

HOUSING COMMITTEE
TUESDAY, 19TH MARCH, 2024 AT 7.30 PM

Supplementary Agenda

To all members of Housing Committee,

The following paper, which was not available for dispatch with the agenda, is attached. Please bring this supplementary agenda with you to the meeting:-

Agenda No Item

10. **Local Authority Housing Fund Round 3 (Pages 3 - 34)**

Yours faithfully,

David Ford
Chief Executive

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Local Authority Housing Fund Round 3

Housing Committee Tuesday, 19 March 2024

Report of: Director of Resources (Section 151)

Purpose: For decision

Publication status: Unrestricted

Wards affected: All

Executive summary:

The Council has been given an indicative funding allocation by the Department for Levelling Up Housing and Communities (DLUHC) for Round 3 of the Local Authority Housing Fund (LAHF). The purpose of Round 3 of the fund is two-fold; to provide accommodation to families with housing needs who supported UK efforts in Afghanistan and have arrived in the UK via the Afghan Citizens Resettlement Scheme (ACRS) (as per Round 2 of the DLUHC funding); and to provide temporary accommodation to ease the wider homelessness pressures that the Council is facing. Subject to receiving this Committee's approval Officer's will submit a validation form to DLUHC before the deadline of 28th March 2024 to indicate its willingness to participate in the scheme.

This report sets out the background to the funding allocation, the timescales involved and the available options for delivering the homes. This report also sets out the level of grant funding available, the opportunity to deliver additional units with increased funding, the conditions of the funding and how the Council can finance its own contribution.

This report supports the Council's priority of: Creating the homes, infrastructure and environment we need

Contact officer Nicola Cresswell Housing Development Specialist
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Recommendation to Committee:

- A. to approve the submission of a validation form to DLUHC by 5pm on Thursday 28th March to confirm that the Council is willing and able to participate in the Local Authority Housing Fund R3 scheme.
- B. Subject to Full Council approval of a capital programme budget of £3.5m, Members approve that the Director of Resources (section 151 Officer) and or the Head of Legal and Monitoring Officer agree to sign the Memorandum of Understanding (MOU) no later than 31st May 2024.
- C. to approve for Officers to indicate that this authority can provide accommodation in excess of the indicative allocation and that should more funding become available the Director of Resources and or the Head of Legal and Monitoring Officer, in consultation with the Chair and Group Leaders, is authorised to amend the MOU accordingly.
- D. That the Committee recommend Full Council approval of a capital programme budget of £3.5m, funded by £1.3m of borrowing and £2.2m grant.

Reason for recommendation:

To increase the Council's general needs and temporary accommodation housing stock through the acquisition of homes to be let at affordable rents. First lets of the new general needs homes to be to households in need of settled accommodation who have arrived in the UK from Afghanistan under the ACRS scheme. The temporary accommodation will be used to accommodate households to whom the Council owes a homeless duty in accordance with its statutory obligations. An increase in the Council's temporary accommodation stock will reduce the reliance on costly B&B accommodation and provide homeless households with more suitable temporary accommodation within the District.

Introduction and background

- 1 DLUHC is providing a third round of funding from a £450 million budget for local authorities in England to assist those who are homeless to secure accommodation, alongside supporting the government's humanitarian obligations to provide safe and suitable housing to those on the Afghan Citizens Resettlement Scheme.
- 2 The fund aims to reduce local housing pressures and use of expensive and/or unsuitable accommodation by providing better quality temporary accommodation to those owed homelessness duties by local authorities.
- 3 The fund also aims to provide sustainable settled housing to those households who have fled Afghanistan via the ACRS scheme so that they can build new lives in the UK, find employment and integrate into communities.
- 4 As well as helping to fulfil the UK's humanitarian duties to assist those fleeing war, this fund will reduce the impact of new arrivals on existing

housing pressures and ultimately create a lasting legacy for domestic households by providing a new permanent supply of accommodation for local authorities to help address local demand for housing. It will also support the Council in acquiring good quality and better value for money temporary accommodation for families owed a homelessness duty. This will reduce the use of B&B accommodation and associated costs and enable the Council to grow its asset base to help manage local housing pressures on an ongoing basis.

- 5 Unlike earlier rounds, LAHF R3 also aims to maximise the potential for local authorities to bring forward new housing in local areas by delivering the scheme over two years (2024-25 and 2025-26). Local authorities are encouraged to work with developers, convert non-residential properties and start new developments with the funding in order to achieve this objective. Local authorities have been given an indicative allocation but are encouraged to commit to delivering a higher number of homes in exchange for additional grant where there is capacity to do so.
- 6 Ultimately, local authorities may choose the most appropriate delivery mechanism to achieve the fund's objectives and to deliver the accommodation as quickly as possible. However, local authorities are encouraged to target 50% of their R3 allocations as new homes. In recognition of the higher costs of this type of delivery grant rates will be uplifted by 10% for each property delivered as a new home.

Grant levels & budget

- 7 The Council has provisionally been identified as eligible for capital grant funding with an indicative allocation of £442,000 in funding.
- 8 The Council is expected to provide a minimum of 1 home for the temporary accommodation element of the scheme and a minimum of 1 home for the resettlement element. Both properties should be family sized with a minimum of 2 bedrooms.
- 9 The base grant rate per property is £200,000 (based on 40% of the median property price in the area) plus an additional £21,000 per property to account for other costs, such as legal fees and refurbishment.
- 10 In R3 local authorities are also being given revenue funding to support the delivery of the scheme. The Council has been provided with an indicative allocation of £3,400 of revenue funding.
- 11 Subject to this Committee's approval the Council will provide the remainder of the capital funding required to deliver R3 of the scheme in Tandridge.
- 12 Unlike the earlier rounds, the local authority is no longer required to match fund the property purchases so it is likely that the Council's contribution will be substantially lower than 60% of the median property price in the area. The average budget per property for LAHF R1 & 2 was £350k (inclusive of purchase price, fees and any works required).
- 13 Subject to this committee's approval, Officers would like to indicate to DLUHC that the Council can provide a minimum of 10 homes over the programme. This would result in a minimum of £2,210,000 of grant funding.

- 14 Based on the above average budget per property in previous rounds Officers estimate that the purchase of 10 properties will require a total budget of £3,500,000 and therefore request approval for a capital budget of £1,290,000, equating to a cost to the Council of an average of £129,000 per property. The actual cost per property will vary according to the size, location and level of works required.

Timescales

- 15 DLUHC published round 3 of the LAHF on 7th March 2024 and have requested that local authorities submit an expression of interest, by way of a Validation Form, ahead of the deadline of 28th March 2024.
- 16 If approved the Council will then sign and return a Memorandum of Understanding ('the MOU') by 31st May 2024. Local authorities will be expected to manage the grant funding within their normal budgetary guidelines and Section 151 Officers will be expected to agree this with DLUHC via the MOU.
- 17 The Council will be expected to complete a monitoring return every two months until delivery is completed. Delivery must be completed by March 2026.

Strategy and Deliverability

- 18 Due to its experience of Rounds 1 and 2 of the LAHF, the Council is in a fortunate position to have existing internal and external processes in place to allow for the acquisition of properties on the open market.
- 19 The Council is also fortunate in that it already has a Council house building programme and Officers who are experienced in affordable housing delivery both within the programme and through partnership working with other affordable housing providers and developers.
- 20 As with previous rounds, any LAHF properties acquired or developed are in addition to the current 200 unit Council House Building Programme.
- 21 The length of the programme for R3, coupled with the above allows the Council the opportunity to consider several routes for the delivery of additional homes for the District, using the favourable grant rates of 40% (or 50% for new homes).
- 22 It is proposed that Members approve that Officers submit a validation form that indicates its preparedness to supply in excess of its indicative allocation and offer to supply 2 re-settlement homes and 8 homes for temporary accommodation over the course of the 2 year programme. Officers will report back to June Committee on whether the proposal is accepted and the level of funding secured.

Other options considered

- 23 As with LAHF rounds 1 and 2 the grant rates available to the Council to procure additional housing stock are very favourable and higher than the grant rates that would be offered by Homes England on a like for like basis. With the significant pressures on the housing waiting list and the costs of emergency accommodation this is an opportunity to further increase housing delivery via a route which represents value for money.

Consultation

- 24 Officers have consulted with the local Global Resettlement Service to confirm that there are available resources locally to provide sufficient support to ACRS families once housed. They have indicated that there are resources to support a further 2 ACRS families in the District should approval be given to participate in Round 3. Officers await final confirmation at time of writing of this report.

Key implications

Comments of the Chief Finance Officer

The financial implications of the report are set out in paragraphs 7 to 14. The opportunity to attract external match funding to support the provision of accommodation in the housing stock is welcome. Capital Programme requirements will be kept under review and reported to Committee depending on the level of funding received. The proposals set out in this report can be accommodated within the HRA as they will ultimately reduce temporary accommodation costs and ultimately add a rental income stream to the HRA.

Comments of the Head of Legal Services

There are no known legal implications associated with the report recommendations at this time. It is anticipated that the homes delivered through this fund will be affordable/low-cost housing to support wider local authority housing and homelessness responsibilities for the remainder of their lifetime. The report recommendations therefore align with the importance that the Council places upon meeting the housing needs and aspirations of its residents.

The target date for completion of Round 3 is March 2026 and the MOU will require the Council to use best endeavours to deliver homes within the timescales. Any clawback would only apply to unspent/uncommitted grant funding at the end of the programme. Delivery of the fund will be measured on the basis of exchange of contracts, or equivalent milestone where exchange of contract will not occur, and the number of households accommodated in the properties.

Equality

A public authority must, in the exercise of its functions, have due regard to the need to –

a) eliminate discrimination, harassment, victimisation and any other conduct that

is prohibited by or under this Act;

b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The proposal set out in this report caters to a predefined group of refugees who are arriving in the District and hence will not result in unlawful discrimination,

harassment, victimisation and other conduct prohibited by the Equality Act 2010.

Climate change

Unlike the Council's new build programme, additional housing stock purchased under the LAHF will not be Net Zero Carbon (operational). Where purchased properties are flats within blocks where the Council is the freeholder, properties will be included in initiatives being brought forward to improve the energy performance of the building at the appropriate time. Where the properties are freehold, any suitable measures will be undertaken to increase insulation and reduce heat loss from the building and due consideration will be given to the Council's ability to meet future decarbonisation targets.

Appendices

Appendix 'A' - Template for the Memorandum of Understanding

Appendix 'B' - Equality Impact Assessment

Background papers

None

----- end of report -----

MEMORANDUM OF UNDERSTANDING

Between

Department for Levelling Up, Housing and Communities

-and-

LA Name

1. Purpose

- 1.1. This Memorandum of Understanding ('MOU') sets out the agreed working relationship between the Department for Levelling Up, Housing and Communities ('DLUHC') and **LA Name** ('the Council') regarding the administration and delivery of the Local Authority Housing Fund – third funding round ('LAHF R3').
- 1.2. This MOU will be for the period 2024/25-2025/26. It will be reviewed and updated only where either of the signatories deem it necessary, in which case it will require joint agreement. Further detail on changing the MOU is set out in Paragraph 4.5.
- 1.3. This MOU is not intended to create legal or binding obligations. It describes the understanding between both parties for the use of funding specified in Section 3 of this agreement.

2. Background

- 2.1. LAHF R3 was launched in March 2024. The details of the fund were shared with the Council in the document 'Local Authority Housing Fund - third funding round: Prospectus and Guidance' ('the Prospectus').
- 2.2. LAHF R3 is a £450m grant fund, 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 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.

2.3. DLUHC has accepted the Council's plan to provide X homes ('the total delivery target') under LAHF R3, and DLUHC will provide a capital grant of £X ('the total allocation'). This will be provided as £X in 2024-2025 ('the Year 1 allocation') and £X in 2025-2026 ('the Year 2 allocation'). The Council agrees the following targets to deliver at least:

- X properties to be allocated to households that meet the **TA element** eligibility criteria outlined in section 5.1 of the Prospectus.
- X properties for households that meet the **R3 resettlement element** eligibility criteria outlined in section 5.2 of the Prospectus;
- X properties (4+ bed) for households that meet the **R3 large resettlement element** eligibility criteria outlined in section 5.2 of the Prospectus.

2.4. DLUHC will also provide £X in revenue funding in 2024-2025 to the Council.

2.5. This MOU covers the funding commitments from DLUHC and the delivery, financial expenditure, agreed milestones, reporting and evaluation, and communications between the Parties. It also sets out the steps DLUHC could take in the event of underperformance if required.

3. Purpose of the Funding

3.1. LAHF R3 funding has been provided specifically for spending on LAHF R3 priorities and the Council agrees to spend LAHF R3 funding on activity set out in this MOU as agreed with DLUHC or subsequently agreed with DLUHC as per Paragraph 4.5.

3.2. DLUHC will part fund the cost of the Council obtaining properties for use by households that meet the eligibility criteria. The Council will use its best endeavours to meet the delivery target and to achieve value for money.

3.3. For the **TA element** and the **R3 resettlement element**, DLUHC's contributory share of capital funding ('the base grant rate') has been calculated as 40% of the costs of each acquisition or refurbishment that the council charges to its capital budget plus £21,000 per property. Eligible costs funded by the 40% and the £21,000 per property could 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. The Council should ensure it complies with the Code of Practice for Local Authority Accounting.

- 3.4. For the **R3 large resettlement element**, the base grant rate has been calculated as 50% of the costs of each acquisition or refurbishment that the council charges to its capital budget plus £21,000 per property. Eligible costs funded by the 50% and the £21,000 per property could 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. The Council should ensure it complies with the Code of Practice for Local Authority Accounting.
- 3.5. DLUHC has also agreed to provide a 10% uplift to the grant rate for each property that is a new home ('the new home uplift'). A new home is a property that will be delivered in FYs 24/25 or 25/26 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). The Council has agreed to deliver at least the following as new homes ('the new home target'):
- TA element or R3 resettlement element properties
 - R3 large resettlement element properties
- 3.6. The Council may determine how it uses the base grant rate, the new home uplift and the £21,000 per property and how much is to be spent on each individual property as long as the delivery target and the new home target is met.
- 3.7. The Council or its delivery partner(s) will fund the outstanding sum required for each property.
- 3.8. The funding will be provided by DLUHC in four tranches. The 'Tranche 1 allocation' is 30% of the Year 1 allocation. The 'Tranche 2 allocation' is 70% of the Year 1 allocation. The 'Tranche 3 allocation' and the 'Tranche 4 allocation' are both 50% of the Year 2 allocation. All tranches are set out in Table 1.

Table 1 – Capital funding allocation

	Tranche 1 allocation	Tranche 2 allocation	Tranche 3 allocation	Tranche 4 allocation	Total allocation
Total funding	£X	£X	£X	£X	£X

- 3.9. Revenue funding has been provided to the Council for any activities which support delivery of the total allocation, including but not limited to programme/administration resource or professional services (e.g. fees, conveyancing). Revenue funding will be paid in full alongside the Tranche 1 allocation.

4. Delivery Profile

- 4.1. Delivery of the fund will be measured on the basis of exchange of contracts, or equivalent milestone where exchange of contract will not occur, and the number of households accommodated in the properties. Any variations to this, and necessary changes to the MOU, will need to be agreed by the parties and an amendment to this MOU made.
- 4.2. Funding outlined in Table 1 is provided to deliver the total delivery target. The Council agrees to make best endeavours to meet the total delivery target by 31 March 2026.
- 4.3. The Council agrees to deliver **X** properties in financial year 2024-25 ('the Year 1 delivery target') and **X** properties in financial year 2025-26. The property types that the Council agrees to delivery is each year is outlined in Table 2.

Table 2 – delivery profile

Property type	Year 1 delivery target (2024-25)	Year 2 delivery target (2025-26)	Total delivery target
TA element	X	X	X
R3 resettlement element	X	X	X
R3 large resettlement element	X	X	X
All property types	X	X	X

- 4.4. This MOU is for the full term of the total allocation unless signatories agree to change as per Paragraph 4.5. A further Grant Determination Letter (GDL) will be provided following confirmation of each tranche payment.
- 4.5. DLUHC and the Council both have the right to request a change to the MOU. With regards to changing the target number of units, the Council may ask for either a higher or lower target. Any proposed change will impact the amount of funding received (as set out in the Prospectus) unless the Council is seeking to deliver more units for the same amount of money. Requests will be considered based on the progress of the reallocations process as outlined in Section 11 of the Prospectus and confirmed in writing.

5. Financial Arrangements

- 5.1. The agreed funds will be issued to the Council as grant payments under section 31 of the Local Government Act 2003. The Council may pass on the funding to a third party (e.g. Registered Providers) as appropriate to deliver the delivery target, complying with the Subsidy Control Act 2022.
- 5.2. Table 3 sets out the timetable for payments to be made to the Council. The earliest payment date for the Tranche 1 allocation is in April 2024. The Tranche 2 allocation will be paid once the Council has demonstrated that at least 60% of the Tranche 1 allocation has been committed ('the Tranche 2 spend requirement') via a Section 151 officer Statement of Grant Usage.
- 5.3. The Tranche 3 allocation will be paid once the Council has demonstrated that at least 80% of the Tranche 1 and Tranche 2 allocations has been committed ('the Tranche 3 spend requirement') via a Section 151 officer Statement of Grant Usage.
- 5.4. The Tranche 4 allocation will be paid once the Council has demonstrated that at least 80% of the Tranche 1, Tranche 2 and Tranche 3 allocations has been committed ('the Tranche 4 spend requirement') via a Section 151 officer Statement of Grant Usage.
- 5.5. Should the Council not meet the spend requirement for Tranche 2, 3 or 4 payments by the dates set out in Table 3, DLUHC will consider putting in place further payment dates.
- 5.6. The Council may wish to return unspent monies to the Department.
- 5.7. DLUHC reserves the right to request the return of some or all of the capital and resource funding if the Council significantly reduces its agreed delivery target or withdraws from LAHF R3 completely.

Table 3 – Payments timetable

Payment milestone	Requirements for payment milestone	Payment by
Tranche 1 (30% of total Year 1 capital allocation) 100% of programme revenue allocation	MOU signed with DLUHC	By 15 May 2024 (if a MOU is signed by 5 April) or By 14 June 2024 (if a MOU is signed by 6 May)

<p>Tranche 2 (70% of Year 1 capital allocation)</p>	<p>Statement of Grant Usage (SOGU) demonstrating <u>60% of the Tranche 1</u> first tranche has been committed*, AND</p> <p>Relevant monitoring information (MI) submitted</p>	<p>By 2 September 2024 (if SOGU provided by 5 August) and all MI submitted to schedule.</p> <p>or</p> <p>By 4 November 2024 (if SOGU provided by 7 October) and all MI submitted to schedule.</p> <p>(With further payment windows in January 2025, and March 2025 deadlines TBC)</p>
<p>Please note that Year 2 allocation can be paid in full, in a combined tranche 3 & 4 payment if the relevant milestone is met and SOGU submitted by relevant deadline¹.</p>		
<p>Tranche 3 (50% of Year 2 capital allocation)</p>	<p>Statement of Grant Usage (SOGU) demonstrating <u>80% of the Tranches 1 and 2</u> has been committed*, AND</p> <p>Relevant monitoring information (MI) submitted</p>	<p>By 2 June 2025 (if SOGU provided by 12 May) and all MI submitted to schedule.</p> <p>Or</p> <p>By 4 July 2025 (if SOGU provided by 2 June) and all MI submitted to schedule.</p> <p>(With further payment windows in September 2025, November 2025, January 2026, and March 2026 deadlines TBC)</p>

¹ For local authorities seeking to accelerate delivery, a combined tranche 3 & 4 payment can be made. The SOGU needs to demonstrate the local authority has committed 80% of the combined Tranche 1, 2 and 3 total. Note that the tranche 3 payment may not yet have been paid to the local authority.

<p>Tranche 4 (50% of Year 2 capital allocation)</p>	<p>Statement of Grant Usage (SOGU) demonstrating <u>80% of the Tranches 1, 2 and 3</u> has been committed*, AND</p> <p>Relevant monitoring information (MI)</p>	<p>By 2 June 2025 (if SOGU provided by 12 May) and all MI submitted to schedule.</p> <p>Or</p> <p>By 4 July 2025 (if SOGU provided by 2 June) and all MI submitted to schedule.</p> <p>(With further payment windows in September 2025, November 2025, January 2026, and March 2026 deadlines TBC)</p>
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* Note: committed spend in table 1 refers only to capital grant spend (and does not include revenue grant spend)

6. Charging Affordable Rents for LAHF R3 funded homes

- 6.1. The LAHF Prospectus specifies “It is up to local authorities to determine the precise rent level and tenure of homes in line with the fund objectives. This could include...Affordable Rent.”
- 6.2. The Rent Standard <https://www.gov.uk/government/publications/rent-standard/rent-standard-april-2023-accessible-version> provides that Affordable Rents may be charged only in limited circumstances.
- 6.3. This MOU records the agreement between the Secretary of State and the Council that relevant accommodation, provided by the Council or a partner Registered Provider pursuant to LAHF grant funding, is permitted to be let at an Affordable Rent, and that accordingly that an Affordable Rent may be charged for such accommodation in accordance with paragraph 3.8b of the Rent Standard - April 2023.
- 6.4. In Paragraph 6.3, “relevant accommodation” means accommodation:
 - in the Council area;
 - which is being used to further the LAHF objectives set out at paragraph 2.3 of the MOU;
 - which has never been let at a social rent; and
 - where the accommodation is provided by a partner Registered Provider, for which the Council has agreed that the partner Registered Provider may charge affordable rent.

7. Roles and Responsibilities

DLUHC Responsibilities

7.1. DLUHC is responsible for setting national housing policy, providing grant(s) to the Council and monitoring the delivery of homes.

Council Responsibilities (fund delivery)

7.2. The Council will make housing investment decisions, review existing housing policies and products, maximise leverage of this public sector investment and ensure that funds provide value for money and are deliverable within the timescale of the fund. The Council may work in partnership with private Registered Providers, local authority housing companies or other bodies to deliver homes. The Council will also report on the fund by providing Management Information (MI) as set out in **Annex A** of this MOU and will work with DLUHC to ensure they have the capability to deliver the fund and provide MI within the set timescales.

7.3. The Council is expected to have the necessary governance and assurance arrangements in place and that all legal and other statutory obligations and consents will be adhered to, which may include, but not solely:

- **subsidy control**, at all levels e.g. the funding the Council allocates to project deliverers and subsidies that project deliverers provide to third parties.
- **equalities duties**, the Council must ensure that all LAHF funded activity is delivered in accordance with its obligations under the public sector equality duty (PSED)
- **procurement**, the Council must ensure that the allocation of funding to project deliverers that constitutes a procurement is managed in compliance with the public contract regulations
- **fraud**, the Council must ensure that robust arrangements are in place to manage fraud risk, including ensuring that project deliverers have robust fraud risk management process and paying particular attention to projects that involve the payment of grants to beneficiaries e.g. businesses.

7.4. The Council's Section 151 Officer is expected to ensure that these legal duties and all other relevant duties are considered and that delivery of LAHF investment is carried out with propriety, regularity and value for money.

Council Responsibilities (Affordable Rents – where required by LAs)

- 7.5. The Council should note (and remind partner Registered Providers) that conversion of social rent properties to affordable rent is not permitted pursuant to paragraph 3.15 of the Rent Standard other than in the circumstances set out in chapter 2 of the Rent Policy Statement.
- 7.6. Where the Council has agreed that a partner Registered Provider may charge affordable rent, the Council will confirm to the Registered Provider that the Registered Provider may charge affordable rent in accordance with Paragraph 6.3 of this MOU.
- 7.7. The Council will require partner Registered Providers to provide details to the Council of any accommodation provided pursuant to LAHF grant funding for which Affordable Rent is charged.
- 7.8. The Council will maintain a register of any accommodation provided pursuant to LAHF grant funding for which it or a partner Registered Provider is charging Affordable Rent. This register should be available for inspection upon request by either DLUHC or the Regulator for Social Housing. The fields of information required in register are specified in **Annex C**.

8. Monitoring Arrangements and Accountability

- 8.1. The Council will put in place appropriate governance and oversight arrangements to ensure that delivery of housing is on track and that plans remain ambitious and provide value for money.

Reporting Arrangements

- 8.2. The Council has agreed to provide reporting information to DLUHC on fund allocations and delivery. The Council will be asked to provide a mix of quantitative and qualitative summary updates to DLUHC; a full list of MI can be found in **Annex A**.
- 8.3. The first report will be due in July 2024 and then every two months thereafter, until the Council's programme has completed. The schedule for monitoring reports is outlined in **Annex B**.
- 8.4. Spend outturn and forecast should be signed off by the Section 151 officer or deputy Section 151 officer.
- 8.5. A Statement of Grant Usage Section 151 officer or deputy Section 151 officer should be submitted when:
 - at least 60% of the Tranche 1 allocation has been committed

- at least 80% of the Tranche 1 and 2 allocations has been committed
 - at least 80% of the Trance 1, 2 and 3 allocations has been committed
- 8.6. The Council also agrees to work with the department to provide any reasonable additional MI as and when requested by the DLUHC Senior Reporting Officer (SRO). DLUHC will provide an appropriate amount of time to return any additional MI requests.
- 8.7. The Council agrees to work collaboratively with any requests from DLUHC to support any retrospective assessment or evaluation as to the impact or value for money of LAHF. As a minimum, the Council is expected to monitor spend, outputs and outcomes against agreed indicators and keep this information for at least 5 years.

9. Governance & Assurance

- 9.1. The Council is expected to ensure that all legal and other statutory obligations and consents will be adhered to, which may include, but not solely, state aid / subsidy control, equalities duties, procurement, health and safety, and fraud prevention. The Council has prerogative to establish internal governance and assurance arrangements as they see fit to achieve this.
- 9.2. The Council will ensure data can be shared for the prevention and detection of fraud by including the following clause in all agreements with companies or external entities in relation to LAHF – including, but not limited to, property contracts, professional services contracts, construction contracts and lease agreements:
- “Data may be shared with other enforcement agencies for the prevention and detection of crime.”

Signed for and on behalf of DLUHC

Signature:

Name:

Position:

Date:

Signed for and on behalf of **LA Name**

Signature:

Name:
Position:

Date:

SAMPLE

Annex A – Reporting and Monitoring Arrangements

Scope and Purpose

1. This annex sets out the agreed reporting and monitoring arrangements for LAHF, including the expected frequency and content of the regular reports that the Council will provide to DLUHC.

DLUHC Role

2. DLUHC will support the running of the fund and maintain a national picture of delivery by putting in place a proportionate monitoring and governance framework. This will include a fund governance board(s) attended by the DLUHC Senior Reporting Officer (SRO) and other relevant stakeholders. Wherever possible DLUHC will avoid duplication of requests towards the Council.

Council Role

3. Day-to-day project monitoring and delivery responsibilities will be delegated to the Council. The Council will submit reports to DLUHC in accordance with the agreed timescales and frequency set out in the MoU. The Council will also work with DLUHC to provide any reasonable additional MI required as and when requested by the DLUHC Senior Reporting Officer. DLUHC will provide an appropriate amount of time to return any additional MI requests.

Management Information (MI)

4. The list of MI is split between operational data – required for monitoring the ongoing fund delivery (Table 3) and evaluation data (Table 4) required to assess the strategy-level success of the fund and inform future policy development. Tables 4 and 5 present the required routine MI and is subject to change, with agreement by DLUHC and the Council. For MI and payment purposes, “committed spend” is considered funding which has been allocated to a property where there has been an exchange of contracts or equivalent milestone where exchange of contract will not occur.

Table 3 – Monitoring Data

Item	Frequency
Number of properties where contracts exchanged, including: <ul style="list-style-type: none"> • bedroom size • whether located in another borough area • who will own the dwellings • how properties obtained 	Every 2 months
Number of properties occupied/ ready to let, including bedroom size	Every 2 months
Number of resettlement scheme households housed	Every 2 months
Number of pending resettlement scheme properties pre-matched to current/former bridging hotel households	Every 2 months
Total expenditure (incl grant and other funding)	Every 2 months
Total committed spend (incl grant and other funding)	Every 2 months
DLUHC grant used	Every 2 months
Overall assessment (RAG rated) of whether delivery is on track as determined by the responsible Council officer	Every 2 months

Table 4 – Evaluation Data

Item	Frequency
How properties have been sourced (e.g. through stock acquisition or another delivery route)	In April 2026 and thereafter upon request to aid with evaluation of the fund
How the Council has funded its contributory share	
Breakdown of resettlement scheme households housed by previous housing situation, e.g. in bridging hotel, in LA emergency accommodation/temporary accommodation	
Tenancy duration	
Rent levels	
Number of properties obtained outside the local authority's area, if applicable, and where these are located.	

- In addition, to enable the assessment of relative value for money and to assist with future spending reviews, we may occasionally ask for additional information including details of how the fund is delivered and housing market conditions. This will provide important data to support future policy developments and will also support engagement with HM Treasury. This information will be provided to agreed timeframes when requested by DLUHC.
- Should the Council wish to amend and/or not collect any of these proposed data points, they should submit a proposal to DLUHC for agreement.

Frequency of Reporting

- The Council will be asked to provide reports every two months. The schedule for monitoring reports is outlined in Annex B.

Data Consistency

8. DLUHC and the Council have a shared commitment to ensure that, for clarity and transparency purposes, consistent methods of recording outputs are maintained. It is expected that the provided reporting will be robust, accurate and quality assured to a high standard. As such minimal revisions would be expected – although, where these are required, DLUHC should be advised as soon as practical.

Use of Material Provided

9. DLUHC will use the provided material to monitor delivery nationally.

SAMPLE

Annex B – Monitoring Milestones

1. The Council is requested to submit the monitoring information summarised in **Annex A** via a Microsoft Form every two months by 5pm on the dates outlined below. DLUHC will provide the link to the form directly to the Council well in advance of each touchpoint date.
2. DLUHC will provide full guidance for submitting the form directly well in advance of each touchpoint date.

Table 5 – Monitoring Touchpoint Dates

Monitoring touchpoint	Microsoft Form to be submitted by 5pm on the following dates
Touchpoint 1	01 July 2024
Touchpoint 2	02 September 2024
Touchpoint 3	04 November 2024
Touchpoint 4	06 January 2025
Touchpoints 5-12	TBC
Evaluation	April 2026

Annex C – Register of LAHF accommodation for which an Affordable Rent is charged

This annex sets out the agreed information which will be contained in the Council’s Register of LAHF accommodation for which an Affordable Rent is charged.

This register should be available for inspection upon request by either DLUHC or the Regulator for Social Housing.

Property address			
Completion date			
Name of Registered Provider			
Registration Code			

(Note: The Council is not required to submit this information as part of regular delivery monitoring submissions.)

SAMPLE

EQUALITY IMPACT ASSESSMENT

The Equality Impact Assessment Form is a public document which the Council uses to demonstrate that it has complied with Equality Duty when making and implementing decisions which affect the way the Council works.

The form collates and summarises information which has been used to inform the planning and decision-making process.

Name of Service Area	Asset Management / Housing Development
Lead Officer and contact details	Nicola Cresswell x2897 ncrosswell@tandridge.gov.uk
Officer(s) conducting assessment (if different from above)	
Date of assessment	11.3.24
Purpose of Equality Impact Assessment	To support the Council's decision to participate in the Local Authority Housing Fund Round 3

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1. Name of Policy, Strategy, Function or Project being assessed

Local Authority Housing Fund (LAHF) Round 3

2. Reason for assessment (what are you trying to do? e.g. new, updated or revised policy) & description of the policy, strategy, function or project being assessed?

The LAHF is a grant funded Government programme that has two objectives; to deliver at least one home for general needs which will be used for a household who have fled Afghanistan via the ACRS programme; and to deliver at least one home for temporary accommodation to help relieve the wider homelessness pressures that the Council is facing.
--

3. Who are the main stakeholders/beneficiaries and detail any consultation held. (e.g. staff, tenants, residents, voluntary and community groups, service users, faith organisations, other council departments, other public sector and business partners)

Ward members, Housing Committee, the Global Resettlement Service(GRS) and the Housing Needs Team (HNT). Approval to participate in the programme is currently being sought from Housing Committee. The GRS and the HNT have been consulted and individual ward members will be notified if a property is located in their ward.

4. Please complete the following table considering the impact of the proposed policy/project/ strategy on all equality groups (including the Protected Characteristics defined within the Equality Act 2010).

(What information data do you have regarding service users/ staff/ residents? What further information do you need? What cross-cutting issues do you need to consider?) **(Please see Appendix 1)**

	Actual or Potential Negative Impact			Reasons/Comments or Gaps in Knowledge (Please expand in Improvement Plan)
	High	Medium	Low	
Race (Please include any actual or potential impacts on any persons due to race, ethnicity, colour or nationality, including refugees and migrants)			X	No negative impact identified
Sex (Please include any actual or potential impacts on male and female persons)			X	No negative impact identified

<p>Marriage and Civil Partnership Marriage: a union between a man and a woman, or of the same sex, which is legally recognised in the UK as a marriage. Civil partnership: civil partners must be treated the same as married couples on a range of legal matters.</p>			X	No negative impact identified
<p>Sexual orientation A person's sexual attraction towards his or her own sex, the opposite sex or to both sexes</p>			X	No negative impact identified
<p>Gender Reassignment (Please include any actual or potential impact on any person that has or is in the process of transitioning from one sex to another) This includes a person who considers themselves to be trans, transgender, transsexual</p>			X	No negative impact identified
<p>Pregnancy: being pregnant. Maternity: the period after giving birth linked to maternity leave in the employment context, In the non-work context protection against maternity discrimination is for 26 weeks after giving birth, including as a result of breastfeeding</p>			X	No negative impact identified

<p>Religion or belief (Please include any actual or potential impact on any person due to religion, faith or recognised belief system. This also includes Atheism)</p>			X	No negative impact identified
<p>Disability (Please include any actual or potential impact on any person with a physical or mental impairment which has a substantial and long-term adverse effect on their ability to carry out normal day-to-day activities. This includes mental health; physical disability; hearing impairment or deaf; visual impairment or blind; dyslexia; or any hidden impairments such as HIV/AIDS or sickle cell)</p>			X	No negative impact identified

Age (Please include any actual or potential impact on any specific age group, e.g. any person who is under 21 or over 60 years of age)			X	No negative impact identified
Child Poverty and other socio-economic impacts (Please include short and long term implications for eradicating child poverty; actual or potential implications for residents who are living on a low-income or are unemployed; and economic prosperity of Tandridge overall)			X	No negative impact identified

5. What positive impact could there be overall, on different equality groups, and on cohesion and good relations?

The delivery of additional affordable housing will ultimately relieve wider pressures on the housing register as well as continuing with the Government's humanitarian support of Afghan households. These are households who supported UK efforts in Afghanistan or are others identified as particularly high risk, such as campaigners for women's rights, human rights defenders, Chevening scholars, journalists, judges and LGBT people.

The delivery of additional temporary accommodation will support the Council in supplying good quality and better value for money TA for families owed a homelessness duty. This will reduce the usage of poor-quality B&B accommodation and enable the Council to grow its asset base to help manage local housing pressures going forward.

6. What negative impact could there be overall, on different equality groups, and on cohesion and good relations?

As always, the allocation of housing can be sensitive and is often misperceived. The LAHF programme is allowing local authorities to increase their housing stock using generous grant rates and at the same time assisting with the humanitarian efforts to assist households who supported the Government in Afghanistan and are no longer safe there.

Local authorities have played a vital role in integrating recent arrivals to the UK. Households in Tandridge are being supported to integrate into existing communities by the Global Resettlement Service, a function that is performed by Reigate and Banstead BC.

EIA IMPROVEMENT PLAN

7. The Improvement Plan needs to list specific steps/actions which set out how equality and cohesion issues that have been identified will be addressed. For example:

- Steps/ actions taken to enhance positive impacts identified in section 6.
- Steps/ actions taken to mitigate against the adverse/negative impacts identified in section 7.
- Steps/ actions taken to improve information and evidence about a specific client group, e.g. at a service level and/or at a Council level by informing HR/relevant service.

Actions from this Improvement Plan should be included as part of the final report and implementation taken forward as a part of that process.

ISSUE IDENTIFIED	ACTION(S) TO BE TAKEN	LEAD OFFICER	TIMESCALE	COMMENTS

8. Describe the recommended decision?

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That the Council proceed with participating in LAHF round 3.

To submit the form for review by the Equalities Officers, please save a copy of this form and send to the HR Team hr@tandridge.gov.uk
Further clarification or evidence may be requested.

The final version will be sent to EMT for final authorisation.

I can confirm that the Council has had due regard to the Public-Sector equality duty found in s.149 of the Equality Act 2010.

Equalities Officer Comments

To the best of my knowledge there are low negative impacts and can only see a positive impact from this fund.

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Equalities Officer Authorisation

Name: Julie Porter

Date: 12/03/24

EMT Member Authorisation

Name: Mark Hak-Sanders

Date: 12/03/2024

Appendix 1

The Council is committed to improving equality and making the district a place for everyone. This means ensuring all actions taken by the Council contribute to equality. This report provides an EIA of the impact of the proposed (*please state proposal*) as set out in the Equality Act 2010.

The Equality Act 2010 updates and combines all previous discrimination legislation to reduce socio-economic inequalities by ensuring that certain groups with Protected Characteristics are supported and protected. Protected Characteristics are:

- Age
- Disability;
- Gender reassignment;
- Pregnancy and maternity;
- Race;
- Religion or belief;
- Sex;
- Sexual orientation; and
- Marriage and civil partnership (applicable only to the need to eliminate unlawful discrimination).

The Act also establishes the Public-Sector Equality Duty, which Tandridge District Council, as a public body, is required to follow. The Duty requires that in the exercise of its functions, Tandridge has due regard for the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act;
- Advance equality of opportunity between people who share a Protected Characteristic and those who do not; and
- Foster good relations between people who share a Protected Characteristic and those who do not.

Having due regard for advancing equality involves:

- Removing or minimising disadvantages suffered by persons who share a relevant Protected Characteristic;

- Taking steps to meet the needs of people who share a relevant Protected Characteristic that is different from the needs of people who do not share it; and
- Encouraging persons who share a Protected Characteristic to participate in public life or in any other activity in which their participation by such persons is disproportionately low.

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