



Environment and Community Panel
Tuesday, 18th July, 2023 at 4.30 pm
**in the Council Chamber, Town Hall, Saturday Market
Place, King's Lynn PE30 5DQ**

**Reports marked to follow on the Agenda and/or Supplementary
Documents**

1. **Cabinet Report - Local Authority Housing Fund - Round 2 - CABINET
REPORT TO FOLLOW (Pages 2 - 25)**

Contact

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REPORT TO CABINET

Open/		Would any decisions proposed :			
Any especially affected Wards	Mandatory/	Be entirely within Cabinet's powers to decide		NO	
	Discretionary /	Need to be recommendations to Council		YES	
	Operational	Is it a Key Decision		YES	
Lead Member: Cllr Alexandra Kemp E-mail:		Other Cabinet Members consulted:			
		Other Members consulted:			
Lead Officer: Nikki Patton E-mail: Nikki.patton@west-norfolk Direct Dial:		Other Officers consulted:			
Financial Implications YES	Policy/ Personnel Implications YES	Statutory Implications YES	Equal Impact Assessment YES/NO If YES: Pre-screening/ Full Assessment	Risk Management Implications YES	Environmental Considerations NO

Date of meeting: 1st August 2023

LOCAL AUTHORITY HOUSING FUND

Summary

This report provides information on the funding offered to BCKLWN in June 2023 through Round 2 of the Local Authority Housing Fund (LAHF). The programme has been established by the Department for Levelling Up, Housing and Communities (DLUHC) to support Local Authorities to acquire homes to accommodate households with housing needs who have arrived in the UK via Afghan resettlement and relocation schemes.

The Council has been offered grant to acquire 7 homes for Afghan households and 1 property for the council to use as temporary need to meet wider homelessness needs. This is subject to acceptance of terms by the Council through a Memorandum of Understanding. The purpose of the report is to seek approval to accept the grant, provide the required match funding and inform the Cabinet of the requirements of the grant funding and potential delivery options.

Recommendation

Recommendations to Full Council:

1. The Council will enter a Memorandum of Understanding (Appendix 1) with DLUHC based on the attached prospectus for the Local Authority Housing Fund Round 2 (appendix 2)
2. The Council will accept the total sum of £868,000 offered to the Council by DLUHC under the Local Authority Housing Fund to deliver the programme understanding the match funding requirements as set out in the report and attached prospectus.

3. The Council will commit match funding of up to £952,000 to deliver the 7 homes.
4. The Council will seek to maximise the Flexible Housing Fund to reduce the overall match funding required from the Council.
5. Authority is delegated to the Chief Executive in consultation with the Portfolio Holder for Housing People and Communities to negotiate and agree the final terms of contract with DLUHC under which the grant will be accepted.
6. The Council will purchase up to 7 properties on the basis of a subsequent freehold transfer to West Norfolk Housing Company subject to agreement from West Norfolk Housing Company.
7. Authority is delegated to the Assistant Director (Regeneration, Housing and Place) and portfolio holder for Communities to provide grant funding from the Local Authority Housing Fund to Freebridge Community Housing in the event that they agree to bring an identified long term empty property back into use as detailed in the report.
8. The Council agrees to the principle of allocating 6 of the properties acquired through the fund to eligible Afghan households in accordance with the existing Local Lettings Plan. 1 property will be used as temporary accommodation.

Reason for Decision

The recommendations will ensure that the opportunity presented by the Local Authority Housing Fund to deliver affordable housing in the borough will be fully realised and will help to relieve pressures on the council's homelessness services.

1 Background

1.1 The Department for Levelling Up, Housing and Communities released details of Round 2 of the Local Authority Housing Fund in June 2022. The funding is primarily designed to support selected local authorities to obtain and refurbish (where necessary) property in order to provide sustainable housing for those unable to secure their own accommodation who are here under the following schemes:

- Afghan Citizen Resettlement Scheme (ACRS),
- Afghan Relocations and Assistance Policy (ARAP),

1.2 The objectives of Round 2 of LAHF are to:

- Provide sustainable housing to those on Afghan resettlement schemes at risk of homelessness so that they can build new lives in the UK, find employment and integrate into communities.
- Reduce local housing pressures beyond those on Afghan resettlement schemes by providing better quality temporary accommodation to those owed homelessness duties by local authorities.

- Reduce emergency, temporary and bridging accommodation costs.
 - Reduce impact on the existing housing and homelessness systems and those waiting for social housing.
- 1.3 Funding has been allocated to local authorities based on a formula taking into the level of housing pressure and the number of Afghan individuals in bridging hotels. BCKLWN have been allocated £868,000 to provide a minimum of 6 homes for eligible Afghan households and 1 property for use as temporary accommodation to meet the Council's wider housing needs. Local authorities accepting the funding are expected to deliver on both elements of the funding.
 - 1.4 This fund will complement the existing Afghan resettlement scheme delivered by Norfolk County Council.
 - 1.5 There are around 3,999 Afghans currently living in Home Office bridging accommodation although none currently in this borough. The Home Office is bringing accommodation within all bridging hotels in the country to an end by the end of August 2023. Any Afghan households leaving bridging accommodation at this time without suitable alternative accommodation are likely to approach local authorities for housing assistance. These households will be able to make a homeless application to any local authority, as they are unlikely to have a local connection to any area, they would be owed a duty by whichever local authority they choose to approach. It is possible that some of these households could choose to approach BCKLWN. In these circumstances, they could be housed in accommodation acquired through the LAHF scheme.
 - 1.6 The main principle behind the funding is to alleviate pressures on existing homelessness systems.
 - 1.7 In 2022 all local authorities received a letter from the Home Office, asking all local authorities in England to support the resettlement efforts of asylum seekers including Afghans to ensure that the responsibility does not fall disproportionately on a small number of local authorities.
 - 1.8 The target date for delivery of homes is 31st March 2024. There is an expectation that contracts to acquire homes will be exchanged by this date. Due to the timescales, the expectation is that most homes will be delivered through acquiring existing private stock or homes on new developments currently under construction. Whilst these timescales are challenging, it will ensure that the homes can respond to the needs of eligible households.
 - 1.9 The homes will be of a type and price to ensure they can be delivered as affordable housing. In order to meet the housing needs of those eligible, the homes should be within the borough's towns. Many of the

eligible Afghan households require larger homes. However, data from the Home Office shows that there is also a need for 2 and 3 bedroom homes. It is currently anticipated that the properties will be a mix of 2, 3 and 4 bed homes.

- 1.10 The aspirations of the Fund in relation to future longer-term use of the homes is for them to become part of the wider affordable housing stock. The type and locations therefore need to be suitable to meet the wider housing needs of the borough. Consideration also needs to be given to the condition, ongoing maintenance costs and energy efficiency of properties.
- 1.11 The approach will be to assess the suitability of properties available on the open market taking into account the above factors. This approach will add an additional 7 properties to the affordable housing stock.
- 1.12 Discussions have also been held with Freebridge Community Housing regarding the potential to use the funding to bring a larger long term empty home that they own back into the use. This would enable the delivery of a larger property within the ambitious timescales whilst also achieving good value for money.
- 1.13 In order to accept the funding, the Council is required to sign a Memorandum of Understanding (MOU). DLUHC had originally indicated that the Memorandum of Understanding had to be signed by 14th August 2023. However, it has now been confirmed that the full allocation will be made available if the MOU is agreed shortly after the 14th August. The 1st tranche of funding (30% of the allocation) will be released shortly after entering into the MOU with the remaining allocation paid once 60% of the initial tranche has been spent.

2. Tenure

- 2.1 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.
- 2.2 Tenancies could be either assured (lifetime) tenancies or fixed term tenancies.
- 2.3 Whilst the homes could be delivered as private rented housing at reduced rents, the above requirements are more aligned with social housing and there may be subsidy control issues if the funding is used by an organisation other than a Registered Provider of Social Housing. Further, if properties are disposed of, the funding will continue to be required to be used for affordable housing.

- 2.4 Whilst the properties will be initially acquired by the Council, the intention is that they will be transferred to West Norfolk Housing Company, the Council's wholly owned Registered Provider of Social Housing at such time as funding arrangements are in place.
- 2.5 West Norfolk Housing Company lease properties that they own to Broadland Housing Association under an agreement that has existed for approximately 5 years. Broadland Housing have agreed that they will lease properties acquired through the scheme from the Council on the same terms as they use with West Norfolk Housing Company. Under these arrangements, Broadland would be the landlord for the properties and would carry out full management and maintenance duties.
- 2.6 In the case of the 1 potential property delivered via Freebridge, they would retain ownership and continue to manage and maintain the property after completion of works. Freebridge would be required to enter into a legal agreement with the Council to ensure that any grant is used in accordance with the funding requirements.
- 2.7 The fund provides the opportunity to deliver additional affordable housing to assist with these potential housing pressures.
- 2.8 Although the properties will have to be used for the defined cohort, in the long run they could be used by the wider community. The funding will increase the stock of affordable housing in the borough.

3. Options Considered

- 3.1 The Council can choose to accept the grant from DLUHC and provide the 7 homes under the terms set out above or reject the grant.
- 3.2 If the Council chose to reject the funding due to the required terms including the timescales, it could endeavour to provide additional accommodation without this funding to respond to the increased housing pressures that are being experienced. This would have capital greater capital funding implications for the Council.

4. Policy Implications

- 4.1 Due to the eligibility criteria for the fund, 6 of the homes must be allocated to eligible homeless Afghan households. On 27th June 2023 Cabinet endorsed a Local Lettings Plan to be used to allocate homes acquired through LAHF Round 1, including 2 homes for Afghan families.
- 4.2 It is proposed to extend this lettings plan to cover the 6 homes for Afghans funded through LAHF Round 2. In accordance with the

Council's Social Housing Allocations Policy, this will need to be approved by the West Norfolk Homechoice panel.

5. Financial Implications

- 5.1 The grant funding can amount to up to an average of 40% of capital costs plus £20k per property. This means there is a requirement for match funding.
- 5.2 The grant allocation is based on an average costs per property of £260,000 . Based on this average, match funding of £952,000 would be required to provide the 7 homes.
- 5.3 Additional funding is available to local authorities housing eligible homeless Afghan households. Local Authorities can claim up to £7,100 per person through the Flexible Housing Fund. This funding can be used as match funding for the LAHF scheme. It is estimated that this could amount to £177,500. However, the final amount will depend on the size of households accommodated. This would reduce the match funding required by the council to £774,500.
- 5.4 Based on an indicative mix of properties, it is estimated that the 7 homes would have a social housing value of circa £831,400. This broadly represents an amount that the Council could sell the homes to another affordable housing provider. This demonstrates that the scheme will deliver good value for money.
- 5.5 Match funding could also come from various sources including the following
 - Borrowing by the Council or West Norfolk Housing Company covered by the rental income from the properties
 - Funding provided by Freebridge Housing to bring the 1 property identified above back into use.
 - Other available sources of capital funding
- 5.6 The Council will also receive an additional £9,150 per eligible Afghan household accepted as homeless.
- 5.7 The 1 property acquired for temporary accommodation will be used by the Council to help meet statutory homelessness duties. This will help reduce the council's need for inappropriate Bed and Breakfast accommodation. An additional unit of temporary accommodation for families would provide more appropriate accommodation for homeless families and could save the council circa £36,000 per year in bed and breakfast costs.
- 5.8 An amendment will be made to the council's Capital Programme to reflect the capital requirements of the scheme.

5.9 It is expected that the rental income stream will cover the borrowing requirements for the match funding.

6. Personnel Implications

6.1 None

7. Environmental Considerations

7.1 Due to forthcoming regulations relating to energy efficiency, it is essential that homes acquired either have an EPC rating of C or above or can be brought up to a C rating without significant works.

Statutory Considerations

The fund will provide accommodation which will assist the Council to meet its statutory homelessness duties.

8 Equality Impact Assessment (EIA)

(Pre screening report template attached)

Full EIA to Follow

9 Risk Management Implications

The potential risks and implications associated with the grant are discussed below:

- The target date for completion is challenging and failure to deliver homes within the 2023/24 financial year may lead to funding being clawed back. The MOU requires the council to use best endeavours to deliver homes within the timescales. Any clawback would only apply to unspent/uncommitted grant funding. It should be noted that the requirement is to have contracts exchanged by the end of March 2024, properties can be occupied at a later date.

The following associated risks are identified

- Risk of not meeting the housing needs of the funds eligible households and fulfilling statutory functions.
- Risk of not meeting wider housing and homelessness pressures

These associated risks both risk the increasing use of inappropriate and expensive temporary accommodation in particular bed and breakfast.

10 Declarations of Interest / Dispensations Granted

Duncan Hall - Director of West Norfolk Housing Company
Lorraine Gore – Secretary of West Norfolk Housing Company

11 Background Papers

Appendix 1 - Draft Memorandum of Understanding
Appendix 2 - Prospectus for Local Authority Housing Fund Round 2

Available at - <https://www.gov.uk/government/publications/local-authority-housing-fund-round-2/local-authority-housing-fund-round-2-prospectus-and-guidance>

Appendix 3 - Financial Modelling based on indicative property mix (exempt)

(Definition : Unpublished work relied on to a material extent in preparing the report that disclose facts or matters on which the report or an important part of the report is based. A copy of all background papers must be supplied to Democratic Services with the report for publishing with the agenda)

Pre-Screening Equality Impact Assessment

Borough Council of
King's Lynn & West Norfolk



Name of policy/service/function					
Is this a new or existing policy/service/function?	New / Existing (delete as appropriate)				
<p>Brief summary/description of the main aims of the policy/service/function being screened.</p> <p>Please state if this policy/service is rigidly constrained by statutory obligations</p>					
Question	Answer				
<p>1. Is there any reason to believe that the policy/service/function could have a specific impact on people from one or more of the following groups according to their different protected characteristic, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service?</p> <p>Please tick the relevant box for each group.</p> <p>NB. Equality neutral means no negative impact on any group.</p>		Positive	Negative	Neutral	Unsure
	Age				
	Disability				
	Gender				
	Gender Re-assignment				
	Marriage/civil partnership				
	Pregnancy & maternity				
	Race				
	Religion or belief				
	Sexual orientation				
Other (eg low income)					

Question	Answer	Comments
<p>2. Is the proposed policy/service likely to affect relations between certain equality communities or to damage relations between the equality communities and the Council, for example because it is seen as favouring a particular community or denying opportunities to another?</p>	Yes / No	
<p>3. Could this policy/service be perceived as impacting on communities differently?</p>	Yes / No	
<p>4. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?</p>	Yes / No	
<p>5. Are any impacts identified above minor and if so, can these be eliminated or reduced by minor actions?</p> <p>If yes, please agree actions with a member of the Corporate Equalities Working Group and list agreed actions in the comments section</p>	Yes / No	<p>Actions:</p>
		<p>Actions agreed by EWG member:</p> <p>.....</p>
<p>If 'yes' to questions 2 - 4 a full impact assessment will be required unless comments are provided to explain why this is not felt necessary:</p> <p>Decision agreed by EWG member:</p>		
<p>Assessment completed by:</p>		
<p>Name</p>		
<p>Job title</p>		
<p>Date</p>		

MEMORANDUM OF UNDERSTANDING

Between

Department for Levelling Up, Housing and Communities

-and-

Kings Lynn and West Norfolk Borough Council

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 Kings Lynn and West Norfolk Borough Council ('the Council') regarding the administration and delivery of the Local Authority Housing Fund - second funding round ('LAHF R2').
- 1.2. This MOU will be for the period Q1-Q4 2023/24. 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 5.4.
- 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 R2 was launched on 07 June 2023. The details of the fund were shared on that date with the Council in the document 'Local Authority Housing Fund - second funding round Prospectus and Guidance' ('the Prospectus').
- 2.2. LAHF R2 is a £250m capital grant fund to:
 - provide sustainable housing for those on Afghan resettlement schemes (ARAP/ACRS) who currently reside or formerly resided in bridging accommodation
 - ease wider homelessness pressures.
- 2.3. The objectives of LAHF R2 are to:
 - Provide sustainable housing to those on Afghan resettlement schemes at risk of homelessness so that they can build new lives in the UK, find employment and integrate into communities.

- Reduce local housing pressures beyond those on Afghan resettlement schemes by providing better quality temporary accommodation to families owed homelessness duties by LAs.
 - Reduce emergency, temporary and bridging accommodation costs.
 - Reduce impacts on the existing housing and homelessness systems and those waiting for social housing.
- 2.4. DLUHC has accepted the Council's plan to provide 7 homes ('the delivery target') under LAHF R2, and DLUHC will provide a grant of £868,000 ('the total allocation'). The Council agrees the following targets to deliver at least:
- 6 properties for households that meet the resettlement scheme element eligibility criteria outlined in section 3.2 of the Prospectus;
 - 1 properties to be allocated to households that meet the TA element eligibility criteria outlined in section 3.2 of the Prospectus.
- 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 R2 funding has been provided specifically for spending on LAHF R2 priorities and the Council agrees to spend LAHF R2 funding on activity set out in this MOU as agreed by DLUHC or subsequently agreed by DLUHC as per Paragraph 4.4.
- 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. DLUHC's contributory share of funding ('the average grant rate per unit') should not exceed the maximum described below but the grant per unit for individual properties can be higher.
- 3.3. The maximum average grant rate per unit (for the portfolio of all properties, not individual purchases) is calculated as 40% of the costs of acquisition or refurbishment that the council charges to its capital budget plus £20,000 per property. Eligible costs funded by the 40% and the £20,000 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. The Council can determine how it uses the £20,000 per property and can choose how much of the grant is to be spent on each individual property.
- 3.5. The Council or its delivery partner(s) will fund the outstanding share for each property.
- 3.6. The funding will be provided by DLUHC in two tranches. The 'Tranche 1 allocation' is 30% of the total allocation. The 'Tranche 2 allocation' is 70% of the total allocation. Both are set out in Table 1.

Table 1 – Funding allocation

	Tranche 1 allocation	Tranche 2 allocation	Total allocation
Total funding	£260,400	£607,600	£868,000

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 resettlement scheme households housed. 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 above is provided to deliver the delivery target. The Council agrees to make best endeavours to meet the delivery target by 29 March 2024.
- 4.3. This MOU is for the full term of the total allocation unless signatories agree to change as per Paragraph 4.4. A further Grant Determination Letter (GDL) will be provided following confirmation of each tranche payment.
- 4.4. 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 5.1 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 2 sets out the timetable for payments to be made to the Council. Payment for Tranche 1 allocation will be made in July 2023 or August 2023. 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 spend requirement') via a Section 151 officer Statement of Grant Usage. This will be paid in line with timings outlined in Table 2.
- 5.3. Should the Council not meet the spend requirement for Tranche 2 payments by the dates set out in Table 2 below, DLUHC will consider putting in place further payment dates.
- 5.4. The Council may wish to return unspent monies to the Department.

Table 2 – Payments timetable

Payment milestone	Requirements for payment milestone	Payment by
Tranche 1 payment (30% of total allocation)	EITHER Signing of this MOU by 14 July 2023	Last working day of July 2023
	OR Signing of this MOU by 14 August 2023	Last working day of August 2023
Tranche 2 payment (70% of total allocation)	EITHER Submission of Statement of Grant Usage (demonstrating 60% of the first tranche has been committed) by 9 October 2023 Relevant monitoring information as outlined in section 8 submitted by 9 October 2023	Last working day of October 2023
	OR Submission of Statement of Grant Usage (demonstrating 60% of the first tranche has been committed) by 24 November 2023 Relevant monitoring information as outlined in section 8 submitted by 24 November 2023	Mid-December 2023

6. Charging Affordable Rents for LAHF funded homes

- 6.1. The LAHF Prospectus specified “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 October 2023 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
- 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 Kings Lynn and West Norfolk Borough Council

Signature:

Name:

Position:

Date:

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 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 2024 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.

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. In order to demonstrate that the spend requirement has been met to enable a Year 2 payment, the Council will also need to submit a Section 151 Officer Statement of Grant Usage to LAHF@levellingup.gov.uk *in addition to* submitting the form by 5pm on the dates outlined below.
3. The Section 151 Officer Statement of Grant Usage only needs to be submitted when the Council wishes to demonstrate the spend requirement has been met, and also at the end of the programme. It does not need to be submitted at every monitoring touchpoint.
4. The Microsoft Form needs to be submitted at every monitoring touchpoint. 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	Section 151 Officer Statement of Grant Usage required?
Touchpoint 1	9 October 2023	Yes, if LA wishes to enable Tranche 2 payment in October 2023
Touchpoint 2*	24 November 2023	Yes, if LA wishes to enable Tranche 2 payment in December 2023
Touchpoint 3	8 February 2023	N/A
Touchpoint 4	8 April 2023	N/A
Evaluation	April 2024 onwards	N/A

*this touchpoint has been brought forward slightly earlier than the 2-month mark to account for the holiday period in December

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.)

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