implications

3. UDC submitted an Expression of Interest (EOI) to MHCLG for round 3 of the Local Authority Housing Fund (LAHF3) and had it accepted. The MHCLG funding enables the council to purchase two additional new build properties and receive 44% funding from MHCLG with the council contributing the remaining 56%. It is a condition of the funding that UDC purchase one new build property for an Afghan household and one new build property for homeless provision. The funding from MHCLG totals £454,633.
4. The council's 56% contribution will equate to c£550,000 and there is sufficient funding in place via S106 off-site contributions (commuted sums). LAHF3 funding conditions prevent RTB receipts being used by the council to fund the purchase of the properties.

5. Background Papers

LAHF3 Memorandum of Understanding (MOU)

Background

6. LAHF3 is a £450m grant fund from MHCLG, with objectives to:

- Reduce local housing pressures and use of expensive and unsuitable accommodation, by providing better quality temporary

accommodation to those owed homelessness duties by local authorities.

- Reduce temporary accommodation costs.
- Provide sustainable settled housing to those on Afghan Citizens Resettlement Scheme (ACRS) so that they can build new lives in the UK, find employment and integrate into communities.
- Support local housing markets by assisting the delivery of new housing stock or new developments to grow overall housing supply.

7. MHCLG has accepted the Council's plan to provide 2 homes under LAHF R3, of which 2 homes shall be new homes, and MHCLG will provide a grant of £454,633. The grant includes a New Homes uplift of 10%.
- 8 For the purposes of the New Homes Uplift, a new home is a property that will be delivered in 2024/25 as a direct new development, an 'Off-the-shelf' new build property purchased from developers, a property that has its use converted (delivering an extra residential unit), or a property that has its use changed (delivering an extra residential unit).
- 9 By partaking in LAHF3 the council can add two additional properties to its housing stock for circa £550,000.
- 10 The intention is to acquire a 3-bedroom property for homeless provision for an identified household on the council's Housing Register and a 2-bedroom property for an Afghan household to assist them to resettle in the Uttlesford district, find employment and integrate into the community.
- 11 Should the Council be unable to purchase two new build properties directly from a developer(s) then a request would be made to vary the terms of the MOU with MHCLG on the basis of acquiring two existing properties (not new build) without the 10% New Build Uplift.
- 12 The council's financial contribution to the LAHF3 scheme will exceed £500,000 and will therefore require publishing as a Key Decision.