



Cabinet

Agenda

Wednesday, 8th February, 2023
at 3.30 pm

in the

**ASSEMBLY ROOM
TOWN HALL
SATURDAY MARKET PLACE
KING'S LYNN**

Also available to view on Zoom and available for the public to view on [WestNorfolkBC on You Tube](#)



King's Court, Chapel Street, King's Lynn, Norfolk, PE30 1EX
Telephone: 01553 616200

CABINET AGENDA

DATE: CABINET - WEDNESDAY, 8TH FEBRUARY, 2023

**VENUE: ASSEMBLY ROOM, TOWN HALL, SATURDAY
MARKET PLACE, KING'S LYNN PE30 5DQ**

TIME: 3.30 pm

As required by Regulations 5 (4) and (5) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 - No items will be considered in private.

1. APOLOGIES

To receive apologies for absence.

2. URGENT BUSINESS

To consider any business, which by reason of special circumstances, the Chair proposes to accept, under Section 100(b)(4)(b) of the Local Government Act 1972.

3. DECLARATIONS OF INTEREST

Please indicate if there are any interests which should be declared. A declaration of an interest should indicate the nature of the interest (if not already declared on the Register of Interests) and the agenda item to which it relates. If a disclosable pecuniary interest is declared, the member should withdraw from the room whilst the matter is discussed.

These declarations apply to all Members present, whether the Member is part of the meeting, attending to speak as a local Member on an item or simply observing the meeting from the public seating area.

4. CHAIR'S CORRESPONDENCE

To receive any Chair's correspondence.

5. MEMBERS PRESENT UNDER STANDING ORDER 34

To note the names of any Councillors who wish to address the meeting under Standing Order 34.

Members wishing to speak pursuant to Standing Order 34 should inform the Chair of their intention to do so and on what items they wish to be heard before a decision on that item is taken.

6. CALLED IN MATTERS

To report on any Cabinet Decisions called in.

7. FORWARD DECISIONS (Pages 5 - 7)

A copy of the Forward Decisions List is attached

8. MATTERS REFERRED TO CABINET FROM OTHER BODIES (Pages 8 - 9)

To receive any comments and recommendations from other Council bodies which meet after the dispatch of this agenda.

9. LOCAL AUTHORITY HOUSING FUND (Pages 10 - 38)

**10. HUNSTANTON MULTI USER HUB AND TRANSPORT INTERCHANGE
(Pages 39 - 51)**

11. OFFICER DELEGATED DECISIONS - CALL IN (Pages 52 - 55)

12. MINOR UPDATES TO DELEGATED AUTHORITIES FOR REVENUES AND BENEFITS OFFICER DECISIONS (Pages 56 - 60)

13. COUNCIL MEETING ARRANGEMENTS (Pages 61 - 63)

To: Members of the Cabinet

Councillors R Blunt, S Dark (Chair), A Dickinson, H Humphrey, P Kunes, A Lawrence, G Middleton (Vice-Chair) and S Sandell

For Further information, please contact:

Sam Winter, Democratic Services Manager 01553 616327
Borough Council of King's Lynn & West Norfolk
King's Court, Chapel Street
King's Lynn PE30 1EX

FORWARD DECISIONS LIST

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
7 February 2023						
	Budget	Key	Council	Finance Asst Director – M Drewery		Public
	Capital Programme	Key	Council	Finance Asst Director – M Drewery		Public
	Treasury Management Policy update	Key	Council	Finance Asst Dir M Drewery		Public
	Capital Strategy	Key	Council	Finance Asst Dir M Drewery		Public
07	West Norfolk Investment Plan - Shared Prosperity Fund Update	Non	Cabinet	Business, Culture and Heritage Housing Strategy Manager		Public

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
Additional Meeting 8 February 2023						
	Call in of officers decisions	Non	Council	Leader Monitoring officer		Public
	Hunstanton Multi User Hub and Transport Exchange	Key	Cabinet	Development & Regeneration Asst Dir – D Ousby		Public
	Revenues and Benefits Officer Delegations	Non	Council	Leader Asst Dir – M Drewery		Public
	Meetings Arrangements	Non	Council and Cabinet	Leader Chief Executive		Public

	Local Authority Housing Fund	Key	Cabinet	Community Asst Dir – D Hall		Public
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Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
7 March 2023						
	Review of Unreasonable complaints Policy	Non	Council	Leader Monitoring Officer		Public
	Changes to Council Tax Charges for Long Term Empty Properties and Second Homes for 2024/2025	Key	Council	Finance Asst Dir – M Drewery		Public
	LGA Model Code of Conduct	Non	Council	Leader Asst Dir – A Baker		Public
9	Notice of Motion 16/22 – Peer Review	Non	Cabinet	Leader Chief Executive		Public
	Southgates Regeneration Area Development Brief and Next Steps	Key	Council	Development and Regeneration Asst Dir – D Hall		Public
	Governance Review Task Group	Non	Cabinet	Leader Chief Executive		Public
	Members Allowances Scheme 2021-25	Non	Council	Finance Chief Executive		Public
	Guildhall CIO Governing Document	Non	Cabinet	Business Culture & Heritage Asst Dir - D Hall		Public
	Levelling up Government response and actions	Key	Council	Business Culture & Heritage Asst Director – D Hall		Public
	Towns Fund Local Assurance Framework	Non	Cabinet	Business Culture & Heritage Asst Director – D Hall		Public

	Freedom of the Borough - amendments	Non	Council	Leader Chief Executive		Public
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Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
18 April 2023	West Winch Collaboration Agreement	Non	Cabinet	Development and Regeneration Exec Dir – G Hall		Public
	Custom and Self Build Site – Stoke Ferry	Non	Cabinet	Regeneration and Development Assistant Director - D Hall		Public
7	Asset Management – Land and Property	Key	Cabinet	Property Asst Dir Property and Projects		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)
	Southend Road Hunstanton	Key	Cabinet	Development and Regeneration Asst Dir – D Ousby		Public

Items to be scheduled

	Notice of Motion 7-21 – Councillor Kemp – Equalities	Non	Council	Leader Asst Dir B Box		Public
	Procurement Strategy	Non	Cabinet	Finance Asst Dir – D Ousby		Public
	Review of Planning Scheme of Delegation (summer 23)	Non	Council	Development and Regeneration Asst Dir – S Ashworth		Public
	Lynnsport One (summer 23)	Key	Council	Regeneration & Development Asst Dir Companies & Housing Delivery – D Ousby		Public

RECOMMENDATIONS TO CABINET 8 FEBRUARY 2023 FROM THE CORPORATE PERFORMANCE PANEL HELD ON 3 OCTOBER 2022

CP29 Call-in of Officer Delegated Decisions

[Click here to view the recording of this item on You Tube.](#)

The Monitoring Officer presented the report which considered options for the call-in of Officer Delegated Decisions. She explained that the Chair of Corporate Performance Panel had asked for a paper reviewing the current arrangements and in conducting the review the Monitoring Officer had felt that Officer Delegated Decisions should be subject to call-in and the report set out proposed changes to Standing Orders for Members consideration. She explained that the provision of call-in of Officer Delegated Decisions was a locally determined issue.

If the Corporate Performance Panel were supportive of the proposals to amend Standing Orders they would presented to Full Council for approval in due course.

The Chair thanked the Monitoring Officer for her report and invited questions and comments from Members. Members of the Panel indicated their support for the proposals.

RESOLVED: That the Cabinet be recommended to recommend onto Full Council changes to Standing Orders as set out below to make Officer Delegated Decisions subject to call-in.

12 The calling-in of Cabinet recommendations and executive decisions

12.1 Any Cabinet decision or Cabinet recommendation to the Council, delegated Cabinet Member's decision or officer delegated decision, may be presented for call-in to the Corporate Performance Panel

...

12.8 Upon conclusion of the debate the Corporate Performance Panel will decide upon one of the following two courses of action:

(a) support the Cabinet/Cabinet Member's/officer's recommendation(s) or decision(s). In this case the recommendation(s) or decision(s) will, respectively, be free to pass to Council as they originally stood, or, be available for immediate implementation; or,

(b) uphold the call-in.

12.9 If the Panel upholds the call-in it may then take one of three courses of action:

(a) report to Council, Cabinet or the relevant Cabinet Member or officer requesting that the Cabinet/Cabinet Member's/officer amend or substitute the recommendation(s) or decision(s); or,

(b) if the issue is considered urgent or straightforward, formulate a counter-recommendation or amendment; or,

(c) investigate the matter further at another meeting within thirty working days (beginning with the day after the issue of the notification of the call-in) and then follow the same process as set out above (12.8-12.10)

12.10 The Cabinet/Cabinet Member/officer may amend, substitute or withdraw any recommendation or decision in respect of any matter that has been called-in under paragraph 12.3 of this Standing Order.

.....

12.12 No decision of the Cabinet/Cabinet Member/officer that is called in under paragraph 12.3 of this Standing Order shall be acted upon (even if it is amended, substituted or withdrawn) until the call-in is either ended by the Corporate Performance Panel or approved by the Council.

....

12.14 If the Corporate Performance Panel:-

(a) does not end a call-in within 30 days from the date of the decision which has been called in (and the recommendation or decision remains in dispute); or

(b) refers a call-in directly to Council under paragraph 12, the Council shall determine whether to approve the recommendation or decision that has been called-in or to revoke, vary, amend and/or remit it back to the Cabinet/Cabinet Member/officer for further consideration.

30.5 Record of individual decision

As soon as reasonably practicable after an Executive decision has been taken by an individual member of the Executive or an officer, they will prepare, or instruct the proper officer to prepare, a record of the decision, a statement of the reasons for it and any alternative options considered and rejected.

REPORT TO CABINET

Open		Would any decisions proposed :			
Any especially affected Wards	Discretionary	Be entirely within Cabinet's powers to decide		Yes	
		Need to be recommendations to Council		No	
		Is it a Key Decision		Yes	
Lead Member: Cllr Sam Sandell E-mail:		Other Cabinet Members consulted:			
		Other Members consulted:			
Lead Officer: Nikki Patton E-mail: Nikki.patton@west-norfolk.gov.uk Direct Dial:		Other Officers consulted: Michelle Drewery, S151 Officer Alexa Baker, Assistant Director for Legal & Licensing (Monitoring Officer)			
Financial Implications YES	Policy/ Personnel Implications YES	Statutory Implications YES	Equal Impact Assessment YES If YES: Pre-screening/ Full Assessment	Risk Management Implications YES	Environmental Considerations Yes

Date of meeting: 8th February 2023

LOCAL AUTHORITY HOUSING FUND

Summary

This report provides information on the funding offered to BCKLWN in December 2022 through 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 Ukrainian and Afghan resettlement and relocation schemes.

The Council has been offered grant to acquire 14 homes for Ukrainian households and 2 larger properties for Afghan households. 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 and inform the Cabinet of the requirements of the grant funding and potential delivery options.

Recommendation

It is recommended that:-

1. The Council will enter a Memorandum of Understanding with DLUHC based on the attached prospectus for the Local Authority Housing Fund (see appendix 2). Authority is delegated to the Chief Executive in consultation with the Portfolio Holder for Housing People and Communities to agree the final terms of the Memorandum of Understanding with DLUHC.
2. The Council will accept the total sum of £1,719,141 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. Cabinet agrees that, subject to agreement from West Norfolk Housing Company, the properties will be acquired by West Norfolk Housing Company, funded by the grant, debt financing and other available funding
4. The Council requests that West Norfolk Housing Company works with the Council to deliver the properties through the fund.
5. Cabinet agrees to the principle of allocating properties acquired through the fund to eligible Ukrainian and Afghan households. A further report setting out a policy approach will follow separately.
6. Authority is delegated to the Assistant Director Programme & Project Delivery to
 - a. alter the proposed NORA 4 tenure mix, originally agreed by Cabinet on the 4th February 2020 (CAB 106), where necessary, to facilitate the disposal of properties previously identified as Private Rent and/or Open Market Sale, to West Norfolk Housing Company (WNHC) as affordable housing
 - b. negotiate the terms of any disposal with West Norfolk Housing Company.

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 announced the Local Authority Housing Fund in December 2022. The funding is 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),
- Ukraine Family Scheme,
- Homes for Ukraine and the
- Ukraine Extension Scheme

1.2 The fund will ensure these schemes that offer sanctuary to those fleeing conflict provide sufficient longer-term accommodation to those they support and support areas with housing pressures which have welcomed substantial numbers of Ukrainian refugees so that these areas are not disadvantaged by increased pressures from these arrivals on the existing housing and homelessness systems particularly as sponsorship/family placements/bridging accommodation arrangements come to an end.

- 1.3 The fund will also enable effective resettlement and economic integration of the eligible households and deliver accommodation which can be used to support wider local authority housing and homelessness responsibilities to UK nationals after usage by these households.
- 1.4 Funding has been allocated to local authorities based on a formula taking into account the number of Ukrainian arrivals per 1000 population and the level of housing pressure. BCKLWN have been allocated £1,344,000 to provide a minimum of 14 homes for households on the Ukrainian schemes and £375,141 to provide a minimum of 2 larger 4+ bed homes to be allocated to households on the Afghan schemes. This amounts to a total allocation of £1,719,141 to deliver a minimum of 16 homes. Local authorities accepting the funding are expected to deliver on both elements of the funding.
- 1.5 This fund will complement the existing Afghan resettlement scheme delivered by Norfolk County Council.
- 1.6 To date, 193 households have arrived in West Norfolk as part of the Homes for Ukraine scheme. The majority of these households remain with sponsors/hosts with many nearing the end of a 12-month host period and will therefore require alternative housing options. The expectation is that many of these households will have their housing needs met through the private rented sector. However, a proportion are likely to require housing assistance from the Council. This modest number of additional affordable homes will help to accommodate those in the highest need. The number of arrivals through the Family Scheme is unknown.
- 1.7 The 4+ bed homes will be provided to larger Afghan families currently in Home Office bridging accommodation who are being resettled via the Afghan Resettlement schemes mentioned above. There are around 9,200 people currently living in this type of accommodation although none currently in this borough. The provisional funding allocation is dependent on a commitment to provide two 4+ bed homes for eligible Afghan households currently residing in bridging accommodation.
- 1.8 The target date for delivery of homes is 30th November 2023. There is an expectation that contracts to acquire homes will be exchanged by this date. Funding will be honoured as long as delivery is by March 2024. 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. Properties for eligible Ukrainians will be a mix of 1-4 bedrooms homes taking into

account the family make-up of households that have arrived through the Homes for Ukraine scheme and property availability. 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.

- 1.10 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 16 properties to the affordable housing stock.
- 1.11 The Council has the opportunity to use the funding to provide homes via its own developments. This includes the NORA 4 development on which 23 homes remain under construction and will be completed prior to November 23. This includes properties earmarked to be let at private rents by West Norfolk Property Ltd. There is a possibility that rather than this, some of these homes could be acquired as affordable housing through the fund. This option mitigates the risk of not meeting the delivery timescales of the fund i.e. 30th November 2023.
- 1.12 In order to accept the funding, the Council is required to sign a Memorandum of Understanding (MOU) prior to 15th March 2023. 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. Failure to sign the MOU by 15th March 2023 may result in part or all of the council's allocation being re-allocated.
- 1.13 There may be opportunities for the council to obtain additional funding for the delivery of additional homes. In this event, a further report will be presented to Cabinet.

2. Tenure

- 2.1 It is expected that all 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. Refer to Policy Implications section of the report (section 4).
- 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 there are a number of Registered Providers operating in the borough through which the properties could be delivered, working with West Norfolk Housing Company provides a high level of certainty and control over delivery of homes and meeting funding timescales along with control over future use of the homes.
- 2.5 Therefore, it is recommended that the homes are provided through the Council's wholly owned Registered Provider of Social Housing, West Norfolk Housing Company. Subject to the agreement of West Norfolk Housing Company, homes will be acquired using grant funding from this fund along with debt financing and any other appropriate funding streams.
- 2.6 The fund provides the opportunity to deliver additional affordable housing to assist with housing pressures. The Council will need to address the housing needs of arrivals from Ukraine with or without this funding.
- 2.7 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. The properties will provide an income which can cover any borrowing requirements.

3. Options Considered

- 3.1 The Council can choose to accept the grant from DLUHC and provide the 16 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 funding implications for the Council. The Council's option to use an alternative Registered Provider of Social Housing to West Norfolk Housing Company is dealt with in section 2 of the report.
- 3.3 Whilst the timescales required are challenging, the potential to acquire homes from the Council's developments leads to a high level of confidence that they can be met. Therefore, it is recommended that the Council accepts the funding and deliver them via West Norfolk Housing Company.

4. Policy Implications

- 4.1 Due to the eligibility criteria for the fund, there are implications in relation to the council's existing allocations policy. An additional policy for the allocation of homes provided through the fund will be prepared and will be presented at a later date. This policy will also cover the type of tenancy to be granted including the tenancy term.
- 4.2 Households eligible for homes provided through the scheme are those on the schemes listed in paragraph 1.1 who are homeless, at risk of homelessness or who live in unsuitable temporary accommodation (including bridging accommodation). Consideration will also need to be given to prioritise households based on who is most in need when matching eligible households with properties.

5. Financial Implications

- 5.1 The grant funding can amount to up to an average of 40% of capital costs (50% for homes for the Afghan scheme) plus £20k per property. This means there is a requirement for match funding.
- 5.2 The grant allocation is based on an average purchase price of £190,000 (£335,141 for homes for the Afghan scheme). Based on these averages, match funding of £1,611,141 would be required to provide the 16 homes. However, if the average purchase prices exceeded these amounts, the match funding required would be greater.
- 5.3 Match funding could come from various sources including the following
- Borrowing by West Norfolk Housing Company covered by the rental income from the properties
 - Other available sources of capital funding
 - Other funding sources related to Ukraine resettlement
- 5.4 The options under consideration will not have a negative financial impact on the council's capital programme. However, an amendment will need to be made to the capital programme to reflect the capital requirements of the scheme.
- 5.5 There are no additional revenue expenditure implications for the Council.

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 have EPC rating of C or above.

8. Statutory Considerations

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

9. Equality Impact Assessment (EIA)

- 9.1 Pre-screening report attached. Full EIA to follow.

10. Risk Management Implications

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

10.1.1 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. This can be mitigated by delivered homes through the councils' developments.

- 10.2 The following are risks of not taking the funding

10.1.2 Risk of losing opportunity to add to affordable housing stock

10.1.3 Risk of not meeting the housing needs of the funds eligible households and fulfilling statutory functions.

10.1.4 Risk of not meeting wider housing and homelessness pressures

10.1.5 These would risk the increasing use of inappropriate and expensive temporary accommodation in particular bed and breakfast.

11. Declarations of Interest / Dispensations Granted

Cllr Blunt – Director of West Norfolk Housing Company

Duncan Hall - Director of West Norfolk Housing Company

Lorraine Gore – Company Secretary for West Norfolk Housing Company

12. Background Papers

(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

Appendix 1 - Pre-Screening Equality Impact Assessment

Borough Council of
King's Lynn & West Norfolk



Name of policy/service/function	Delivery of homes through Local Authority Housing Fund				
Is this a new or existing policy/service/function?	New				
<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>	<p>Delivery of 16 homes using grant allocation from Local Authority Housing Fund to provide accommodation for eligible Ukrainian and Afghan households in line with eligibility criteria set by fund.</p> <p>The homes will help the council respond to increased pressures as a result of these arrivals and will be used to meet the wider housing needs of the borough in the longer-term</p> <p>Delivery of homes must be in accordance with the prospectus for the fund (see appendix 2)</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				Y	
Disability				Y	
Gender				Y	
Gender Re-assignment				Y	
Marriage/civil partnership				Y	
Pregnancy & maternity				Y	
Race	Y				
Religion or belief				Y	
Sexual orientation				Y	
Other (eg low income)	Y				

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	The delivery of homes through the fund could be seen as favouring eligible households from Ukraine and Afghanistan over established local communities.
<p>3. Could this policy/service be perceived as impacting on communities differently?</p>	Yes	Perception that this could negatively impact on established communities although not the case as homes would be delivered as affordable housing without the funding
<p>4. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?</p>	Yes	Aims to tackle disadvantage faced by Ukrainian and Afghan households that have arrived in UK via resettlement schemes. Households may be at disadvantage when accessing housing due to difficulties in obtaining references and guarantors
<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>	No	<p>Actions: N/A</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>Agreed that full impact assessment is required.</p> <p>Decision agreed by EWG member: <i>B. Box</i></p>		
<p>Assessment completed by:</p> <p>Name</p>	<p>Nikki Patton</p>	
<p>Job title</p>	<p>Housing Strategy Manager</p>	
<p>Date</p>	<p>25/1/23</p>	

Appendix 2 – Local Authority Housing Fund Prospectus



Department for Levelling Up, Housing & Communities

Local Authority Housing Fund

Prospectus and Guidance

December 2022
Department for Levelling Up, Housing and Communities

1. Introduction

Earlier this year the United Kingdom took the historic decision to welcome tens of thousands of Ukrainians fleeing the invasion of their homeland. Since then, and thanks to the generosity of the British public, more than 150,000 Ukrainians have been welcomed into homes and communities under the Homes for Ukraine and Ukraine Family schemes. We have also welcomed around 23,000 Afghans who worked alongside the UK Government and risked their lives alongside our Armed Forces, as well as people who assisted UK efforts in Afghanistan.

Local authorities play a vital and integral role in welcoming and integrating recent visa-scheme arrivals to the UK. It is thanks to the hard work of so many in local government, and the wider public sector, across all parts of our country that we have been able to welcome so many people to safety. The Government is introducing further support to help our guests from Ukraine and those who arrived from Afghanistan to find their feet, including local help to find suitable private rented accommodation; assistance via the Department of Work and Pensions to access benefits, skills training and gain employment; and signposting and access to charities and mental health providers. This is backed up by the tariff that authorities receive for each Homes for Ukraine guest arriving in their area; the Afghan Resettlement Schemes to support integration; and additional funding specifically for education and healthcare in the first year of arrival on the Homes for Ukraine scheme.

To assist local authorities further, the Department for Levelling Up, Housing and Communities (DLUHC) is introducing a £500 million capital fund – the Local Authority Housing Fund (LAHF) – for local authorities in England to provide accommodation to families with housing needs who have arrived in the UK via Ukrainian and Afghan resettlement and relocation schemes. Local authorities who have welcomed arrivals are facing challenges in securing settled accommodation for these households, which unless alleviated will further impact existing housing pressures. LAHF will help them to address these immediate pressures as well as build a sustainable stock of affordable housing for the future.

This prospectus sets out the objectives for the fund, what local authorities can spend the grant on, defines the cohort eligible, and the process we will follow for allocating grants to local authorities.

2. Purpose of the fund

The Local Authority Housing Fund is a £500m capital grant fund in financial years 2022/2023 and 2023/2024 to support selected local authorities in England to obtain and refurbish 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) (collectively referred to as the Afghan Schemes), Ukraine Family Scheme, the Homes for Ukraine and the Ukraine Extension Scheme (collectively referred to as Ukraine schemes). A full definition of the eligible cohort is at section 3.2.

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 and permanent supply of accommodation for local authorities to help address local housing and homelessness pressures. We expect up to 4,000 properties would be provided through this fund.

Local authorities will be allocated capital funding under section 31 of the Local Government Act 2003 on the basis of a formula. Delivery targets will be based upon this funding allocation, estimated by a blended grant per property model. Local authorities will determine the most effective means to deliver the fund objectives in their area.

The grants will be non-ringfenced and we will sign Memoranda of Understanding with all local authorities receiving funding to set out our shared expectations for how the fund should be delivered.

Local authorities in scope of the funding formula for this fund will be contacted with their indicative allocation and asked to return a proposal on how they would deliver this accommodation in line with fund objectives outlined below.

2.1 Fund Objectives

The fund aims to alleviate housing pressures on local authorities arising from recent and unforeseen conflicts in Afghanistan and Ukraine. As part of this government's humanitarian response to these crises, we have welcomed over 170,000 people to the United Kingdom. This act of generosity has unavoidably created additional demand for housing at a time when local authorities are already under strain.

The objectives of the fund are to:

- Ensure recent humanitarian schemes (Afghan and Ukraine schemes) which offer sanctuary, via an organised safe and legal entry route, to those fleeing conflict, provide sufficient longer term accommodation to those they support.
- Support areas with housing pressures which have generously welcomed substantial numbers of Ukrainian refugees so that these areas are not disadvantaged by increased pressures from these arrivals on the existing housing and homelessness systems.
- Mitigate the expected increased pressures on local authority homelessness and social housing resources which arise from the eligible cohort (as defined at section 3.2 of the fund's prospectus) as sponsorship/family placements/bridging accommodation arrangements come to an end by increasing the provision of affordable housing available to local authorities to support those in the cohort who are homeless, at risk of homelessness, or in bridging accommodation;
- Reduce emergency, temporary and bridging accommodation costs;

- Deliver accommodation that as far as possible allows for the future conversion of housing units to support wider local authority housing and homelessness responsibilities to UK nationals (i.e. after usage by this cohort ends);
- Utilise accommodation solutions to enable effective resettlement and economic integration of the eligible cohort.
- Reduce impacts on the existing housing and homelessness systems and those waiting for social housing.

3. What the funding can be used for

Within the framework of the purpose and objectives of the fund set out above, we want to provide local authorities with as much flexibility as possible to shape local delivery according to circumstances in each area. The guidance provided in this document is intended to support this. Local authorities will need to be satisfied that their specific plans are lawful and deliverable.

This fund will pay capital funding in two tranches, to be spent in financial years 2022/23 and 2023/24. Local authorities cannot combine this fund with the Affordable Homes Programme or Right to Buy receipts. There is no revenue funding available. Local authorities will have their own processes in place to determine the accounting treatment of revenue costs directly attributable to capital works. It is for local authorities to determine whether it is appropriate to capitalise any revenue costs and their accounting teams should ensure that the accounting treatment adopted is deemed compliant with the code of Practice for Local Authority Accounting.

The basic model assumes stock acquisition. In practice this could include, but is not limited to:

- Refurbishing and/or converting local authority-owned residential or non-residential buildings, including defunct sheltered accommodation;
- Acquiring, refurbishing and/or converting non-local authority owned residential or non-residential buildings, including bringing empty or dilapidated properties back into use;
- Acquiring new build properties 'off-the-shelf', including acquiring and converting shared ownership properties;
- Developing new properties, including developing modular housing on council-owned sites, and;
- Working with and supporting other organisations who want to offer accommodation for this cohort.

Ultimately, local authorities may choose the most appropriate delivery mechanism to achieve the fund's objectives, and to bring on stream the accommodation as quickly as possible.

While local authorities will take the lead in their areas, this does not mean the above activities must be all be undertaken by local authorities. We expect local authorities to work closely with their housing association partners who stand ready to assist and, in

some cases, may be the most appropriate delivery vehicle to achieve the fund objectives. Housing association stock, development, and disposals pipelines could be instrumental in assisting local authorities to deliver this fund, as could their expertise and capacity for stock purchase, management and wraparound support.

Local authorities may choose to acquire properties in their own area or work with neighbouring authorities to acquire properties in their region; it is left to each local authorities' discretion whether collaboration of this kind would be an appropriate route although we would encourage collaboration where possible.

Local authorities should consider the needs of the cohort in their area when determining the size of properties to acquire. Our expectation is that the vast majority of properties acquired will be family sized homes (2-4+ bedrooms).

There are 182 local authorities, plus the Greater London Authority (GLA), eligible for funding. Eligible local authorities will receive an allocation email, which will set out the funding amount and the minimum number of units the LA needs to deliver with this funding. Local authorities or their partners are expected to fund the remainder of the costs, examples include but are not limited to funding from capital receipts, revenue, borrowing or funding by a partner.

Local authorities will be expected to manage this fund within their normal budgetary guidelines, with confidence that any budgeting decisions can be justified to their auditors. We will ask Section 151 officers to agree this with the department via a Memorandum of Understanding (MOU); further details can be found at section 4.

It is expected that all 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. If properties are disposed of, they will be subject to the Recycled Capital Grant regulations. Funding provided under this fund is for whole-life housing costs and local authorities are expected to use the funding in line with the fund objectives outlined in 2.1. 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 social rent, Affordable Rent, or a discounted private rent.

3.1 Ambition for housing those in bridging accommodation

There are around 9,200 people currently living in Home Office bridging accommodation who are being resettled via the Afghan Relocations and Assistance Policy and the Afghan Citizens Resettlement Scheme. This fund aims to support local authorities to help move more households out of bridging accommodation. Each of the 182 local authorities, plus the Greater London Authority on behalf of London boroughs, in scope for grant funding will be expected to increase their number of pledges to support people under the Afghan resettlement schemes through the usual process (by notifying their Strategic Migration Partnerships) and will be set an ambition for the number of homes to acquire specifically for housing those currently in bridging accommodation. This will be for larger homes (four or more bedrooms), given the average family size of those in bridging accommodation, and the number of properties will be determined by the population size of the local authority. The funding allocation

includes a specific element for the acquisition of larger properties for this cohort. However, local authorities can also use the main element of their funding allocation to move smaller families out of bridging accommodation into smaller homes with fewer than 4 bedrooms in addition to their allotted target for larger homes.

For this fund, we expect all local authorities in scope for funding to deliver their allocation of 4+ bedroom homes for those in bridging accommodation, and local authorities will be asked as part of the validation process whether they are able to deliver those additional units.

If local authorities do not increase their pledges and do not commit to provide sufficient larger homes to this cohort (or if the GLA commits to provide fewer than its targeted amount within London), then their provisional allocation (both the bridging and main element) will be reallocated.

3.2 Cohort Definition and Eligibility

Given the objectives of the fund, those eligible for the housing are those who are homeless, at risk of homelessness or who live in unsuitable Temporary Accommodation (including bridging accommodation) and who also meet the below definition.

Those on the:

- Afghan Citizen Resettlement Scheme (including eligible British Nationals under this scheme) (ACRS),
- Afghan Relocations and Assistance Policy (ARAP)
- Ukraine Family Scheme (UFS),
- Homes for Ukraine (HFU),
- Ukraine Extension Scheme (UES)

For those not in bridging accommodation, the local authority does not have to have accepted a Housing Act 1996 Part 7 homelessness duty in respect of the household for the household to be eligible, but the local authority should satisfy themselves that the household is already or would otherwise be homeless or at risk of homelessness if this accommodation was not available.

3.3 Matching households with properties

It will be up to local authorities to decide how to deliver and manage this fund locally. The accommodation funded through this fund should increase the housing available for the cohort outlined in section 3.2.

In addition to the eligibility criteria above, the local authority should make reasonable endeavours to prioritise households based on who is most in need when matching eligible households with properties. Beyond this, local authorities may use any lawful route that allows them to deliver this fund to cater for the needs of their area. They may wish to use their experience from the Rough Sleepers Accommodation Fund or use the same assessment and prioritisation process as for mainstream social housing stock.

Some examples of options for matching eligible households to properties include:

- Using, amending or putting in place a Local Lettings Policy to allow homes to be allocated by local authorities, or nominated to housing associations, to eligible applicants of a particular description. This is allowed under the Housing Act 1996 (section 166A(6)(b))
- Letting accommodation through a local authority owned housing company.

This is not exhaustive and depending on how local authorities are delivering the fund, they may identify other legal ways for matching households with properties.

For the larger homes acquired to enable households to move out of Home Office bridging accommodation, we would encourage local authorities to use their relationships with each other, their Strategic Migration Partnerships and with staff in bridging hotels to identify and match families to suitable properties. This is to increase the chances of successful matches, as we recognise that local resettlement leads are well-placed to use local intelligence on households in their regions to identify suitable matches and reduce the chances of refusals as much as possible. Local authorities can indicate a preference for a specific family to be matched to a property they have acquired on the ARAP/ACRS property offer form. Alternatively, if a local authority is unable to identify a specific family in a bridging hotel, the local authority can put forward properties (via their Strategic Migration Partnership) to be centrally matched by the Home Office. As mentioned above, we expect local authorities to increase their pledges for the Afghan resettlement schemes beyond their existing pledge amount to reflect the acquisition of these new properties.

3.4 Tenancy Duration and social housing legacy

Given this fund aims to create a lasting supply of affordable housing for the general population (see fund objectives at section 2.1), we expect this stock to become available to support wider local authority general housing and homelessness responsibilities after the immediate needs of the eligible cohort have been addressed.

As the housing landscape in each area and the circumstances of eligible households vary, we will not mandate local authorities to apply a fixed tenancy duration for housing funded through the fund, though in many cases this may be appropriate.

4. Funding Allocations and Delivery

4.1 Initial allocation of funding

The initial funding offer will be determined and offered to the 182 local authorities and Greater London Authority in England, who are deemed to have the greatest need for this funding based on a formula. A formula will be used to identify the total allocation to those local authorities in scope for funding across the duration of the fund.

Local authorities are given an overall ranking based on several sets of data. This combines their relative ranking in terms of the number of Ukrainian arrivals per 1000 population and their relative ranking in terms of the level of housing pressure (which includes Private Rented Sector rents in relation to income, unemployment rate, number of households in Temporary Accommodation (TA) per 1000 households and

number of households on local authority waiting lists per 1000). This data is used because in the areas of highest housing pressure, it will be most difficult for refugees/arrivals to find housing, and therefore the risk of homelessness will be higher. The capacity of local authorities to respond in these areas will also be more limited because of the shortage of housing and associated higher housing costs. The Ukrainian arrivals data is used in this ranking to reflect the sudden and additional pressure from a rapid increase in the number of arrivals of people fleeing war, which is a different magnitude to the number of refugee arrivals in recent years. Numbers in bridging accommodation in each local authority is not used because of the policy objective to move Afghans out of bridging accommodation into local authorities across the country.

An initial indicative allocation will then be offered to each local authority, working from the most pressured local authority down, on the basis of:

- A fair share requirement to accommodate families in bridging accommodation, based on a per capita distribution for those local authorities in scope of funding and a grant per property set at 50% of the estimated average lower quartile 4+ bed property price plus an allocation of £20k per property (to allow for refurbishment/other costs)
- Distributing the remaining budget based on a ratio of 1 home per 20 Ukrainian arrivals, which is then costed at a grant per property of 40% of the estimated average lower quartile property price (plus £20k per property for refurbishment/other costs)
- The model distributes funding down the list of local authorities (ranked based on Ukrainian arrivals and housing pressure) until the budget is expended, resulting in 182 local authorities (plus the GLA) being in scope for funding.

In addition, several caps are put in place for the initial allocation to help support deliverability, to minimise inflationary impacts and to ensure all parts of the country receive some support. These are:

- a. constraining the initial London allocation to reflect an achievable delivery target in the capital's highly constrained housing market;
- b. capping the allocation per region at 25% of the total fund spend; and
- c. capping the allocation to any single local authority at 30 homes.

4.2 Funding split between financial years

The local authorities who are identified by the formula as eligible for funding will be contacted directly with an indicative offer of their total allocation. Authorities will be asked whether they will be able to spend this allocation to deliver the outlined number of homes, in accordance with the details set out in this prospectus (and if not, what they could deliver). Local authorities will also be asked whether they can deliver more than the allocation using the same grant per property (detailed at 4.3).

Funding will be paid in two tranches representing 30% and 70% of the local authority's allocation agreed in the MOU. We expect that the first tranche of funding will be paid in February/March 2023 – depending on when the MoU is agreed.

The second tranche of funding will pay 'the balance' of the local authority's allocation. There will be two predetermined tranche payment dates; the first at three months and the second at five months from the tranche one payment. Dates will be confirmed as part of the MOU process. To receive the second tranche payment the local authority must have spent at least 60% of the tranche one payment delivering on the objectives of the fund, which we will ask the local authority to declare to us at progress 'checkpoints'. Local authorities do not need to wait until receiving the second tranche of payment before spending more than their tranche one payment given 'the balance' will be paid following the checkpoint when they have spent 60% of their tranche one payment.

We will also ask local authorities about the number of property purchase offers they have made, how many of those offers have been accepted, and how many contracts they have exchanged, for example. To monitor delivery, we will ask for these progress updates at each funding checkpoint, regardless of whether the local authority has reached the 60% spending threshold.

We anticipate that any additional funding agreed via the reallocations process will be paid at the same time as the second tranche payment, with an update to the MOU following the reallocations process to reflect this additional funding. Where there is no direct allocation already in place (eg London councils) new MoU arrangements may be created.

4.3 Grant Rate and Eligible Spend

Allocations to each council have been calculated as follows:

- For the "main element", the amount of grant per property is calculated as 40% of the average lower quartile property price in the council area (or for London, 40% of the average lower quartile property price in Greater London). A further £20k per property is then added to account for other costs (including refurbishment).
- For the "bridging element" (i.e. 4+ bedroom houses) the amount of grant per property is calculated as 50% of the estimated lower quartile property price for a 4+ bedroom property in the council area (or for London, 50% of the estimated lower quartile property price for a 4+ bedroom property in Greater London). A further £20k per property is then added to account for other costs, including refurbishment.

Grant rates and Eligible Expenditure for Main and Bridging Elements

It is expected that councils will use their best endeavours to acquire the target number of units and to achieve value for money. The average grant per property rate should not exceed the maximum described below but the grant per property for individual

purchases can be higher. It is recognised that the grant will not meet all of the acquisition costs and so there is an expectation that the council, or its partners, will provide the remainder of the funding required.

The maximum average grant per property rate (for the portfolio of properties, not individual purchases) for the “main element” is 40% of the costs the council charges to its capital budget plus £20k per property. Eligible costs funded by the 40% and the 20k 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. Councils should ensure they comply with the Code of Practice for Local Authority Accounting when deciding eligible costs.

The maximum average grant per property rate (for the portfolio of properties, not individual purchases) for the “bridging element” is 50% of the costs the council charges to its capital budget plus £20k per property. Eligible costs funded by the 50% and the 20k 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. Councils should ensure they comply with the Code of Practice for Local Authority Accounting.

In some cases, the amount of money provided by the grant per property may equate to an intervention rate higher than the maximum set out above - for example if the local authority is focussing on smaller homes, such as 2 bedrooms, because these better suit the needs of the eligible cohort in the area or constitute the majority of the available stock to purchase. If this means the grant rate equates to more than the maximum, the local authority is expected to acquire more units with this funding than the estimated minimum (or outline in the MOU process that less funding is needed to deliver the number of units outlined in their allocation) in order to ensure value for money and not exceed the maximum grant rate.

During the validation process, if local authorities ask to deliver fewer units than allocated, then their funding allocation will be reduced, maintaining the same grant per property rate.

Eligible Expenditure for Improvement Budget

The costs of obtaining a property are not the only costs councils may incur. They may also need to fund things like refurbishments, energy efficiency measures, legal costs, decoration, furnishings, or otherwise preparing the property for rent. We have included an un-ringfenced capital budget of £20,000 per property to account for this. This is a notional amount for the purposes of allowing for these costs in our formula. Councils can choose how much of the grant is to be spent on each individual property. For instance, it may choose to spend £10,000 on one property and £30,000 on another.

Example “main element” allocation

A local authority is allocated £380,000 to deliver 5 main element units plus £20k per unit nominally for refurbishment costs. In total it receives £480,000.

The local authority identifies 5 properties and the costs of obtaining and preparing them for rent:
Property 1: £220,000 capital cost
Property 2: £220,000 capital cost
Property 3: £240,000 capital cost
Property 4: £190,000 capital cost
Property 5: £230,000 capital cost
Total price: £1,100,000
The local authority uses the £100,000 it received nominally for refurbishment costs, leaving £1,000,000.
The £380,000 main element allocation equates to 38% of the remaining capital cost and is therefore within the 40% maximum average grant rate.
The council funds the remaining costs from other sources.

4.4 Validation forms

Eligible local authorities will have been emailed an indicative allocation offer email, a draft MOU, and a validation form. This email outlines the local authority's indicative allocation. Receipt of the initial indicative allocation email and completion the validation form is not a commitment to providing funding or a commitment by a local authority to receive and spend funding. Final allocations will be confirmed in writing following the department's review of the form(s) as outlined in this section. This does not prejudice a local authorities' right to not sign a Memorandum of Understanding.

We will ask all local authorities to submit the validation form no later than 25 January 2023 to confirm if they are willing and able to participate. This helps us understand which local authorities do not wish to take up this funding, how many units local authorities are willing to deliver and allows us to begin reallocating funding.

The validation form will ask local authorities to cover the key details of their delivery proposal; this will then be assessed and validated by the department.

In the validation form we will ask for information on:

- The number of homes that the local authority plans to acquire as part of this fund including the number of 4+ bedroom homes for families in bridging accommodation
- Delivery approach
- Project milestones
- Risks and barriers to delivery

A copy of the validation form questions is attached at Annex A. Validation forms must be submitted via [this page](#) no later than midday 25 January 2023. These will be reviewed and responded to as they are received, and we intend to respond to all forms by 15 February 2023.

After submitting your validation form, please send your completed and signed Memorandum of Understanding by email to the Local Authority Housing Fund Team via LAHF@levellingup.gov.uk <mailto:LAHF@levellingup.gov.uk>. The template MOU is [here](#), which are the standard terms that will be agreed with every local authority, and

the text of which is non-negotiable. If you are delivering the full allocation, complete the MOU using the numbers from your allocation email. If you are agreeing to deliver a lower number of units than your allocation, to complete your MOU, calculate the funding amount for your specified number of units, using the grant per property rate set out in your allocation email – further detail is included in the blank MOU.

We encourage local authorities to return their validation form and MOU as soon as they can as we may be able to work faster with those who agree to the terms of the programme and return their validation forms and MOU earlier. Any reallocations will be calculated and communicated by the end of March 2023.

Given that this is not a bid-based fund, proposals will be assessed acknowledging that accountability for delivery rests with the local authority. The questions have been designed to identify local authorities who would be unwilling or unable to deliver the fund. The assessed section of the validation form will consider responses regarding:

- The proposed scale of delivery relative to the indicative allocation
- Whether delivery plans meet fund objectives
- Confirmation that the local authority is content with formal reporting requests every 2 months
- Confirmation that the Section 151 Officer or Deputy Section 151 Officer has signed off the proposal

We will confirm by end of March 2023 any additional funding available to the local authority following a reallocations process based on validation form data.

If we have any queries on the answers provided in the validation form, we will contact the local authority directly.

4.5 Reallocation

During the validation process, local authorities will be asked whether they can deliver more than their initial allocation.

If in the validation form stage local authorities state they are unable to deliver the units allocated to them across the duration of the fund, the funding for the units they say they will be unable to deliver will be reallocated to other local authorities (including directly to London councils). This reallocation will be based on a process aligned with the fund objectives in 2.1, taking into account need and deliverability. If additional funding is available for local authorities who have told us they can deliver more than their initial allocation, we will contact them to confirm any further funding offer and to agree an update to the MOU to reflect this additional funding.

If a local authority misses the deadline for submitting their validation forms, they are unlikely to receive funding at tranche one. Whether it is still possible to provide them with any funding will depend on when we receive the necessary details from them and the progress of the reallocations process (including the amount of money left to reallocate). We ask that local authorities who foresee a difficulty in working to the

communicated deadlines get in touch with the Local Authority Housing Fund Team as soon as possible.

If money remains after allocating additional funding to the local authorities that have said they can deliver more across the two years of the fund, then the list of local authorities may be expanded beyond those in receipt of initial allocations.

If a local authority is allocated additional funding as part of the reallocation process, this will be paid together with the baseline funding amount for year two (agreed as in the original signed Memorandum of Understanding). As with the tranche two payment, this additional funding will be subject to the local authority having spent at least 60% of their tranche one payment at the 'checkpoint' before the tranche two payment. Where there is no pre-existing direct agreement (as would be the case with individual London councils), new agreements would be made.

The allocations for the "main element" and "bridging element" will be treated separately for reallocations, and so "bridging element" funding will not be reallocated to deliver more 'main element' properties. This is to avoid undermining the number of properties delivered for those in bridging accommodation.

4.6 How grants will be delivered

This fund will operate only in England and funding will be allocated direct to local authorities under section 31 of the Local Government Act 2003.

The funding will be allocated to the appropriate district council or unitary authority. Initial allocations for London will be made via the Greater London Authority. Further allocations may be made directly to London councils.

We will contact local authorities directly with their indicative allocation based on the formula outlined above.

4.7 Payment process

Payments will be made in the form of grants under Section 31 of the Local Government Act 2003 and paid as two instalments, on agreement of an MOU between the local authority and the Department for Levelling Up, Housing and Communities.

Once we have contacted local authorities to confirm their final allocation, we expect local authorities to obtain any further necessary clearances to enter into a MOU with the Department based on the information they provided in the validation form. Funding will then be distributed to the local authority following the signing of the MOU.

For local authorities allocated any additional funding via the reallocations process, prior to payment of any additional funding there will be an update to the MOU agreed to reflect this additional amount, and this will be paid alongside the tranche two funding.

Tranche one payments will be made in February/March 2023 depending on the date the MOU is agreed. Payments for tranche two will be paid in May and July 2023 respectively, dependent on when the local authority's spending on this fund surpasses 60% of their tranche one payment.

Given the urgency of delivery we expect all local authorities to show flexibility in how they apply their approvals processes in order to participate in this fund. All MOUs should be signed ahead of the first tranche of payments. Local authorities will ultimately be responsible for delivery and ensuring value for money of the allocation they have received.

4.8 Fraud Risk Assessments

Local authorities shall be responsible for ensuring that fraud is a key consideration in all spend activity and that the following minimum standards are met:

- Follow the [Grants Functional Standards on Fraud Risk Assessment](#) (FRA) – pages 15-19;
- Undertake FRAs at an appropriate level to each individual project dependent on risk;
- Ensure that this spend is undertaken in accordance with effective authority fraud prevention policy and procedure, and via engagement with your organisations' specialists in this area;
- Ensure that relevant evidence and data to prevent fraud is gathered as part of due diligence undertaken ahead of releasing funds;
- Implement reporting and monitoring requirements that will identify irregularities or issues in use of funds which can be investigated further;
- Store and file all work undertaken on FRA in the event of any issues or audit requirements.

4.9 Due Diligence

Local authorities shall be responsible for ensuring that proportional due diligence is applied to all this fund spend and that the following minimum standards are met:

- Follow the [Grants Functional Standards on Due Diligence](#) – pages 20-24;
- Undertake due diligence at an appropriate level to each individual project dependent on risk;
- Ensure that due diligence is undertaken in accordance with effective authority rules and procedures through authorities' teams specialising in this area;
- Ensure that key areas of due diligence identified for projects in which local authorities invest are reported on and monitored throughout the term of delivery;
- Store and file all work undertaken on due diligence in the event of any issues or audit requirements.

4.10 How we will monitor performance and delivery

Key Performance Indicators (KPIs) will be detailed in MOUs with local authorities and will be based on the fund objectives outlined at section 2.1.

Every two months, local authorities will provide a mix of quantitative and qualitative summary updates to the Department for Levelling Up, Housing and Communities to track against agreed delivery milestones. The reports will be due every two months until delivery is completed, with the dates specified in the MOU.

We will ask for the following information either as part of ongoing monitoring and/or as part of evaluation of the fund:

- Offers accepted, including bedroom size and whether these are part of the “main” or “bridging” element of the funding;
- Number of properties where contracts exchanged, including bedroom size;
- Number of properties occupied, including bedroom size;
- Number of families housed, including which resettlement programme they belong to;
- Number of individuals housed, including which resettlement programme they belong to;
- Total expenditure (including grant and other funding);
- Total committed spend (including grant and other funding);
- Government grant used;
- Overall assessment (RAG rated) of whether delivery is on track.

Future evaluation requests

We will conduct an evaluation of the fund near the end of the monitoring period. To understand how the fund is being delivered in further detail, we will ask local authorities for the following information:

- How properties have been sourced (e.g. through stock acquisition or another delivery route);
- Breakdown of households housed by previous housing situation, e.g. emergency accommodation/temporary accommodation;
- Tenancy duration;
- Rent levels;
- Number of additional pledges made to provide housing for those in bridging accommodation;
- Number of properties obtained outside the local authority’s area, if applicable, and where these are located.

We expect that local authorities will respond to any reasonable additional requests from the Department for Levelling Up, Housing and Communities to support any retrospective assessment or evaluation as to the impact or value for money of the fund. We will expect the authority to, at minimum, monitor spend, outputs and outcomes against agreed indicators and keep this information for at least 5 years.

We may also ask for details about how the acquired properties are being used, for example if they are still publicly owned and if they have become part of the social housing or affordable stock. This will require local authorities to maintain address-level data. This is for us to examine the legacy impacts of the fund.

4.11 Next steps and important dates

- Local authorities who have been identified as eligible for funding will be sent a link to a validation form, to confirm their interest in participating, and to set out how they intend to deliver this fund. Submissions will be reviewed as they are received and therefore forms submitted earlier may receive an earlier response.
- Local authorities must submit their validation form by 25 January 2023 via this [link](#). Forms will only be accepted submitted by the link above. After submitting their validation forms, we encourage local authorities to email their signed MOU as soon as possible.
- In the event we have any clarification questions about the contents of a validation form, we will contact the local authority directly for further detail.
- If a validation form is accepted, we will make best endeavours to contact the local authority to confirm their allocation by 15 February 2023. We will be prepared to sign a Memorandum of Understanding with local authorities as soon as they have received the appropriate internal clearances. We expect local authorities to have signed this no later than 1 March 2023 but will work flexibly with local authorities.
- Tranche one of funding is due to happen in February/March 2023 (depending on the date the MOU is agreed), tranche two is due to happen in May or July 2023, dependent on when the local authority's spending on this fund surpasses 60% of their tranche one payment as reported during the monitoring and evaluation windows.
- Local authorities will be asked to complete a monitoring return every two months on the basis as set out in the Memorandum of Understanding and we will discuss any concerns about delivery with local authorities directly. The final monitoring return is scheduled to take place in November 2023, however we will expect monitoring returns to be completed until delivery is complete. We expect to carry out an evaluation from December 2023.
- For any questions about this fund please contact LAHF@levellingup.gov.uk.

Annex A – Validation Questions

Overview

The Local Authority Housing Fund will provide up to £500 million in capital grants to help councils obtain additional housing to accommodate the defined eligible cohort at risk of homelessness or living in bridging accommodation.

Councils' funding offer has been allocated on the basis of a formula, taking into account housing pressures and the number of recent Ukrainian arrivals.

This form applies to eligible councils in England only.

The validation form will be split into two parts, assessed and non assessed additional questions.

If you need to edit or revisit any sections of the validation form you will need to use the browser back button. Be aware that if you use the browser back button, the screen that you are currently viewing will not be saved.

Once you have submitted your validation form you will not be able to edit your response.

Please keep a copy of your answers for future reference.

After submitting your validation form, please send your completed and signed Memorandum of Understanding by email to the Local Authority Housing Fund Team via LAHF@levellingup.gov.uk.

Validation Questions

1. Are you willing and able to participate in the Local Authority Housing Fund programme?
 - Yes (form proceeds to question 3)
 - No (form proceeds to question 2)
2. Please provide further details of why you are not willing or able to participate in the programme (form proceeds to end).
3. Does the proposal you outline in this form meet the fund objectives outlined below? (Please note this is requirement of the fund and if not agreed you will not be able to participate in the fund.)
4. For the "main element" of the fund, how many homes can you acquire by 30th November 2023 (this is a target date, payments will be honoured assuming delivery within financial years 2022/23 and 2023/24)?

Note: if you can deliver fewer than your initial allocation, your funding will be scaled down proportionally to reflect the number of homes, based on the grant per property outlined in your allocation email. If you state you can deliver more homes at this grant rate than your initial allocation, we will progress with the MoU using your initial allocation and following reallocation process, we will

confirm whether any additional funding is available to enable you to deliver more than your initial allocation.

All delivery proposals in this section should be based on the policy in section 2.1 of the prospectus and the grant per property set out in your allocation email.

5. For the "bridging element" of the fund, how many 4+ bedroom homes can you acquire by 30th November 2023 (this is a target date, payments will be honoured assuming delivery within financial years 2022/23 and 2023/24)?

Note: if you can deliver fewer than your initial allocation, your funding will be scaled down proportionally to reflect the number of homes, based on the grant per property outlined in your allocation email. If you state you can deliver more homes at this grant rate than your initial allocation, we will progress with the MoU using your initial allocation and following reallocation process, we will confirm whether any additional funding is available to enable you to deliver more than your initial allocation.

All delivery proposals in this section should be based on the policy in section 2.1 of the prospectus and the grant per property set out in your allocation email.

6. Do you agree to provide progress reports every 2 months until delivery is completed including Management Information (MI) and reporting against Key Performance Indicators (KPIs) as detailed in the prospectus?

(Please note this is requirement of the fund and if not agreed you will not be able to participate in the fund.)

7. Has your Section 151 Officer or Deputy S151 Officer approved this submission?

(Please note this is requirement of the fund and if not agreed you will not be able to participate in the fund.)

Additional non-assessed questions

The next set of questions are not assessed and will be used by the department to aid policy development and evaluation design only.

1. If the number of "main element" properties you can deliver is fewer than your allocated number, please outline the reasons for this.
2. If the number of 4+ bedroom "bridging element" properties you can deliver is fewer than your allocated number, please outline the reasons for this.

3. How do you plan on delivering your proposed/target number of homes?
Please provide details of the type of stock you plan to acquire, noting the non-exhaustive list of examples provided in section 3 of the programme prospectus.
4. If your chosen delivery plan will add to existing housing in your area, please provide an estimate of the number of new homes.
5. Please provide your key milestones for delivery, including decision making timelines.
6. Based on the indicative approach(es) identified in your delivery plan above, please provide a brief overview that shows a financial projection of how and when the budget will be spent versus the timescales / number of homes to be acquired.
7. How do you intend to fund your contributory share required to secure your proposed/target number of homes? (e.g. from capital receipts, revenue, borrowing or funded by a partner?)
8. What are the key risks for delivery and how do you intend to mitigate them?
9. If this programme continued into future years using the same or a similar approach, (e.g. assuming launch in late 2023 and running for the following 12 months), how many homes could you deliver in this time period?

Open		Would any decisions proposed: Be entirely within Cabinet's powers to decide NO Need to be recommendations to Council YES Is it a Key Decision YES			
Any especially affected Wards Hunstanton Ward	Discretionary				
Lead Member: Cllr Richard Blunt E-mail: <i>cllr.richard.blunt@West-Norfolk.gov.uk</i>		Other Cabinet Members consulted: Leader and Deputy Leader			
		Other Members consulted: Cabinet			
Lead Officers: David Ousby E-mail: <i>corporateprojects@west-norfolk.gov.uk</i> Direct Dial: 01553 616505		Other Officers consulted: chief Executive, Monitoring Officer, S151 Officer			
Financial Implications YES	Policy/ Personnel Implications NO	Statutory Implications YES	Equal Impact Assessment NO Assessment	Risk Management Implications YES	Environmental Considerations NO

Date of Meeting: 8 February 2023

HUNSTANTON MULTI USER HUB AND TRANSPORT INTERCHANGE

Summary

A planning application to build 47 apartments on land off Westgate, Hunstanton, with retail units, a new library and adult education facility, was approved in March 2021.

Work to develop this proposal, which would have provided a significant number of new homes for the town on a challenging site, was supported with a grant from Homes England. Around £800,000 was spent on this work, which is significantly less than the £1.5million that would be normal for a scheme of this size (figure based on 15% of a £10.4m scheme).

At the time that the planning application was submitted, Document B (Fire Safety) Volume 1, stipulated a height threshold of 30m before residential buildings required sprinklers. The proposed building would have been below this height. However, changes to Building Regulations (Approved Document B, Volume 11) were published in May 2020, taking effect from November 2020; the revised guidance stated that blocks of flats over 11m height should be provided with sprinklers. The top floor of the proposed unit was over 11m.

At the time, officers felt that it would be possible to proceed with the application and seek a way to resolve the sprinkler issue retrospectively.

However, a month after permission was granted, further regulatory changes – this time to fire standards – were announced.

This, combined with unforeseen rises in construction costs following the Covid-19 pandemic, and more recently forecast falling house prices, has had a material impact on the financial viability of this scheme, and to other Borough Council Major Housing Projects within the Capital Programme.

Officers have therefore been considering alternative options for the site. Matters of note have influenced that thinking:

1. A Neighbourhood Plan for Hunstanton was adopted in June 2022. This plan identifies a the designation of the site in the Neighborhood Plan (Policy M3: Protection of Local Community Facilities).
2. The County Council has indicated funding is available that could be used to support a plan to invest in an improved library / adult education facility (with toilets and a changing place facility), along with investment in an improved bus station and creating an Active Travel Hub.
3. The impact of financial viability of the housing development on the overall Accelerated Construction Programme (ACP).

Having reached the conclusion that the site had become unviable for a variety of reasons as a location for housing, the availability of other government grant for transport, and NCC prepared to fund their own library and to invest in the site as an Active Travel Hub, officers are instead recommending that the Council pursues this option.

Recommendation

That Cabinet approve the following:

1. **The Council will not proceed with housing on the bus station site in view of external factors affecting the viability of the scheme and the opportunity to pursue a viable alternative, and will remove the project from the Capital Programme;**
2. **NCC will continue to proceed with the improved library / adult education facility (including the library, toilets, and changing places toilet) on the site enabled with the addition of land owned by the Borough which will include the provision of an area for West Norfolk tourism information (subject to further negotiation);**
3. **NCC will proceed with the Bus Back Better Grant to improve coastal travel, cycle facilities and sustainability, invest to improve the bus station as a transport interchange and to agree terms with Borough Council for the land;**
4. **The Borough Council, supported by Norfolk County Council, to negotiate with Homes England in respect of the ACP funding originally allocated to development of this site.**
5. **The Borough Council will work with all parties on developing a joint strategic approach to regeneration and growth in the wider Hunstanton area through an agreed Masterplan;**
6. **That the Assistant Director for Property and Projects, in consultation with the Portfolio Holders for Property and Finance, S151 officer and Monitoring Officer be given delegated authority to to finalise the legal arrangements for the land.**

Reasons for Decision

To deliver on the Council's corporate objectives, in partnership with Norfolk County Council, to:

- **Protect and enhance the environment, including tackling climate change; delivering on the Council's commitment to be carbon neutral by 2035; and**
- **Create and maintain good quality places that make a difference to people's lives.**

1. Background

- 1.1. On 18th September 2018 Cabinet recommended to Council that we enter into a contract with Homes England, to accept their accelerated funding grant (ACP) offer to bring this site forward. This funding is given for the purpose of supporting Councils to develop challenging sites that carry significant risks. The principal requirement for the ACP funding grant was that the housing was delivered at 130% of the current market housing delivery rate. The contract was agreed on the basis that this development should be taken forward as part of the Major Housing Contract with Lovell Partnerships Limited to facilitate the acceleration of the development. The contract confirmed that the grant was specific to this site.
- 1.2. On 2nd February 2021 Cabinet approved the recommendation to enter into a contract with Lovell Partnerships Ltd under the Major Housing Project Contract to deliver this project. The existing decision included a proposed tenure mix of 80% Open Market Sale and 20% Affordable homes. Cabinet also approved the recommendation to enter into a contract with Norfolk County Council that swapped their land and existing library which would include an area for West Norfolk tourism information provision (subject to further negotiation) in exchange for the Council incorporating a new, improved library in the development.

2. Details of the scheme

- 2.1. A Planning Application was submitted on 16th June 2020 for the *“Construction of public library, retail/services unit (Class E), public conveniences and 47 apartments, with associated infrastructure and landscaping, including demolition of existing buildings at Hunstanton Bus Station, St Edmunds Terrace, Hunstanton, Norfolk”*. Planning committee approval (ref 20/00817/FM) was granted on 22nd March 2021.

3. Update on Progress

- 3.1. The Borough Council’s development partners, Lovell Partnerships Ltd, undertook further detailed design and a financial reappraisal of the development in preparation for entering into contract to construct.
- 3.2. This took into account a number of external factors that had arisen. These included building regulation / Fire Safety Act changes during the design phase, requiring the installation of a commercial-grade sprinkler system in the library, and a significant increase in material and labour costs as a result of the Covid-19 pandemic and Brexit. Recent announcements have impacted on housing prices and there is an expectation of a fall in house prices over the next two years. The new appraisal resulted in a projected deficit of around £380,000. Although allowances have been made within the viability for materials cost inflation and house price movements, the deficit could rise to £1.5m should costs increase and revenues fall by 5% each respectively.
- 3.3. The Borough Council has, to date, committed £890,000 to designing and planning the housing scheme, of which £776,000 has been invoiced. £799,680 has been committed by Homes England from Accelerated Construction Programme (ACP) Funding. In addition, the Borough Council received £17,022 under the One Public Estate funding to pay for some of the early feasibility works. On a project of this size and scale, it would be normal

to spend in excess of £1.5million up to this point. The Borough Council has therefore minimised its exposure to the costs associated with getting the scheme to this stage.

- 3.4. Should the scheme be aborted due to the viability issues discussed in this report, then Homes England may look to recover their grant if a housing scheme is not developed on this site. The ACP funding agreement with Homes England specifies the funding is restricted to this site.

4. Revised viability

- 4.1. There are a number of viability factors to be considered on this site.
- 4.2. The primary issue with the existing design is the >11m difference between the lowest floor level and the highest floor level. Under the new building regulations in respect of fire safety, this required a commercial-grade sprinkler on the ground floor, an expensive and complex item to deliver.
- 4.3. The revised concept design to the building would result in the loss of 5 no. residential units and the ground floor retail space (used to mitigate the loss of further residential units), which would reduce the income from the scheme.
- 4.4. At the same time, development costs have increased overall, despite the omission of the top floor, due to cost inflation in materials and other construction costs.
- 4.5. The revised scheme would require a new planning application and would be subject to the consequent risks of more onerous conditions being imposed than on the extant consent, not least the designation of the site in the Neighborhood Plan (Policy M3: Protection of Local Community Facilities).
- 4.6. In September 2022, the Borough Council appointed Wilks Head & Eve to undertake an independent RICS Red Book valuation of the scheme, as requested by Home England.
- 4.7. The valuation report is an independent assessment of the costs and revenues of the revised scheme, resulting in a nil residual value for the land. The report, summarised in **Appendix 1**, shows a significant increase in the value of both the open market and affordable housing from our previous viability estimates.
- 4.8. The report agrees with the latest cost information from Lovell Partnerships Limited (LPL) (from their experience at our other Major Housing Project at Southend Road Hunstanton, currently under construction) suggesting we need to increase our allowance for abnormal and contingency costs by circa £600,000.
- 4.9. The net result is that, although the scheme viability is improved as a result of the valuation report, the cost estimate has increased to the point where the scheme deficit is circa -£379,000. Under the terms of the partnership with LPL, there is no developer profit payable to them for a scheme that does not deliver a positive return.

5. Homes England ACP grant funding

- 5.1. The ACP grant can be used to fund site enabling and infrastructure works that unlocks barriers to development and allows housing to be developed. In

return for ACP grant funding there are requirements around the pace of construction i.e., utilising Modern Methods of Construction (MMC) and delivery timescales. A key requirement was that all infrastructure and enabling works funded by the grant must be completed by 31st March 2021.

- 5.2. All funding had to also be drawn down on an arrears basis by March 2021. This was subsequently extended until September 2021 to take account of delays during the Covid 19 pandemic. The ACP funding programme recognises the challenges associated with the development of difficult and complex sites.
- 5.3. Where developments are unable to progress Homes England will consider on a case by case basis if the grant is required to be paid back. The Borough Council, with the support of Norfolk County Council, is currently in dialogue with Homes England regarding the grant and await their final decision.

6. Active Travel

- 6.1. An alternative option was presented in August 2022 by Norfolk County Council to retain the site as an improved library / adult education facility (with toilets and a changing place facility), along with investment in an improved bus station and creating an Active Travel Hub. This would match the aspirations of the Town Council for the site.

7. Housing Implications

- 7.1. There is an unmet demand for general needs market housing within the Hunstanton area, with limited opportunities for housing development, and consented schemes generally catering either for the executive homes or retirement housing market.
- 7.2. There are limited alternative sites for general needs housing available for development. The Council is currently building 32 general needs housing apartments (including 20% affordable) at Southend Road, and a further 26 affordable homes are proposed on the site at Waveney Road (Sheepfields).
- 7.3. There are Local Plan allocated sites that have not come forward for development. New sites are being considered by both the Borough and County Councils that were not available until recently
- 7.4. The ACP funding agreement is specific to this site. Homes England have a restriction on title of the land owned by the Borough Council . The affected title plan is shown in Appendix 1.
- 7.5. Both Councils have commenced the development of a joint strategic approach between all stakeholders to consider wider regeneration and growth in the Hunstanton area through an agreed Masterplan will enable a co-ordinated approach to delivery of planned investment by all authorities.

8. Financial Implications

- 8.1. The tranches of funding that have already been drawn from the ACP have supported the development costs incurred to date. Subject to negotiation with Homes England, this funding may need to be repaid.

- 8.2. In the Borough Council's Capital Programme for 2022-23, the Housing Development Schemes would have potentially generated as group a £12.3m surplus to support the Capital Projects within Borough Council.
- 8.3. However, as a result of increased development costs currently quoted at 13.5%, based upon formal reviews to date, this has meant adverse impact on the Capital programme to the tune of £4.4m
- 8.4. Consequently, the Borough Council will need to reconsider the Capital Programme and possible increased cost of borrowing as a result.
- 8.5. If there was a need to repay the £800k to Homes England this would further jeopardise the Borough Council's revenue budget if it were unable to capitalise the scheme expenditure to date (as no asset has been delivered).

9. Personnel Implications

- 9.1. Delivery of the Active Travel Hub (ATH) proposal with an improved library / adult education facility (with toilets and a changing place facility), will not require any additional staff resources for the Borough Council.

10. Environmental Considerations

- 10.1. The overall benefits of an ATH within the site will provide additional multi-modal travel options, reducing the reliance on private car use. There will be additional benefits for ATH delivery in the future with the engagement providing the baseline and business cases for new hubs. Longer-term benefits of the ATH could also include:
 - Improved air quality through increased adoption of sustainable modes of travel and use of electric vehicles – benefitting everyone but especially children and vulnerable people.
 - Reduced carbon footprint of journeys made in the Borough through an increased proportion of trips being made by sustainable modes and electric vehicles.
 - Improved public health through increased active travel.
 - Enabling active and clean connectivity within and between towns in the district as an essential node within the Countywide Local Cycling and Walking Infrastructure Plan (LCWIP).

11. Statutory Considerations

- 11.1. The statutory authority for the proposal is contained in s1 of the Localism Act 2014 and s12 and s95 of the Local Government Act 2003.

12. Equality Impact Assessment (EIA)

- 12.1. No relevant impacts

13. Risk Management Implications

- 13.1. The main risks to the Council associated with agreeing to the housing development scheme are listed below. These are then looked at more fully together with the risk mitigation strategy for each in the subsequent paragraphs.
 - Homes England require ACP funding to be repaid in part or in full

- Unable to reach agreement with NCC on a joint strategic approach to deliver a masterplan approach for growth and regeneration within the Hunstanton area
- Unable to agree terms with NCC and other stakeholders for the use or transfer of land within the Bus Station and Library site

13.2. The table below considers the above risks in more detail

Risk items	Risk Implications and Sensitivity	Level of Risk
Homes England require all or part of the ACP funding to be repaid	<p>Risk</p> <p>Unable to reach agreement on recycling the ACP funding paid to deliver intended housing on this site</p> <p>Sensitivity/Consequences</p> <p>The Council has already significantly mitigated this cost as it is approximately half what might have been spent on a scheme of this size. The current worst-case scenario is that ACP funding is repaid in full. The Housing Strategy Manager is leading on negotiations with Homes England and will report back on the progress of these discussions at the meeting.</p>	High
Unable to reach agreement with NCC on a joint strategic approach to deliver a masterplan approach for growth and regeneration within the Hunstanton area	<p>Risk</p> <p>A joint strategic approach to deliver regeneration and growth with housing in the Hunstanton area is not forthcoming.</p> <p>Sensitivity/Consequences</p> <p>All stakeholders and interested parties will need to agree the scope and programme for the completion of a Masterplan and approval of the same by the respective Councils. The new Executive Director for Place will be the lead for BCKLWN in developing the Masterplan. The Borough Council's Assistant Director - Regeneration, Housing and Place will support the Executive Director on this going forward, developing an action plan including governance responsibilities in due course.</p>	Medium
Unable to agree terms with NCC for the use or transfer of land within the Bus Station site	<p>Risk</p> <p>Negotiations with NCC on required sale / lease / easements to enable delivery of ATH / Library extension fail.</p> <p>Sensitivity/Consequences</p> <p>Assistant Director for Property and Projects will negotiate with NCC over lease of land required for County to deliver their proposed scheme. The extend of the land required is identified within Appendix 1. Homes England currently have a restriction on title of the land owned by the Borough Council.</p>	High

14. Declarations of Interest / Dispensations Granted

14.1. None

15. Background Papers

- Report to Cabinet 18 September 2018 – Accelerated Construction Programme
- Report to Cabinet 2nd February 2021- Hunstanton Bus Station

- Hunstanton Active Travel Hub proposal – NCC – August 2022

Appendices

Appendix 1– Valuation summary and title plan

Appendix 2 – summary cost information

Pre-Screening Equality Impact Assessment

Borough Council of
**King's Lynn &
West Norfolk**

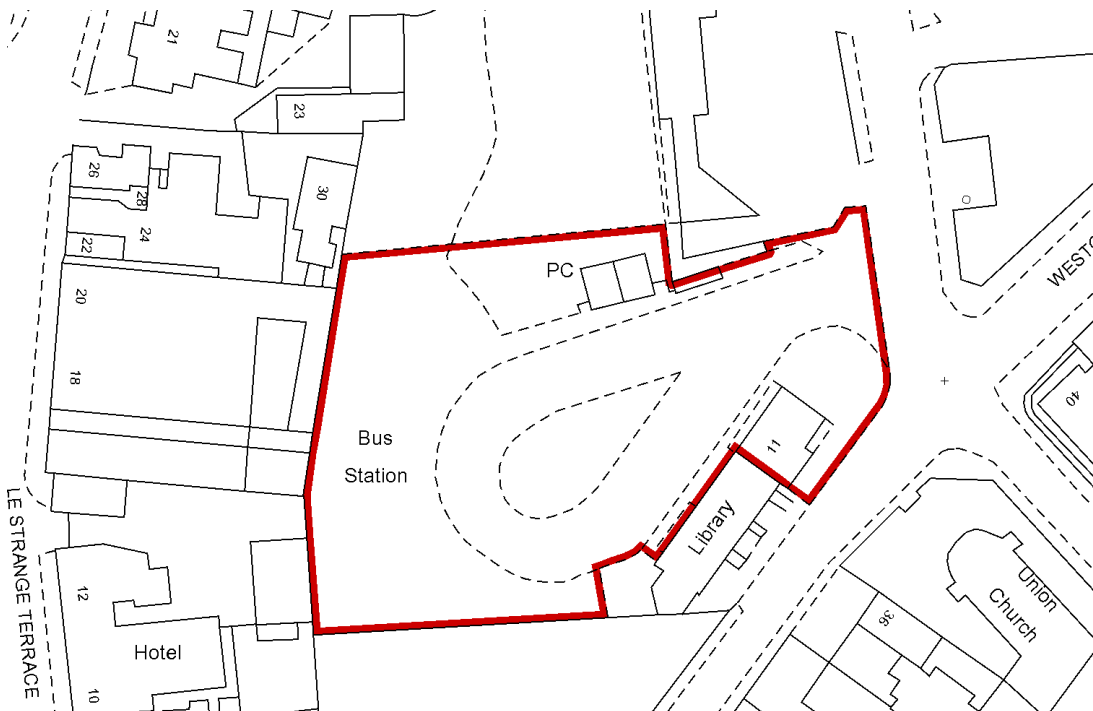


Name of policy/service/function	Hunstanton Multi User Hub and Transport Interchange				
Is this a new or existing policy/service/function?	Existing				
Brief summary/description of the main aims of the policy/service/function being screened. Please state if this policy/service is rigidly constrained by statutory obligations	An improved library / adult education facility (including the library, toilets, and changing places toilet) on the site enabled with the addition of land owned by the Borough which will include the provision of an area for West Norfolk tourism information (subject to further negotiation)				
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 (e.g. low income)				√	
Question	Answer	Comments			
2. Is the proposed policy/service likely to affect relations between certain equality communities	No				

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?		
3. Could this policy/service be perceived as impacting on communities differently?	No	
4. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?	No	Shortage of 'decent' housing in the Borough.
5. Are any impacts identified above minor and if so, can these be eliminated or reduced by minor actions? If yes, please agree actions with a member of the Corporate Equalities Working Group and list agreed actions in the comments section	No	Actions:
		Actions agreed by EWG member:
<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>N/A</p> <p>Decision agreed by EWG member:</p>		
Assessment completed by: Name David Ousby		
Job title Assistant Director		
Date 24/01/2023		

Appendix 1– Valuation summary and title plan

Wilks, Head & Eve valuation with Affordable Rented values amended to LHA cap rent									
		£,000	allowance	services	yield	£,000	£,000		
private development									
plot 1-38						Capital Value			
1 b2p flat	16	240	100%			240	3,840		
2b3p flat	18	295	100%			295	5,310		
Total private sale	34								
shared ownership									
Plots 39-42									
2b3p flat	equity sold	3	295	40%		118	354		
	retained			60%		531			
rent on retained equity				2.75%		15	5%	292	
									646
Affordable Rent									
	at LHA cap		Rent pa £		net rent £				
1b2p flat	3		5,400	25%	4,050	5%	81	243	
2b3p flat	2		6,900	25%	5,175	5%	104	207	
Total affordable	5								
Total units	42								
Total GDV									10,246
Funding									
ACP Funding						800			
Total revenue									11,046
WH& E Costs						10,628			
									418
Lovells cost estimate						11,261			
Development finance						164		- 379	net position



The above Title plan (NK337030) shows land at Bus Station, Hunstanton in Borough Council ownership (subject to restriction on title in favour of Homes England).

Appendix 2 – summary cost information

<i>Table 2- development costs</i>	Cabinet February 2021 £,000	May 2022 £,000	December 2022 £,000	% change from Feb 2021
Development cost	-£10,415	-£10,584	-£11,260	6.69%
ACP funding	£800	£800	£800	0.00%
Retail unit	£97			
Market Sale	£8,900	£8,230	£9,150	2.81%
Affordable	£963*	£465*	£1,096	13.82%
Land value adjustment**	£372	£0	£0	
Financing cost	£140	£164	£164	
Net surplus	£576	-£1,253	-£379	-37.29%

February 2021 - 47 dwellings, 2 retail units, Library and public toilets

May 2022 - 42 dwellings, Library & public toilets. Affordable values from BCKLWN, market values from sales agent (base date December 2021) construction cost Lovell (base date January 2021)

September 2022 - scheme as May 2022, with Valuer providing market and affordable values. Construction costs updated by Lovells (including incurred costs to date from abortive 47 unit scheme)

Costs that have not been accounted for here are:

- staff overhead costs (included within revenue budget for service area)
- land value (nil as per red book valuation)
- Other BCKLWN overheads (on cost such as ICT, property services, finance, etc. – included within revenue budgets).

*Previous affordable valuations provided by BCKLWN Housing Development on behalf of West Norfolk Housing Company Ltd. Current Affordable valuation as advised by Independent Valuer

** The report to Cabinet dated 2nd February 2021 included a land value adjustment figure of £372,000

The sensitivity analysis below shows a worst case scenario of £1.5m deficit (best case surplus -£745,000)

		Sensitivity analysis				
		Revenue ,000				
		-5%	-2%	0%	2%	5%
Cost ,000	-5%	£360	£29	-£192	-£413	-£745
	-2%	£703	£371	£150	-£71	-£402
	0%	£931	£600	£379	£158	-£173
	2%	£1,160	£828	£607	£386	£55
	5%	£1,502	£1,171	£950	£729	£398

REPORT TO CABINET

Open		Would any decisions proposed :			
Any especially affected Wards	Operational	Be entirely within Cabinet's powers to decide		YES /NO	
		Need to be recommendations to Council		YES/ NO	
		Is it a Key Decision		YES /NO	
Lead Member: Cllr Stuart Dark E-mail: cldr.stuart.dark@west-norfolk.gov		Other Cabinet Members consulted: None			
		Other Members consulted: CPP 3 October 2022			
Lead Officer: Monitoring Officer E-mail: alexa.baker@west-norfolk.gov.uk Direct Dial:		Other Officers consulted: None			
Financial Implications YES/ NO	Policy/ Personnel Implications YES/ NO	Statutory Implications YES/ NO	Equal Impact Assessment YES /NO If YES: Pre-screening/ Full Assessment	Risk Management Implications YES/ NO	Environmental Considerations YES /NO
If not for publication, the paragraph(s) of Schedule 12A of the 1972 Local Government Act considered to justify that is (are) paragraph(s)					

Date of meeting: 8 February 2023

CALL-IN OF OFFICER DELEGATED DECISIONS

Summary

The ability for Overview & Scrutiny Panels to call in decisions of the Executive is required by legislation, but the detail of the procedure for call-in is a locally determined matter for each Council. This Council's constitution does not list officer delegated decisions as decisions that can be called-in. It is recommended that they should be added to this list and Standing Orders duly amended.

Recommendation

That Standing Orders 12 and 30 be amended as set out in this report.

Reason for Decision

To ensure the Council's call-in procedure aligns with legislative requirements and best practice.

1 Background

1.1 This Council has a Cabinet & Leader governance structure. The explanatory notes to the legislation which introduced this form of governance structure state that the objective is to deliver greater efficiency, transparency and accountability of local authorities. The arrangements are intended to ensure that decisions can be taken more quickly and efficiently than in committee systems, that the individuals or bodies responsible for decision-making can be more readily identified by the public, and that

those decision-makers can be held to account in public by overview and scrutiny committees.

1.2 The counter-weight to the Cabinet model is the Overview and Scrutiny function. Part of this function is the mechanism to review or scrutinise decisions made, or other action taken, in connection with the discharge of any functions which are the responsibility of the executive before the decision is implemented, with the option of referring the decision back to the decision-maker to recommend that the decision be reconsidered. This is termed a 'call-in'.

1.3 Call-in procedures are locally determined by each Council. This Council's constitution does not list officer delegated decisions as decisions that can be called-in. Historically, the only decisions of officers that could be called-in were key decisions, and because under this Council's constitution officers are not able to make key decisions, it was therefore unnecessary to include officer delegated decisions as those that could be called-in. This limitation on the type of officer delegated decisions that can be called in has now been removed, and therefore it is prudent to update the call-in procedures.

1.4 The recommendations proposed in this report were considered by the Corporate Performance Panel on 3 October 2022 and were approved.

2 Options Considered

- *Maintaining the status quo*: officers do make executive decisions and these ought to be captured as part of the checks and balances that CPP provides to the executive Cabinet model of governance within this Council.
- *Specifying a limitation on only key decisions of officers being capable of call-in*: this limitation can be assigned to a historical requirement and is not in line with current requirements.

The call-in procedure of each Council is locally determined and to bring this Council's procedures in line with best practice, the changes to Standing Orders are proposed to be made as set out in the section below. There is Government guidance which refers to the statutory requirements on recording officer delegated decisions in the following guidance note entitled: Open and accountable local government https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/343182/140812_Openness_Guide.pdf

Recommended changes to Standing Orders:

1.

12 The calling-in of Cabinet recommendations and executive decisions

12.1 Any Cabinet decision *or Cabinet recommendation to the Council*, delegated Cabinet Member's decision *or officer delegated decision* ~~or Cabinet recommendation to the Council~~, may be presented for call-in to the Corporate Performance Panel

....

12.8 Upon conclusion of the debate the Corporate Performance Panel will decide upon one of the following two courses of action:

- (a) support the Cabinet/Cabinet Member's/officer's recommendation(s) or decision(s). In this case the recommendation(s) or decision(s) will, respectively, be free to pass to Council as they originally stood, or, be available for immediate implementation; or,
- (b) uphold the call-in.

12.9 If the Panel upholds the call-in it may then take one of three courses of action:

(a) report to Council, Cabinet or the relevant Cabinet Member *or officer* requesting that the Cabinet/Cabinet Member's/officer amend or substitute the recommendation(s) or decision(s); or,

(b) if the issue is considered urgent or straightforward, formulate a counter-recommendation or amendment; or,

(c) investigate the matter further at another meeting within thirty working days (beginning with the day after the issue of the notification of the call-in) and then follow the same process as set out above (12.8-12.10)

12.10 The Cabinet/Cabinet Member/*officer* may amend, substitute or withdraw any recommendation or decision in respect of any matter that has been called-in under paragraph 12.3 of this Standing Order.

.....

12.12 No decision of the Cabinet/Cabinet Member/*officer* that is called in under paragraph 12.3 of this Standing Order shall be acted upon (even if it is amended, substituted or withdrawn) until the call-in is either ended by the Corporate Performance Panel or approved by the Council.

....

12.14 If the Corporate Performance Panel:-

(a) does not end a call-in within 30 days from the date of the decision which has been called in (and the recommendation or decision remains in dispute); or

(b) refers a call-in directly to Council under paragraph 12, the Council shall determine whether to approve the recommendation or decision that has been called-in or to revoke, vary, amend and/or remit it back to the Cabinet/Cabinet Member/*officer* for further consideration.

2.

30.5 Record of individual decision

As soon as reasonably practicable after an Executive decision has been taken by an individual member of the Executive or ~~a key decision has been taken by~~ an officer, they will prepare, or instruct the proper officer to prepare, a record of the decision, a statement of the reasons for it and any alternative options considered and rejected.

3 Policy Implications

The proposed recommendation will require a change to the Constitution and the changes will need to be captured in the next review of the Scrutiny and the Executive Protocol.

4 Financial Implications

There will be a resource implication in the Democratic Services team if there is an increase in the number of called in decisions. This will need to be kept under review if the number of call-ins is diverting resource away from other Council bodies.

Additional resource of the Chief Executive and Monitoring Officer will also be required if there is an increase in the number of called in decisions with regards to assessing the validity in acc

5 Personnel Implications

As above.

6 Environmental Considerations

None

7 Statutory Considerations

- Local Government Act 2000
- The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012
- The Openness of Local Government Bodies Regulations 2014

8 Equality Impact Assessment (EIA)

(Pre screening report template attached)

No direct impact.

9 Risk Management Implications

Increasing scrutiny of officer delegated decisions supports accountability and transparency, which will be reflected within the Annual Governance Statement.

10 Declarations of Interest / Dispensations Granted

None

11 Background Papers

None

REPORT TO CABINET

Open		Would any decisions proposed :			
Any especially affected Wards None	Discretionary	Be entirely within Cabinet's powers to decide		NO	
		Need to be recommendations to Council		YES	
		Is it a Key Decision		NO	
Lead Members: E-mail: Cllr Stuart Dark, Council Leader Cllr.stuart.dark@west-norfolk.gov.uk Cllr Sam Sandell, People and Communities Cllr.sam.sandell@west-norfolk.gov.uk		Other Cabinet Members consulted:			
Lead Officer: Jo Stanton, Revenues and Benefits Manager E-mail: joanne.stanton@west-norfolk.gov.uk Direct Dial: 6349		Other Officers consulted: Michelle Drewery, s151 Officer and Assistant Director, Resources			
Financial Implications NO	Policy/ Personnel Implications NO	Statutory Implications NO	Equal Impact Assessment YES If YES: Pre-screening	Risk Management Implications NO	Environmental Consideration s NO

Date of meeting: 8 February 2023

MINOR UPDATES TO DELEGATED AUTHORITIES FOR REVENUES AND BENEFITS OFFICER DECISIONS

Summary

A number of delegated authorities for Revenues and Benefits Officer decisions have been agreed by Cabinet and Council. This report makes minor changes to two of these to bring them up to date and in line with other delegated authorities.

Recommendation

Cabinet agrees that the updated wording for the two delegated authorities for Officer decisions as shown at 2.1.4 and 2.2.4 is supported and recommended to Council for approval.

Reason for Decision

To ensure decisions can continue to be made in a timely manner

1. Background

1.1. A number of delegated authorities for Officer decisions are in place for the Revenues and Benefits team. Two of these need updating, one due to the ending of Covid initiatives and one to bring it into line with other delegated authorities for the team.

2. Proposed Changes

2.1. Revenues and Benefits Covid-19 Support Schemes

2.1.1. Delegated authority was agreed in 2020 due to the introduction of various Covid-19 support schemes by central government which needed to be administered by the Revenues and Benefits team. It recognised the need for these schemes to be implemented quickly, and the fact that detailed guidance on operation of these schemes was often produced by central government.

2.1.2. The delegated authority currently reads:

Authority be delegated to the Revenues and Benefits Manager, in consultation with the s151 Officer and Council Leader, to decide the discretionary criteria for government Covid-19 support schemes and discounts where they:

- *Are part of a central government Covid-19 support initiative,*
- *Are funded by central government, and*
- *Will be administered by the Revenues and Benefits section*

2.1.3. The Covid-19 schemes have now ended, but central government has since introduced a number of Cost Of Living financial support schemes for Revenues and Benefits to administer, such as the £150 Energy Rebate and alternative Energy Bills Support Scheme.

2.1.4. It is likely this process of central government passing financial support schemes to local authorities to process and administer will continue. To be able to respond to these as quickly as possible the wording for the delegated authority is proposed as:

Authority be delegated to the Revenues and Benefits Manager, in consultation with the s151 Officer and Council Leader, to agree the criteria for government support schemes and discounts where they:

- *Are part of a central government support initiative,*
- *Are funded by central government, and*
- *Will be administered by the Revenues and Benefits section*

2.2. Non-Domestic Rates Discretionary Relief Schemes

2.2.1. Central government regularly introduces new Non-Domestic Rates (business rates) reliefs schemes. Rather than amend the primary legislation, they ask local authorities to introduce the reliefs under their discretionary powers, and central government covers the full cost.

2.2.2. As the discounts are introduced under discretionary powers, full Council approval is normally needed. Authority has therefore been delegated to Officers, however the wording for this is out of line with other similar delegations.

2.2.3. The delegated authority currently reads:

Delegated authority is given to the council's s151 officer, in consultation with the Leader of the council, to agree any non-domestic rate relief schemes where the eligibility criteria are specified by central

government, and the cost is met in full by central government through a grant.

2.2.4. The proposal is to amend this to:

Delegated authority is given to the Revenues and Benefits Manager, in consultation with the s151 officer and Council Leader, to agree any non-domestic rate relief schemes where the eligibility criteria are specified by central government, and the cost is met in full by central government through a grant.

3. Policy Implications

3.1. None

4. Financial Implications

4.1. None

5. Personnel Implications

5.1. None

6. Environmental Considerations

6.1. None

7. Statutory Considerations

7.1. None

8. Equality Impact Assessment (EIA)

8.1. Not required

9. 9 Risk Management Implications

9.1. None

10. 10 Declarations of Interest / Dispensations Granted

10.1. None

11. 11 Background Papers

11.1. None

Appendix A: Pre-Screening Equality Impact Assessment



Name of function	Revenues and Benefits Delegated Authority for Officer Decisions				
Is this a new or existing policy/ service/function?	Existing				
Brief summary/description of the main aims of Policy being screened. Please state if this policy/service is rigidly constrained by statutory obligations	Delegation of Authority for Officers to make certain decisions				
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			
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?	No				
3. Could this policy/service be perceived as impacting on communities differently?	No				
4. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?	No				
<p>5. Are any impacts identified above minor and if so, can these be eliminated or reduced by minor actions? If yes, please agree actions with a member of the Corporate Equalities Working Group and list agreed actions in the comments section</p>	N/A	Actions:			
		Actions agreed by EWG member:			
Assessment completed by:	Joanne Stanton				
Job title	Revenues and Benefits Manager				
Date	6 January 2023				

REPORT TO CABINET

Open		Would any decisions proposed :			
Any especially affected Wards	Discretionary	(a) Be entirely within Cabinet’s powers to decide NO			
		(b) Need to be recommendations to Council YES in part			
		(c) Is it a Key Decision NO			
Lead Member: Cllr S Dark E-mail: cllr.Stuart.Dark@west-norfolk.gov.uk			Other Cabinet Members consulted:		
			Other Members consulted:		
Lead Officers: Lorraine Gore E-mail: Lorraine.Gore@west-norfolk.gov.uk			Other Officers consulted: A Baker, B Box, S Winter, M Drewery		
Financial Implications	Policy/ Personnel Implications	Statutory Implications	Equality Impact Assessment required	Risk Management Implications	Environmental Implications
YES	YES	NO	NO	NO	NO

Date of meeting: 8 February 2023

COUNCIL MEETING ARRANGEMENTS

Summary

The report presents the findings of the Corporate Performance Panel (CPP) Informal Working Group and the recommendations from CPP.

RECOMMENDATION

That Cabinet recommend to Council the arrangements for council meetings as detailed in section 2 of the report.

That Cabinet approve the appointment of a Senior Democratic Services Officer as detailed in section 3 of the report.

Reason for Decision

To respond to the Motion to Council on 23 February 2022 and the arrangements for council meetings as covid restrictions are removed.

1 INTRODUCTION

1.1 To ensure Member input into the consideration of council meeting arrangements it was agreed at Corporate Performance Panel on 13 April 2022 to establish an Informal Working Group (IWG) for evidence gathering and preliminary analysis. The IWG met on 6 June 2022 and 4 July 2022 and the findings of the IWG were reported to CPP on 4 January 2023.

2. ARRANGEMENTS FOR COUNCIL MEETINGS

- 2.1 The Planning Committee and Licensing Committee should remain during the day as per current arrangements.
- 2.2 The Panels should determine their meeting start times. There was no agreement by the IWG on a recommended start time.
- 2.3 Cabinet will continue to determine the start times of their meetings.
- 2.4 CPP recommended that full Council meetings to continue to start at 4.30pm.
- 2.5 The arrangements for live streaming and hybrid meeting arrangements should continue. Officer presentations and audio quality to be kept under review.

3. PERSONNEL IMPLICATIONS

- 3.1 The Democratic Services team have continued to deliver live streaming and hybrid meeting arrangements which were introduced during the response to covid and these arrangements are now recommended to continue but this does have resourcing implications.
- 3.2 A separate report on the agenda recommends changes to the constitution to allow for call in of officer delegated decisions which will also have resourcing implications for the Democratic Services team.
- 3.3 Whilst additional support is currently being provided within the Democratic Services Team by a corporate apprentice it is recommended that a Senior Democratic Services Officer is appointed from within the team to provide senior level support to the Democratic Services Manager and senior officer resilience in the team.
- 3.4 The grading of the Senior Democratic Services Officer post will be subject to job evaluation.

4. FINANCIAL IMPLICATIONS

- 4.1 The equipment to provide live streaming and hybrid meetings has already been procured and is in operation.

- 4.2 The estimated annual cost, subject to job evaluation, of the appointment to a Senior Democratic Services Officer from within the team is £5,000 plus on costs. To be met from within the overall salaries budget.

5. STATUTORY CONSIDERATIONS

- 5.1 Following the expiry of the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020 in May 2021, local authorities no longer have the option to hold Council meetings remotely. All decision makers at a Council meeting must therefore be in the room.
- 5.2 This Council made the discretionary choice to continue to livestream and keep recordings of Council meetings available on Youtube, as it was considered this has a positive benefit on openness, transparency and public engagement. Cabinet also previously approved the attendance of 'non-decision makers' attending Council meetings remotely if they wished. The updates issued by the Department for Levelling Up, Housing and Communities continue to indicate that they intend to bring forward primary legislation to provide the permanent power to hold remote/hybrid meetings, however there is no current date provided on when this will happen.
- 5.3 As agreed at Cabinet on 3 August 2021 the council's constitution has already been amended to retain the Members Inbox as a permanent measure to respond to general Member enquiries to enable them to carry out their roles within their constituencies.

6. BACKGROUND PAPERS

Minutes of the Informal Working Group meetings of 6 June 2022 and 4 July 2022.

Report to CPP on 4 January 2023