
Subject: ACCEPTANCE OF FUNDING AWARDED FROM THE LOCAL AUTHORITY HOUSING FUND

Date: 8 February 2023

Decision taken by: Mike Davis, Strategic Director (Finance and Housing)

Report of: Helen Lamb, Head of Finance and Investment

Portfolio Holder: Councillor Derek Murphy, Portfolio Holder for Social Housing, Port Health, Skills and Education

Decision Type: Executive Key Decision

Delegated Authority: Paragraph C79 of the Scheme of Officer Delegations contained within Section 6 of Part 3 of the Constitution (Responsibility for Functions): Delegation to the Section 151 Officer “To make application for and to accept grants or other assistance on behalf of the Council.

Call-in to be Suspended: No

Classification: Unrestricted

Purpose of the report: To agree to accept capital grant funding via the Local Authority Housing Fund to facilitate the acquisition of 10 properties for affordable rent, initially as interim housing for refugees, and later for general needs housing.

Recommendation: 1. To accept grant funding totalling £1,189,866 from the Department for Levelling Up, Housing and Communities via the Local Authority Housing Fund.

1. Summary

- 1.1 On 14 December 2022, the Government launched a £500m Local Authority Housing Fund to help local authorities (LAs) to house people fleeing conflict – predominantly from Ukraine and Afghanistan.
- 1.2 Dover has provisionally been identified as eligible for capital grant funding (under section 31 of the Local Government Act 2003), with an offer of funding of £1,189,866 to provide 10 properties.
- 1.3 This report requests that the Strategic Director (Finance and Housing) approves the acceptance of the grant funding.

2. Introduction and Background

- 2.1 A number of initiatives have been launched by Central Government in order to support refugees arriving from Ukraine and Afghanistan through recognised government assistance programmes.
- 2.2 The Local Authority Housing Fund is designed to help local authorities to house people fleeing conflict – predominantly from Ukraine and Afghanistan. The fund aims to assist LAs to provide 4,000 homes by 2024. The intention of the fund is to reduce the impact of new arrivals on existing housing pressures and eventually providing a new and permanent supply of accommodation for local communities.

2.3 On 21st December 2022, the Council received notification from the Department for Levelling Up, Housing and Communities (DLUHC) that Dover had provisionally been identified as eligible for capital grant funding (under section 31 of the Local Government Act 2003), with an indicative allocation of £1,189,866 to support the delivery of 10 properties.

2.4 The Council has provisionally accepted the offer, subject to formal approval.

2.5 The DLUHC has informed the Council that the funding will be awarded in February or March.

3. Identification of Options

3.1 Option 1 - To accept the grant funding and progress the project, subject to Cabinet approval.

3.2 Option 2 – To not accept the grant funding.

4. Evaluation of Options

4.1 Option 1 is the recommended option as it will enable delivery of ten properties for interim accommodation for refugees, to later be converted to general needs housing for local people. The Portfolio Holder for Social Housing, Port Health, Skills and Education has been consulted on the proposals and supports the project. A report concerning the subject matter will be considered by Cabinet on 6 March 2023. However, there is the potential that the grant could be received by the Council in advance of this date and officers would wish to be in a position to accept it.

4.2 Option 2 is not recommended.

5. Resource Implications

5.1 The overall funding offered is £1,189,866. The funding is capital funding only, and it cannot be combined with Affordable Housing Programme funding or Retained Right to Buy receipts.

5.2 The capital funding offered is at higher rates than would be allowable when spending Right to Buy receipts, and also at higher rates than would usually be received from Homes England.

5.3 The amount of capital funding offered is sufficient to acquire the properties through a programme of purchase and repair, in line with the usual DDC financial parameters. The shortfall in development costs could be adequately covered by borrowing over 40 years, serviced by the rental income.

6. Corporate Implications

6.1 Comment from the Section 151 Officer: Members are reminded that the Council's revenue and capital resources are under pressure and so they will wish to assure themselves that all proposals progress the Council's priorities, are the best option available and will deliver value for money (AC).

6.2 Comment from the Solicitor of the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make. (HR)

6.3 Comment from the Equalities Officer: This report regarding the acceptance of the Local Authority Housing Fund grant does not specifically highlight any equality implications, however in discharging their duties members are required to comply with the public sector equality duty as set out in Section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15/section/149>. (KMCE)

7. Background Papers

None.

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