

Committee:	Cabinet	Date:	
Title:	Local Authority Housing Fund round 4 (LAHF4)		Thursday, 15 January 2026
Portfolio Holder:	Cllr Arthur Coote, Portfolio Holder for Housing		
Report Author:	Peter Lock, Housing Enabling & Development Officer plock@uttlesford.gov.uk	Key Decision:	Yes

Summary

1. To seek approval to proceed with round 4 of the Local Authority Housing Fund (LAHF4) to acquire four properties as additions to the council's housing stock. The LAHF4 grant programme is a four-year programme 2026/27 to 2029/30
2. Of the four properties two would be required to accommodate Afghan households ('resettlement properties') and two must be available as temporary accommodation for local homeless households. Of the two resettlement properties, one must be four bedroom or larger, and one must be two or three bedrooms. For the larger resettlement property UDC would receive 50% grant funding and for the smaller resettlement property and the TA, UDC would receive 40% grant funding.
3. In order to match fund the grant, UDC would need to provide a maximum of £902,000. UDC currently has c.£850,000 in commuted sums which could be allocated to this project. UDC would need to top up the c.£850,000 by approximately £50,000 to meet the grant conditions. Although this is a four-year programme, given LGR it is recommended that the programme be considered a two-year programme by UDC.
4. Under the conditions of LAHF 4, UDC cannot use retained right to buy (RTB) receipts. The shortfall of £50,000 would therefore either need to come from any further commuted sums received between now and the acquisition dates or from HRA borrowing, as provided for in the new 30-year HRA Business Plan.
5. Uttlesford has provisionally been identified as eligible for capital grant funding (under section 31 of the Local Government Act 2003), with an indicative allocation of £832,000 in funding. The provisional allocation is divided as follows:

		TA units (2 or 3 bed)	Resettlement units (2 or 3 bed)	Large Resettlement (4 bed or more)
2026/27	£832,000	2	1	1
2027/28	£0	0	0	0
2028/29	£0	0	0	0
2029/30	£0	0	0	0
Total	£832,000	2	1	1

Recommendations

6. To note the Council's expression of interest to MHCLG by the deadline of 19 December 2025, with a view to accepting the offer of £832,000 LAHF4 grant funding from MHCLG towards the acquisition costs of four additional properties. In view of LGR it is recommended that the four properties be acquired by the council in the 2026/27 and 2027/28 financial years.
7. To approve the allocation of the commuted sums currently available to the HRA of c.£850,000 and to identify an additional £50,000 (from either future commuted sums or HRA borrowing), to top up to the maximum required sum of c.£902,000.

Financial Implications

8. UDC had to submit an Expression of Interest (EOI) for LAHF4 with the approval of the S151 Officer to MHCLG for LAHF4 by 5pm on 19th December 2025 at the latest but UDC is not committed to proceeding with the scheme until the EOI is accepted and a Memorandum of Understanding (MOU) is signed. The MHCLG funding enables the council to purchase four additional properties and receive 50% funding from MHCLG for the large resettlement property and 40% for the remaining three properties. The council needs to contribute the remaining funds.
9. The MHCLG capital grant funding contribution is £832,000 which includes £21,000 per property for void works.
10. The estimated costs to acquire the four properties and complete the void works prior to letting is shown below: -

Acquisition	Estimated purchase price (maximum)
4-bedroom house	£450,000
3 x 3 bedroom houses @ up to £400,000 each	£1,200,000
Void works	
4 x £21,000	£84,000
Total	£1,734,000
- LAHF4 grant funding from MHCLG	£832,000
UDC contribution required	£902,000 (maximum)

11. There is c£850,000 of S106 off-site developer contributions available after current commitments and further contributions are likely to be received in the 2026/27 and 2027/28 financial years.

12. The LAHF Team have confirmed that retained RTB receipts cannot be used by Local Authorities to fund LAHF4.

13. There is sufficient borrowing capacity within the HRA Business Plan to cover any shortfall in funding which may occur upon the S106 off-site developer contributions being used to fund LAHF4.

14. Background Papers

- LAHF4 allocation letter sent to UDC CEO by MHCLG on 19th November 2025

Impact

Communication/Consultation	Ward Members will be informed prior to letting of any Afghan Resettlement properties acquired in their Wards
Community Safety	None
Equalities	Acquiring properties for Afghan Resettlement shows the commitment of UDC to EDI
Health and Safety	None
Human Rights/Legal Implications	<p>The Council has the power to make the proposed purchases in accordance with the general power of competence under section 1 of the Localism Act 2011. Section 120 of the Local Government Act 1972 provides a statutory power for the Council to acquire land, whether situated inside or outside their area, where this is to enable the Council to fulfil its functions.</p> <p>The proposed purchase of properties is through part government LAHF funding together with UDC funding. In house legal support and advice should be sought to ensure effective conveyancing and to identify any legal constraints on properties that are considered for purchase.</p>
Sustainability	The LAHF4 properties will be acquired in sustainable locations
Ward-specific impacts	Ward Members will be informed prior to letting of any Afghan Resettlement properties acquired in their Wards

Workforce/Workplace	The administration of the LAHF4 scheme will be undertaken using existing staff resources
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Background

- 15.** By partaking in LAHF4 the council can add four additional properties to its housing stock for circa c£902,000 including void costs.
- 16.** The intention is to acquire 2x 3-bedroom houses for use as temporary accommodation, 1 x 3-bedroom house for Afghan resettlement and 1 x 4-bedroom house for Afghan resettlement.
- 17.** After 3 years the Afghan resettlement properties can be used for general needs housing upon becoming vacant.
- 18.** The Council's financial contribution to the LAHF4 scheme will exceed £500,000 and therefore required the publication of a Key Decision notice.