

## **BRECKLAND DISTRICT COUNCIL**

**Report of:** Gordon Bambridge, Executive Member for Housing & Homelessness

**To:** Full Council, 22<sup>nd</sup> February

**Author:** Andrew Holdsworth, Assistant Director Economy & Growth and Sarah Shipley, Assistant Director Health and Housing

**Subject:** Local Authority Housing Fund

**Purpose:** To agree Breckland Council's approach to the 2023 Local Authority Housing Fund (LAHF)

### **Recommendation(s):**

- 1) That the Council accepts and spends all funding available through the Local Authority Housing Fund 2023, in order to continue to provide housing support to vulnerable groups.
- 2) That the Council releases the required match funding, and any S106 available funding for affordable housing, and adds this to the capital programme.
- 3) That the Council delegates to the Deputy Chief Executive, in consultation with the Executive Member for Housing & Homelessness, the development of the approach and the acquisition of the required properties.

### **1.0 BACKGROUND**

- 1.1 The Local Authority Housing Fund is a capital grant fund in financial years 2022/23 and 2023/24, which will support selected local authorities to obtain and refurbish properties, providing sustainable housing for those who are unable to secure their own accommodation, and who are here under the collection of schemes, known collectively as the Afghan & Ukrainian schemes.
- 1.2 The fund aims to alleviate housing pressures on local authorities arising from recent conflicts in Afghanistan and Ukraine. As part of the national humanitarian response to these crises, over 170,000 people have been welcomed into the UK, which has unavoidably created additional demand for housing.
- 1.3 The basic model assumes that funding will be used on housing stock acquisition, but ultimately it is up to local authorities to choose the most appropriate delivery mechanism to achieve the fund's objectives and bring on stream the accommodation as quickly as possible.
- 1.4 Local authorities are allocated capital funding under Section 31 of the Local Government Act 2003 on the basis of a formula. Delivery targets are based upon the funding allocation, estimated by a blended grant per property model. Each local authority is expected to determine the most effective means to deliver the fund objectives in their area.

### **2.0 FUNDING PROFILE**

- 2.1 Breckland Council has been allocated £1,274,000 in 'main element' funding. With this funding it is expected that a minimum of 13 homes will be provided [for Ukrainian families].

A further £383,961 of funding has been allocated to Breckland under the ‘bridging element’, with this funding it is expected that a minimum of 2 larger 4+ bed homes are provided and allocated to households currently residing in bridging accommodation [for Afghan families].

- 2.2 30% of the funding will be paid in Q4 2022/23 and 70% in 2023/24. The annual funding profile is as follows:

	<b>2022/2023</b>	<b>2023/2024</b>
<b>Main Element</b>	£382,200	£891,800
<b>Bridging Element</b>	£115,188	£268,773

- 2.3 It is a requirement of the funding that Breckland Council (or a partner) will part fund or finance some of the required capital. For ‘main element’ housing, government funding equates to 40% of total capital costs plus £20,000 per property. For ‘bridging element’ housing, government funding equates to 50% of total capital costs plus £20,000 per property.
- 2.4 The match funding required from Breckland (or a partner) is £1,521,000 for the ‘main element’ and £344,000 for the ‘bridging element’ based on the current grant funding allocated to Breckland. If amounts allocated to other authorities across the country are not able to be fully utilised, there is potential for additional funding to be provided to those authorities who are able to deliver additional properties.

### 3.0 **PROCESS & APPROACH**

- 3.1 Breckland Council has registered an interest in taking up its allocation under the Fund with the Department for Levelling Up, Housing & Communities (DLUHC).
- 3.2 Within the framework of the objectives of the Fund, local authorities have been provided with as much flexibility as possible to shape local delivery according to local circumstances.
- 3.3 The timelines involved with this scheme have been short, with the funding launched, and the Council only receiving confirmation of its allocation in mid-December 2022. Within the prospectus, there is a desire to bring accommodation on stream as quickly as possible. With this in mind, and in light of the flexibility provided by DLUHC, there are a number of unknowns still to resolve regarding how Breckland will deliver the expected volume of accommodation.
- 3.4 If the decision is taken to accept Breckland’s allocated funding, the next stage of the process will involve considering, and taking advice upon, the best approach to deliver a solution and manage the property assets. Due to the timing of the funding being announced and a decision required, it has not been possible to complete this work and understand all the possible implications ahead of the Councils decision. As there are a number of possible operating models that could be adopted, it is intended that – if required - approval from Council will be sought once an appropriate model has been identified and can be recommended to the Council.

### 4.0 **OPTIONS**

- 4.1 **Option 1 – To approve the recommendations.** Accepting and spending the funding allocated to Breckland Council through the Local Authority Housing Fund, with the development of the approach delegated to the Deputy Chief Executive, in consultation

with the Executive Member for Housing & Homelessness. Also releasing the required match funding, and any S106 available funding [for affordable housing] and adding to the capital programme.

- 4.2 **Option 2 – Do nothing.** As a result, Breckland would not secure its share of the funding to help provide accommodation for vulnerable groups.

## 5.0 REASONS FOR RECOMMENDATION(S)

- 5.1 Accepting the funding will allow Breckland Council to provide sufficient longer-term accommodation to those who have sought sanctuary in the district via recent humanitarian schemes. This will go some way to help address increased pressures on the existing housing and homelessness systems. In the longer-term, delivery of accommodation via the fund, will support Breckland's wider housing and homelessness responsibilities to UK nationals (i.e., after usage by this cohort ends).
- 5.2 There is already an existing demand for suitable accommodation across the district, therefore doing nothing will result in Breckland missing out on funds that would go some way to alleviate this pressure.
- 5.3 By accepting the funding, Breckland receives at least 40% contribution to the cost of the properties.
- 5.4 Delegating to the Deputy Chief Executive, in consultation with the Executive Member for Housing, the development of a preferred operating model, will enable Breckland to establish a solution at pace. Further approval from Council will be sought once an operating model is decided upon. This will allow for accommodation to be brought on stream as quickly as possible, in line with the stated aims of the Fund.

## 6.0 EXPECTED BENEFITS

- 6.1 A minimum of 15 homes all together would be delivered, with at least 2 being larger 4+ bed homes. This will ensure that those seeking sanctuary in Breckland, via the aforementioned humanitarian schemes, will have access to suitable accommodation.
- 6.2 There would be wellbeing benefits for those people who move into the more suitable housing delivered with these funds, as they would no longer be living in temporary accommodation, therefore improving their quality of life.
- 6.3 Delivery of homes via the scheme would help relieve future pressure on the temporary accommodation budget as the current host arrangements through the Homes for Ukraine Scheme come to an end.

## 7.0 IMPLICATIONS

In preparing this report, the report author has considered the likely implications of the decision - particularly in terms of Carbon Footprint / Environmental Issues; Constitutional & Legal; Contracts; Corporate Priorities; Crime & Disorder; Data Protection; Equality & Diversity/Human Rights; Financial; Health & Wellbeing; Reputation; Risk Management; Safeguarding; Staffing; Stakeholders/Consultation/Timescales; Other. Where the report author considers that there may be implications under one or more of these headings, these are identified below.

7.1 **Corporate Priorities**

7.1.1 This will help to achieve several strategic priorities under the 'Inspiring Communities' section of the Corporate Plan, namely the aims of working to prevent homelessness in the district, as well as ensuring that residents have suitable, safe and secure homes.

7.2 **Financial**

7.2.1 Please see attached Proforma B

8.0 **WARDS/COMMUNITIES AFFECTED**

8.1 All wards have the potential to benefit from the funding allocated to Breckland through the Local Authority Housing Fund

9.0 **ACRONYMS**

9.1 The acronyms used in this report are as follows:

- a) DLUHC – Department for Levelling Up, Housing & Communities
- b) LAHF – Local Authority Housing Fund

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Background papers:-

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**Key Decision:** No

**Exempt Decision:** No

**This report refers to a Mandatory Service**

**Appendices attached to this report:**

Appendix A Proforma B