

8 March 2023

Report of	Strategic Director for Place and Client	Author Karen Paton
Title	Department of Levelling up Housing and Communities – Local Authority Housing Fund (LAHF)	
Wards affected	All wards	

1. Executive Summary

- Colchester City Council has been provisionally identified as eligible for capital grant funding under the Department of Levelling up Housing and Communities Local Authority Housing Fund to provide move on accommodation for Ukrainian and Afghan households currently living with host families or bridging accommodation in Colchester.
- In the wake of the Afghan crisis, emergency 'bridging accommodation' was set up in hotels and other accommodation, such as, Ministry of Defence, student accommodation across the UK. These are being used by the Home Office as temporary transit accommodation as families' needs are assessed and more permanent accommodation is found.
- The funding will run over the financial years 2022-23 and 2023-24 and is intended to address the immediate housing pressures placed on local authorities and provide additional affordable housing stock for the future.
- The Council is expected to part fund or finance some of the required capital.
- Colchester City Council has put forward an initial proposal for the funding.
- In line with the prospectus for the funding the properties will be acquired through the Councils Acquisition Programme in addition to the properties already committed through this programme for 2023-24.
- The properties will be let to eligible households through the Gateway to Homechoice Allocations Policy.

2. Recommended Decision

- 2.1 To approve the proposal and 'sign off' of the Memorandum of Understanding (MOU) for the LAHF.

3. Reason for Recommended Decision

- 3.1 To meet with the requirements of the LAHF allocation.

4. Alternative Options

- 4.1 Not to approve the proposal and sign off the MOU for the LAHF. CCC will not receive any funding for this programme.

5. Background Information

5.1 On 12 January 2023 the Department of Levelling up Housing and Communities (DLUHC) announced a £500 million Local Authority Housing Fund (LAHF), to provide capital funding directly to English councils in areas facing the most significant housing pressures as a result of recent Ukrainian arrivals, to run over financial years 2022-23 and 2023-24. The fund is designed to address the immediate pressures as well as build a sustainable stock of affordable housing for the future. In addition, the fund will also be used to provide homes for up to 500 Afghan families currently living in bridging hotels at a significant cost to taxpayers.

5.2 Colchester City Council was provisionally identified as eligible for capital grant funding (under section 31 of the Local Government Act 2003), with the following indicative allocation:

- Main element: £2240,000 in funding - to provide a minimum of 20 homes.
- Bridging element: £445,697 in additional funding - to provide a minimum of 2 larger 4+ bed home(s) to be allocated to households currently residing in bridging accommodation.

As with other affordable housing provision, the Council is expected to part fund or finance some of the required capital. For the 'main element' housing, the government funding equates to 40% of total capital costs (Average £92,000 grant per property) plus £20,000 per property. For the 'bridging element' housing, the government funding equates to 50% of total capital costs (Average £202,849 grant per property) plus £20,000 per property.

5.3 Proposal

- Colchester City council submitted a Validation Form to express an interest in the funding on 25 January 2023.
- It was agreed that in order to fulfil the requirements of the funding that the properties would be acquired through the Councils Acquisition Programme in addition to the commitment of 50 properties already agreed for 2023-24.
- For both elements of the fund, CCC was required to confirm how many properties could be acquired by the target date of 30th November 2023 (payments will be honoured assuming delivery within financial years 2022/23 and 2023/24).
- The Council is required to meet both elements of the funding for a proposal to be considered.
- Considering CCC currently has 275 homeless households in temporary accommodation and approximately 3,000 households on the Council's Housing Register, we reflected on the need to balance the number of properties for move on that we acquire for Ukrainian and Afghan households with this funding, and the Council's own demand for households who are homeless.
- Colchester is proud to be a place of Sanctuary providing accommodation for people fleeing danger or persecution. We are also mindful of the support given to our troops in Afghanistan by Afghan interpreters and others, and this would provide an opportunity to repay that act of support.
- As well as working with Registered Providers securing affordable housing through s106 agreements, CCC continue to look for innovative ways to increase accommodation for households that are homeless. This includes building new Council homes for Social rent, encouraging people to downsize to provide family homes for those that are overcrowded, as well as ensuring that our Acquisition programme continues to meet its target to deliver homes for Colchester residents that are in housing need.
- Taking this into account, we have committed to acquire 6 additional acquisitions by 30 November 2023 (5 main element and 1 bridging element).
- The initial funding allocation will be scaled down proportionally to reflect the number of homes we acquire, based on the grant per property outlined in our allocation.

- The additional match funding will come from the Housing Revenue Account borrowing.
- The submission of the validation form was approved by the S151 Officer as requested by DLUHC.
- The acquired properties will be let to eligible households on the Housing Register in line with the Gateway to Homechoice Allocations Policy.
- Eligible households are those who are homeless, at risk of homelessness or who live in unsuitable temporary accommodation (including bridging accommodation) and who are living in Colchester on one of the following schemes:
 - Afghan Citizen Resettlement Scheme (ACRS)
 - Afghan Relocations and Assistance Policy (ARAP)
 - Ukraine Family Scheme (UFS)
 - Homes for Ukraine (HFU)
 - Ukraine Extension Scheme (UES)

5.4 Next steps

- Colchester City Council's proposal for the LAHF has been approved by DLUHC and a Memorandum of Understanding will need to be signed and returned to DLUHC by 15 March 2023 for the funds to be released.
- CCC have agreed to provide progress reports every 2 months until delivery is completed including Management Information and reporting against Key Performance Indicators.

6. **Equality, Diversity and Human Rights implications**

- 6.1 An equality impact assessment has been completed on the Allocations Policy. The properties will be let to applicants on the Housing Register in line with this Policy. A copy of the EIA can be found by following the link [Gateway to Homechoice Allocations Policy · Colchester City Council](#)
- 6.2 The Human Rights Act 1998 is specifically listed in the Allocations Policy as a piece of relevant legislation to which the policy complies.

7. **Strategic Plan References**

- 7.1 The Local Authority Housing Fund will help to achieve the following strategic aims from the Council's Strategic Plan 2020 - 2023:
Delivering homes for people who need them.

8. **Consultation**

- 8.1 Consultation is not applicable for this funding.

9. **Publicity Considerations**

- 9.1 We will ensure that any publicity considerations are explored with the Communications Team and address the reasons for supporting refugee families, and the wide range of initiatives we take to provide affordable housing generally.

10. **Financial implications**

- 10.1 The additional match funding for the programme will come from the Housing Revenue Account borrowing.

11. **Health, Wellbeing and Community Safety Implications**

- 11.1 The effects of living in unsuitable or poor housing on a person's health and well-being are well documented. The key ones can be summarised as follows:
- Quality and condition:** relating to the physical characteristics of homes. A range of national studies have found health benefits to improvements in the quality of peoples housing.
- Stability and security:** relating to the extent to which people have control over how long they live in their homes, and how secure they feel. Housing instability can act as a stressor harming health, while frequent moves can undermine engagement with health, other local services and weaken relationships in the local community.
- Affordability:** relating to the financial pressure caused by housing payments – both for housing itself and for heat, power and repairs and maintenance.

The LAHF seeks to address the effects of living in unsuitable or poor housing on a person's health and well-being by providing secure housing for Ukrainian and Afghan households.

12. Health and Safety Implications

- 12.1 There are no Health and Safety implications.

13. Risk Management Implications

- 13.1 There are no risk management implications.

14. Environmental and Sustainability Implications

- 14.1 Properties purchased under the Housing Acquisitions programme improve the health and wellbeing of our tenants with a target of achieving an average EPC of C79+.