

Agenda



Listening Learning Leading

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Date: 23 June 2023
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A MEETING OF THE

Cabinet

WILL BE HELD ON MONDAY 3 JULY 2023 AT 6.00 PM

MEETING ROOM 1, ABBEY HOUSE, ABBEY CLOSE, ABINGDON, OX14 3JE

To watch this virtual meeting, follow this link to the council's [YouTube channel](#).

Members of the Cabinet

Member	Portfolio
David Rouane (Chair)	Leader of the Council
Robin Bennett (Vice-Chair)	Deputy Leader of the Council and Cabinet member for economic development and regeneration
Maggie Filipova-Rivers (Vice-Chair)	Statutory Deputy Leader of the Council and Cabinet member for community wellbeing
Pieter-Paul Barker	Cabinet member for finance and property assets
Sue Cooper	Cabinet member for the environment
Andrea Powell	Cabinet member for corporate services, policy and programmes
Anne-Marie Simpson	Cabinet member for planning
Freddie van Mierlo	Cabinet member for climate change and nature recovery

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ITEMS TO BE CONSIDERED WITH THE PUBLIC PRESENT

Reports considered with the public present are available on the council's website.

1 Apologies for absence

To record apologies for absence.

2 Declaration of interests

To receive declarations of disclosable pecuniary interests, other registrable interests and non-registrable interests or any conflicts of interest in respect of items on the agenda for this meeting.

3 Urgent business and chair's announcements

To receive notification of any matters which the chair determines should be considered as urgent business and the special circumstances which have made the matters urgent, and to receive any announcements from the chair.

4 Public participation

To receive any questions or statements from members of the public that have registered to speak.

5 Update on the council's Information Technology infrastructure (Pages 4 - 9)

To consider the head of corporate services' report.

6 Delivery and management arrangements for council-provided Local Authority Housing Fund housing (Pages 10 - 36)

To consider the report of the deputy chief executive – transformation and operations.

7 Exclusion of the Public

To consider whether to exclude members of the press and public from the meeting for the following items of business under Section 100A and 100I of the Local Government Act 1972 on the grounds that:

- (i) It is likely that there will be disclosure of exempt information as defined in paragraphs 3 and 5 of Schedule 12A, and
- (ii) the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

ITEMS TO BE CONSIDERED WITH THE PUBLIC EXCLUDED

The council hereby gives notice that it intends to hold part of this Cabinet meeting in private to consider the following items for the reasons set out in the 'exclusion of the public' item above. These reports are not available on the council's website.

8 Delivery and management arrangements for council-provided Local Authority Housing Fund housing (Pages 37 - 39)

To consider appendices 2 and 2A of the report of the deputy chief executive – transformation and operations.

9 New office accommodation – design and programme update (Pages 40 - 53)

To consider the report of the deputy chief executive – transformation and operations.

Patrick Arran
Head of Legal and Democratic

Report to: Cabinet



Listening Learning Leading



Report of Head of Corporate Services

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Wards affected: All

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To: CABINET

Dates: 3 July 2023 (South) and 3 July 2023 (Vale)

To: COUNCIL

Dates: 13 July 2023 (South) and 12 July 2023 (Vale)

Update on the councils' Information Technology Infrastructure

Recommendations

Cabinet is asked to note this update and to:

- a) reaffirm the councils' (South and Vale) intention to pursue a separate Microsoft Office 365 (M365) tenancy as part of the councils' overall transformation programme and planned exit from the outsourced IT arrangements
- b) that should a) be agreed, recommend to Full Council that a supplementary estimate of £326,000, funded as set out in paragraph 28 below, be added to the 2023/24 revenue budget.
- c) Authorise the Deputy Chief Executive Transformation and Operations, in consultation with the relevant Cabinet member, to take all necessary steps to implement the councils' withdrawal from the shared M365 tenancy.

Purpose of report

1. This paper provides a summary of the current discussions relating to the councils' Information Technology (IT) arrangements. The paper seeks support to progress with the implementation of the councils' previously agreed approach to create a single tenancy for our M365 infrastructure. This intention is part of the councils' Technology Strategy originally agreed in 2018 and re-affirmed in 2021.

Corporate objectives

2. South – Investment and innovation that rebuilds our financial viability.
3. Vale – Building Stable Finances

Background

4. The Five Councils' Partnership (5CP) entered a contract with Capita dated 4 April 2016, with services commencing on 1 August 2016 - IT was among the services included. The expectation was that savings could be achieved through the economies of scale obtained by sharing services with a common operating model applied to all partners.
5. Accordingly, Capita implemented an IT infrastructure for the 5CP which included a number of shared servers and a shared platform for M365. It is the sharing of M365 which is the primary topic of this report.
6. Through the life of the 5CP contract it has been clear that the partners' objectives have – quite naturally – evolved from the thinking initially set out in 2015. The benefits of sharing an IT platform are now outweighed by the need to have an independent line of business applications which enable each partner council to pursue its own specific technology strategy.
7. For several years, therefore, the councils (South and Vale) have been seeking to segregate the M365 implementations to be able to take advantage of what M365 can provide to meet our own digital aspirations. Notwithstanding concerted efforts, to date it has not been possible to agree commercial terms for M365 segregation which represent good value for the councils. However, we have now received details from Capita of the scope, cost, and timelines to complete this project.

Technology Strategy and Roadmap

8. A joint Technology Strategy covering both councils was originally agreed in 2018. This was reaffirmed by South Oxfordshire Cabinet on 4 November 2021 and Vale of White Horse Cabinet on 29 October 2021 to take account of the councils' experience of working through, and response to, the pandemic and recent advances in the wider technology landscape.
9. Two factors have led to the new proposal which is for discussion here. The first is that the end of the contract (30 September 2025) is now close enough to necessitate careful exit planning. It would be very unwise to leave the unpicking of a shared IT infrastructure to the very end of the contract as this would require a great deal of resource precisely at a time when the incumbent provider will find it difficult to maintain high standards. The councils have therefore engaged in a series of workshops and

discussions with each other and with Capita to agree an outline roadmap for a step-by-step series of IT changes to be made before the end of the contract.

10. The second factor, linked to the first, was the reorganisation of local government in Somerset. One of the five council partners was Mendip District Council which, along with three other districts and the county, has with effect from 1 April 2023 been replaced by a unitary Somerset Council. The first major step in the IT roadmap was the segregation of Mendip's M365 and removal of their IT from the shared infrastructure. This work was completed successfully on time and well under budget and has helped to establish a template for subsequent projects.
11. The high-level roadmap agreed with Capita in the autumn of 2022 has the segregation of South and Vale's M365 environment as the next major project to follow on from Mendip's if the councils wish to pursue it. Other partners are also keen to pursue their goals and will undoubtedly press their case if given the opportunity to do so. There is thus a window of opportunity at present which will not remain open indefinitely.
12. Some of the current frustrations for the councils with a shared M365 tenancy include that delivery of any requested or required changes is considered to be slow, constrained by the lowest common denominator in terms of the other clients in the outsourced service provision and not providing evidence to support best value for money for the councils. Recent examples include:
 - Limitations on adoption of up-to-date IT user and domain management, such as patch management and overly complex security models for other cloud services, alongside serious deficiencies in digital collaboration due to the Single Shared Tenancy (for example we are unable to use full Teams capability, Power BI or other Power solutions)
 - Outdated telephony solutions and relatively high costs of maintaining them, both for staff and the public (through the Contact Centre)
 - Excessive project management costs on service requests across IT applications
13. A combined single tenancy M365 for South and Vale, will give us the opportunity to overcome some of the frustrations the councils have, but it must be stressed that this will not be an immediate fix, it will take time to implement and embrace the technology to support shared cloud-based collaborative working i.e. through SharePoint and fully-utilising MS Teams.
14. Considering the high-level roadmap, South and Vale's continuing ambition to progress their IT/Transformation strategies, and the clear desire of other councils to push forward with their own strategies, discussions took place with Capita about removing South and Vale from the 5CP M365 shared tenancy.
15. An early offer (Rough Order of Magnitude) from Capita which indicated broad scope, cost, and timelines for this activity, has been reviewed by colleagues and a request was made to Capita to draw up a fully costed proposal (and an Impact Assessment). Officers have now received this detail and have conducted a detailed review of the proposal with Capita.
16. There is no contractual reason why we would have to do this exercise using Capita resources solely – a preliminary examination of G-cloud frameworks show that there are other organisations who have experience of separating out and migrating to a new

stand-alone M365 tenancy. Officers have therefore had exploratory discussions with other third parties to validate timelines and rough costs.

17. Clearly moving forward, if this approach is agreed, and whichever third party, or parties, we use will involve utilising the councils' staffing resource. However, due to the specialist nature of this project it is proposed to seek appropriate external resource to support the councils. An added dimension to this M365 work will be understanding how each of our legacy systems/applications/services are provided by Capita and the inter-dependencies which link them together. We will need to carefully plan how we provide these systems to ensure they continue to operate – it is proposed that additional external project resource will also support this significant piece of work. Engaging specialist resource is also expected to reduce our risk exposure.
18. Allied to this major project we are scoping out what the councils in house IT Team will look like after the creation of the M365 tenancy and longer-term, at the end of the Capita contract in 2025. Functions to be covered will include a larger systems admin team and in-house technical and help desk support. Initial thinking would suggest that we should start the recruitment exercise for these posts over the coming months, so the councils are in a strong position to facilitate our own expanded IT service and support this transition.
19. We are also discussing with Capita approaches to ensure that all technology changes are managed well and, business as usual is maintained for the rest of the contract through to October 2025. We have received an early proposal which would involve creating a dedicated programme team, managed by Capita, to meet these goals. We would see this resource as enabling an orderly exit from the contract and managing the changes required using a programme management approach encompassing all IT transition projects across the partnership.

Options

20. Considering the discussions that officers have held with Capita it is proposed that the councils agree to move forward with the segregation of our M365 tenancy and create a stand-alone environment for South and Vale.
21. Other options considered included waiting to the end of the Capita contract in 2025 but this was discounted as the current frustrations with the shared M365 environment would remain. Officers also consider that the complex unpicking of our current IT arrangements should not wait until the contract end.

Climate and ecological impact implications

22. The Joint Technology Strategy enables the councils to take a positive position, using digital means, in its efforts to tackle the Climate Emergency by improving the efficiency of service provision.

Financial implications

23. Any council decision that has financial implications must be made with the knowledge of the councils' overarching financial position. For South, the position reflected in the council's medium-term financial plan (MTFP) as reported to Full Council in February 2023 showed that it is due to receive £640,000 less in revenue funding than it plans to spend in 2023/24, with this budget gap expected continue in future years. For Vale, a

balanced budget was set in 2023/24 but there is expected to be a budget gap in future years. However, there is great uncertainty over this caused by a lack of clarity from government.

24. The funding gap at both councils is predicted to increase to over £7.8 million by 2027/28, based on current cautious officer estimates of future funding levels. Whilst it is anticipated that overall funding for the councils will remain relatively unchanged in 2024/25, the lack of certainty on future local government funding from 2025/26 onwards meaning the level of funding, and the resulting estimated funding gap, could be significantly different from current officer estimates in either a positive or negative way. Every financial decision, particularly those involving long-term funding commitments (i.e. those beyond 2024/25), needs to be cognisant of the potential for significant funding gaps in future years.
25. Indications provided by Capita show that the one-off cost of creating the M365 infrastructure is likely to be circa £190,000 per council with an ongoing annual revenue support cost of £45,000 per council. In relation to the latter annual cost for ongoing support, if this proposal is agreed, there is a reasonable expectation that the project will be completed by late December 2023/early January 2024 – this will mean that the initial support cost in the current financial year will be circa £11,000 per council, i.e. 3 months of the annual charge.
26. As referenced earlier the specialist nature of this project and the need to ensure that all our applications continue to work effectively, will require external staffing resource. Early discussions have indicated that the cost of this resource is likely to be in the sum of £75,000 per council for the period until the end of March 2024. Over the same period, managing the IT element of the 5CS contract to ensure an orderly exit, is likely to be in the sum of £50,000 per council. In summary therefore the estimated costs for the 2023/24 financial year are as follows:

Element	Estimated Cost (£)
M365 infrastructure	190,000
Annual Support (Jan-Mar 2024) <i>(N.B. the full year cost is £45,000 per council;</i>	11,000
South & Vale Project Support	75,000
Contract Exit Programme Support	50,000
TOTAL	326,000

27. The 2023/24 revenue budget does not include funding for this work, and Cabinet therefore recommends to Council a supplementary estimate of £326,000 for each council be included within the 2023/24 revenue budget, and that the ongoing revenue costs be included in future budgets as essential growth.
28. The MTFP for the period 2023/24 to 2027/28, which was approved by Council alongside the 2023/24 revenue budget, included an estimate of one-off costs to be incurred in future years associated with the exit and service transformation required

across all services included in the Capita contract, ahead of the end of the contract in September 2025. When the MTFP was approved this figure was estimated to be £1.5 million for each council. It was proposed that the council would, as allowed under the rules for the flexible use of capital receipts, fund these one-off costs, from those receipts. Ongoing costs arising from such work will be funded from revenue reserves. Discussions subsequently with Capita have provided greater clarity to officers on the timing and nature of such costs.

29. These discussions with Capita have allowed an opportunity to progress this activity sooner than was expected when the councils' budgets were set for 2023/24. Officers are recommending that we proceed with this project within the cost parameters quoted above. This will have the added benefit of retaining the councils' position as 'first in line' with Capita for this project. It is also acknowledged that we will seek to carefully manage our costs.

Legal implications

30. There are no specific legal implications arising from the recommendations but there will be several collateral legal actions necessary to deliver an exit from the M365 tenancy. These will include potential procurement of external resources, contract negotiations and a variation all of which will need legal input and resource as part of the project team.

Risks

31. There are several risks associated with this project should it proceed, covering the areas of finances, staffing and technology. If agreement is reached to progress, officers will ensure that a full risk register is created, updated, and reported on as appropriate through normal democratic routes.

Other implications

32. As this stage no other implications have been identified.

Conclusion

33. (a) Cabinet is asked to note this update and to reaffirm the councils' intention to pursue a separate M365 tenancy as part of the council's overall transformation programme and planned exit from the outsourced IT arrangements.

(b) That should (a) be agreed, recommend to Full Council that a supplementary estimate of £326,000, funded as set out in paragraph 28, be added to the 2023/24 revenue budget.

(c) Authorisation is requested for the Deputy Chief Executive Transformation and Operations, in consultation with the relevant Cabinet member, to take all necessary steps to implement the councils' withdrawal from the shared M365 tenancy.

Background papers

- Adopted IT Strategy (Cabinet decisions, October/November 2021)
- Revised IT Roadmap

Cabinet Report



Listening Learning Leading

Report of Deputy Chief Executive – Transformation and Operations

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Wards affected: All

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To: CABINET

Date: 3 July 2023

Delivery and management arrangements for council-provided LAHF housing

Appendix 2 and 2a are not for publication on the basis they contain information which is exempt as defined by paragraphs 3 and 5 of Schedule 12A of the Local Government Act 1972 as amended

Recommendations

It is recommended that Cabinet:

- a) Note the approach proposed for the delivery and management of the properties under the LAHF scheme, noting the risks, and approves officers to proceed.
- b) Note the proposed phase one staffing structure for the delivery and management of these properties alongside those purchased or managed under other arrangements.
- c) Subject to approval of recommendation a), to recommend to Full Council to proceed the allocation of a capital budget envelope of £4.6 million, being the council's share of the purchase costs of properties bought under the LAHF scheme.
- d) To approve a virement from contingency of up to £100,000 to cover potential unbudgeted revenue expenditure.
- e) To delegate authority to the Head of Development and Corporate Landlord in consultation with the Heads of Finance, Legal and Democratic and Housing and Environmental Services to approve the freehold or leasehold acquisition of property under the LAHF scheme following appropriate due diligence.
- f) Note the financial and other risks presented by the decisions above as set out in this report.

Purpose of Report

1. To provide an overview of all of the work being undertaken in relation to providing homes under Government schemes. A glossary of all the acronyms used and an where necessary an explanation as to their meaning or a description of the scheme has been included within this report as **Appendix Four**.
2. To brief Cabinet on the proposed framework to deliver the target number of 23 homes, that meet the eligibility criteria outlined within the Local Authority Housing Fund (LAHF) prospectus. Cabinet will recall that this is in accordance with the signed Memorandum of Understanding (MoU) officers were authorised to enter into with the Department of Levelling Up Housing and Communities (DLUHC), and which sets out the basis for the use of the grant funding. Having made significant progress, officers now seek Cabinet approval to progress to the delivery phase.
3. To outline the projected capital and revenue implications and potential risks and benefits of proceeding with the scheme. Given the capital funding and potential borrowing requirement necessary for the LAHF scheme, Cabinet will need to make recommendation to Full Council so that agreement can be sought for appropriate financial allocations to be made to allow the scheme to proceed.

Corporate Objectives

4. Local authorities have been pivotal in supporting the UK's humanitarian duties to assist those fleeing war. The council's response supports the Corporate Plan themes of improved economic and community well-being and homes and infrastructure that meet local needs.

Background

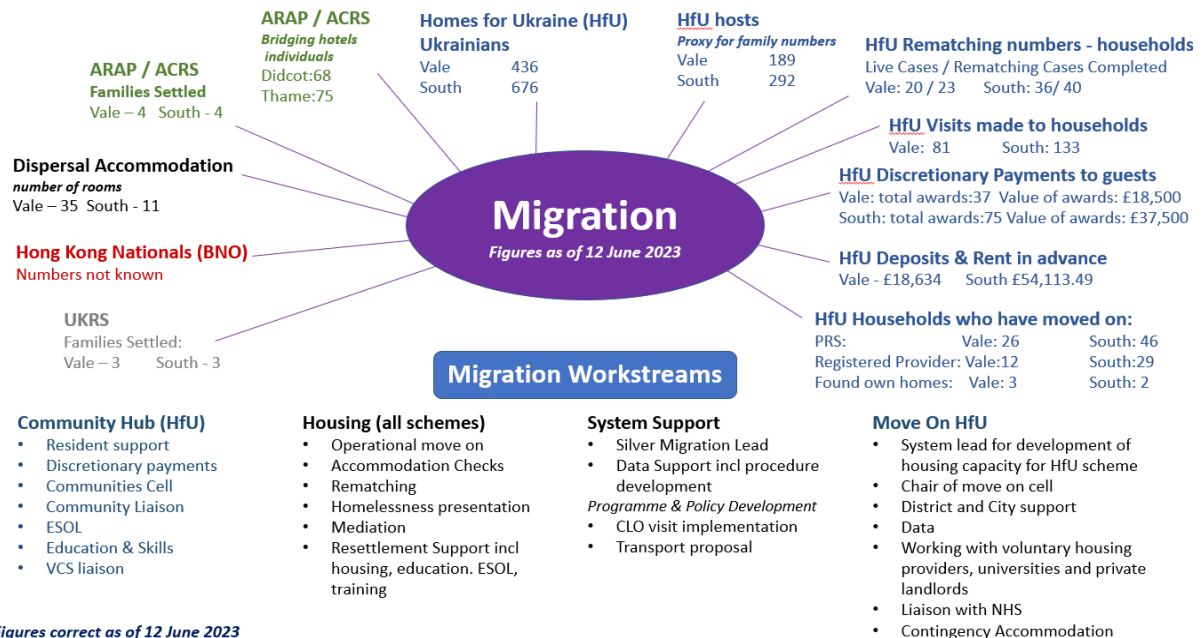
6. On 8 December 2022, Council approved a Housing Delivery Strategy and associated action plan. The aims of the Housing Delivery Strategy are:
 - Providing homes to meet current and future local need
 - Delivering housing that is truly affordable
 - Valuing and supporting council and community led housing initiatives
 - Planning for well-designed net zero carbon housing.
7. Within the associated action plan there are a series of actions to increase social housing across the district, including the appointment of a Housing Delivery Manager (now in post) and creation of a Housing Delivery team.
8. In February 2022 Council approved the inclusion within the capital programme of up to £5 million for affordable housing schemes funded from Section 106 receipts. Of this sum, Council agreed in December 2022 that up to £2 million of this sum could be for the direct purchase of housing.
9. On 9 March 2023, Cabinet members received an update on DLUHC's £500 million capital fund – the Local Authority Housing Fund (LAHF). The purpose of this fund is for local authorities in England to acquire and/or refurbish property in order to provide sustainable housing for families with housing needs who have arrived in the UK via the Ukrainian and Afghan resettlement and relocation schemes only. As a result of this, Cabinet approved acceptance of the proposed DLUHC grant of £3,756,708 (total allocation) to deliver 23 homes that meet the eligibility criteria outlined within the LAHF prospectus. Authority was delegated to the Deputy Chief Executive Transformation and Operations to sign the Memorandum of Understanding (MoU) with DLUHC. The MoU has been completed and consequently, officers have now developed a specification for the type of properties required, taking account of price, location, type of construction and energy performance and access to public transport services. This is to ensure as far as possible that they are suitable for the scheme. Officers have also mapped out the management and support arrangements that would need to be in place to deliver the scheme.
10. Following the MoU being entered into the initial grant payment of £1,127,012 has been received. Further payments are dependent on progress reporting against benchmarks and the council successfully utilising the funds to purchase properties as set out in the MoU in **Appendix One**.

Context

11. Cabinet will be aware that the council, alongside partners, residents, community groups and voluntary sector organisations, have undertaken significant and proactive vital work to help provide safe shelter and support to refugees and asylum seekers across a number of Government schemes. These are Homes for Ukraine, Afghan Relocations and Assistance Policy scheme (ARAP), Afghan Citizens Resettlement scheme (ACRS), UK Resettlement Schemes, the Hong Kong British National (Overseas) visa scheme and unaccompanied asylum seeking children.
12. In addition, the Oxfordshire migration partnership is also supporting a range of Home Office contingency and dispersed accommodation pathways. Officer teams, co-

ordinated through the council’s Community Hub, continue to provide a wraparound support offer to settle individuals and families in the district, distribute government grants, provide housing and homeless advice and assistance, offer community integration support and support access to schooling, language lessons, access to medical services, benefits and support into employment.

13. An outline of the current numbers across the schemes within South Oxfordshire and the Vale of White horse district are detailed below in **Figure One**.



14. All local authorities who have welcomed arrivals in their districts are facing significant challenges in securing settled accommodation for these households, which unless alleviated will further impact existing housing pressures.

15. At the end of April 2023, the HO announced its timetable for the intended closure of bridging hotels across the UK which has added to the urgency and the need for officers to work at pace to ensure that homes can be provided for families. As Cabinet will be aware from Government announcements, families at the two bridging hotels within South Oxfordshire have received their three months’ notice from the Government and have been given a timeframe to move out by the end of August 2023. Should no alternative accommodation be found before the 31 August 2023, then all families may present as homeless to either council, as families who are here under both ARAP and ACRS schemes are eligible to do so.

16. In addition, whilst host numbers are still positive for Oxfordshire across the Homes for Ukraine scheme, some guests have now been with their hosts for 14 months (the original commitment was for 6 months). The Government has also made its commitment clear to increase capacity to welcome new arrivals across a number of schemes.

17. Therefore, it is against this challenging timeline and housing and homelessness pressure, that officers recommend progressing with the LAHF property scheme as a matter of necessity and urgency.

Framework approach

18. In the following sections of this report, officers have outlined their proposal for the property, management and support arrangements required to deliver the LAHF scheme, along with the legal, financial and risk implications on a thematic basis.
19. It should be noted that any legal and financial implications are written on the basis that this report is in the public domain. What is set out below is therefore a summary of the legal position. Officers have taken extensive external legal advice from Trowers and Hamlin solicitors which is subject to legal advice privilege and privilege could be waived if details were set out here. Therefore, if any member wishes to receive more detailed legal advice this will be provided by the Head of Legal and Democratic in private session.
20. As stated in the March 2023 Cabinet report, the council transferred its housing stock as part of a Large-Scale Voluntary Transfer (LSVT) in 1997 and has since been reliant upon external organisations to deliver and manage social housing. As a non-housing stock local authority, approval to progress with the scheme means the council will take on the role of direct landlord.
21. At the time of the decision to adopt the Housing Delivery Strategy in 2022, the opportunities regarding the use of the Local Authority Housing Fund (LAHF), were not known. The report at that time identified a number of steps to fulfil their statutory landlord duties as required under current primary and secondary legislation and with the Social Housing Regulators Home Standards. This includes the need to register with the Regulator for Social Housing (RSH) and work to the standards they prescribe. This is therefore new work to the councils and there are opportunities and risks associated with entering into this work in a position of urgency and at pace which have been outlined within this report.
22. There are two resource phases proposed to deliver the accommodation workstream, which are covered in more detail below. The first phase, which has already commenced in order to undertake the necessary scoping, feasibility and assessment work, has been to set up the programme infrastructure to support the purchasing of properties and related survey work, the identification of a maintenance and repairs offer, an allocations process, and on-going wrap-around support and tenancy management arrangements. The first phase is being led by the Deputy Chief Executive (Transformation and Operations) and managed by the Programmes Service Manager.
23. The second phase will be housing delivery and housing management on a business as usual (BAU) basis to manage properties and their tenants in a steady state. It is anticipated that this phase will be managed by the Deputy Chief Executive (Place) and the newly established Housing Delivery Team.

Local Authority Housing Fund (LAHF) - Purchase of properties

24. Local authorities were allocated capital funding under section 31 of the Local Government Act 2003 on the basis of a formula, set out in the LAHF prospectus. For the 'main element' the prospectus refers to the average lower quartile property price in the council area and for the 'bridging element' the prospectus refers to the estimated lower quartile property price in the council area.

25. South Oxfordshire District Council (SODC) was contacted on 21 December 2022 with an indicative allocation of:
- £3,108,000 in funding to provide a minimum of 21 properties for households that meet the eligibility criteria outlined in section 3.2 of the Prospectus ('the main element').
 - £648,708 in additional funding to provide a minimum of 2 four+ bed properties to be allocated to households currently in bridging accommodation ('the bridging element').
26. DLUHC stipulated, that as with other affordable housing provision, they expected councils to part fund or finance some of the required capital. They stated that for 'main element' housing, government funding equates to 40 per cent of total capital costs (average £128,000 grant per property) plus £20,000 per property. For 'bridging element' housing, government funding equates to 50 per cent of total capital costs (average £304,354 grant per property) plus £20,000 per property. 30 per cent of the funding provided by DLUHC will be paid in Q4 2022/23 and 70 per cent in 2023/24 (the 2023/24 funding is paid incrementally once the local authority has spent 60 per cent of their 2022/23 funding).
27. Following receipt of the signed MOU, South received the first payment from DLUHC of £1,127,012 on 28 March 2023.
28. To support the search of suitable properties, the housing and community hub team have worked with property officers to create a property specification to assist in identifying properties which will meet the needs of the currently intended tenants and the LAHF requirements. Property will be acquired, owned and managed by the council, and therefore at this stage the search has focused within the district area. Alongside cost, size and type, officers are also taking into consideration the location and access to support and amenities, and the ability to be available within the timescales set out within the MoU with DLUHC. Unfortunately, it is not always possible to purchase Accessible properties (Accessible housing refers to housing where the design and layout is free of barriers to enable independent living for persons with disabilities), however access to and within properties is always assessed and any adaptations or modifications required to meet specific tenant needs will be considered as and when required.
29. A number of properties have already been reviewed in in the district which broadly meet the criteria, and some of them have been deemed suitable to be inspected. Consideration is now being given as to whether the council should progress in making offers, but of course this is subject to Cabinet approving progression of the scheme and full Council approving the overall financial element. The current mortgage rate levels have depressed the market, which can be an advantage to the council in securing properties at a lower cost, particularly as it is a no chain, cash purchaser. However, it has also resulted in a lower availability of properties on the market as sellers are struggling to find purchases.
30. Subject to agreement to proceed with the LAHF scheme, and prior to the exchange of contracts and completion of the specific purchase, final approval for each purchase will be sought from the Head of Development and Corporate Landlord, in consultation with the Heads of Finance, Legal and Democratic and Housing and Environment in accordance with the constitution.

Financial modelling and implications for purchasing property under the LAHF scheme

31. DLUHC grant will provide approximately 40 per cent of the capital cost of purchasing the properties. The council will need to fund the balance of the purchase cost and £4.6 million has been included as a growth item in the capital programme for 2023/24 to cover the council's share of the purchase costs. For the purposes of financial modelling it has been assumed that this cost will be funded from prudential borrowing.
32. DLUHC has not provided any specific funding for the management, financing and operational running costs of these properties and these revenue costs will need to be covered by rental income paid by the tenants.
33. A range of assumptions have had to be made to establish the likely financial impact on the revenue budget of the costs of providing a landlord function for these properties. These include principal and interest costs on borrowing, rental income, repairs & maintenance costs, rent collection, staff costs, insurance costs etc. These are set out in more detail in the financial model in **Confidential Appendix Two** and are based on the council buying the full 23 properties for which funding has been provided.
34. The financial modelling also assumes that Stamp Duty Land Tax (SDLT) will not be payable because the councils will become registered with the Regulator of Social Housing as Registered Providers and the use of LAHF funding falls within the exemption category for SDLT announced in the recent budget.
35. In setting the budget for 2023/24, it was assumed that the rental income would offset the borrowing and running costs for the properties. This modelling however shows an annual estimated net revenue cost of circa £184,000 at today's prices. This is an approximation only as each property will come with its own purchase price and remedial costs, and rental levels, based upon Local Housing Allowance rates, will depend upon location within the district. It is assumed that all property will be purchased within the Oxford LHA rate area.
36. This estimated cost however needs to be compared against the alternative scenario of families being accommodated in hotels/B&B. The cost per hotel room for providing external temporary accommodation for these families ranges from an estimated £17,000 pa to £28,000 pa. This equates to £391,000 pa to £644,000 pa if all the families rehoused in these properties would have otherwise remained in temporary hotels.
37. Sensitivity analysis has been done on these figures to model the costs of a 10 per cent increase in purchase price, to model different interest rates on borrowing and to model different levels of bad debt provision. This is also included in the financial model set out in **Confidential Appendix Two A**.
38. Based upon the financial model, that properties will not become occupied until 2024, and that the occupation will be phased, officers believe that the deficit for 2023/24 will be less than £20,000 per council, but are asking for a supplementary estimate of up to £100,000 per council for resilience if required.
39. In the long term, it is expected that this housing will become available for general needs or, if not required, could be sold. It should be borne in mind that whilst DLUHC has funded 40 per cent of the purchase price, the houses will be a 100 per cent council

owned asset and there is no clawback of grant funding should the house be transferred into general needs use or sold at some future date.

40. This financial model has been further developed to show the annual costs over 50 years. The stated aim of the fund is to create a lasting supply of affordable housing for the general population, and the expectation is that the stock will be made available to support wider local authority general housing and homelessness responsibilities after the immediate needs of the eligible cohort have been addressed, although there is nothing in the guidance that prevents sale of the housing at a future date. Therefore, should the usage of the properties change, or there is a significant change in the financial position, officers will report back to Cabinet for a decision which could include a decision to divest itself of the property.

Legal implications

41. The regulation of social housing is governed by the Housing and Regeneration Act 2008 (the 2008 Act) which defines social housing as Low Cost Rental and Low Cost Home Ownership housing with some additional property held by private registered providers of social housing as at 2 April 2010.
42. Local authorities that provide social housing will need to be registered by the Regulator of Social Housing pursuant to section 114 of the 2008 Act and the Housing and Regeneration Act 2008 (Registration of Local Authorities) Order 2010/844.
43. Legal Services, in conjunction with Property colleagues, will carry out all the normal due diligence check which form part of the conveyancing process. In order to take advantage of the public subsidy exemption from Stamp Duty Land Tax which is normally payable on property purchases, the council will need to be registered as a registered social landlord/local authority registered provider with the Regulator of Social Housing (RSH). It should be noted that registration is required in any event if the council provides or intends to provide social housing. Officers are in the process of making the necessary application for registration.

Management of fixtures and fittings

44. Fixtures and fittings will be provided for LAHF properties by the Community Hub using government grant funding. This means that the provision can be aligned to the scheme rather than the property or family to enable a flexible approach to make best use of fixtures and fittings between properties and/or families as part of the transitional arrangements and move on package.

Repairs, maintenance and compliance

45. Statutory compliance surrounding the management of housing property is complex. The councils have a duty, as a landlord, to repair, maintain and ensure compliance in its properties. The council will need to ensure they fulfil their statutory landlord duties as required under current primary and secondary legislation and thus, comply with the Regulator for Social Housing Home Standards.
46. The council does not have in house expertise in this area and would need time to develop the necessary expertise to achieve the longer term aim of in house delivery set out in the Housing Delivery Strategy. The tight delivery timescales for this programme mean that in the short term in house delivery is not an option. As such, officers are in

the process of making arrangements to procure the necessary services, but Cabinet will note that the timetable has been set by Government and is extremely challenging. Therefore, any procurement process will need to be conducted with this in mind and that, if approved the council will need access to these services prior to the bridging hotel arrangement coming to an end on the 31st of August.

47. Although the risk of challenge is low, if someone were to challenge the likelihood they would succeed is high. If there was a successful challenge to such a VEAT notice, officers believe that this would stall the ability to provider repairs and maintenance services whilst a full procurement was undertaken. This is likely to take at least nine months (probably longer) to procure and mobilise, and during that time properties would not be able to be safely occupied.
48. The financial modelling has taken account of the likely costs arising from the use of partnering arrangements in the short-term.
49. Council officers will work together to take all necessary steps to ensure that the service is in place and will comply with council standing orders.

Allocations and tenancy management

50. Afghan and Ukrainian families will be allocated to LAHF transitional housing the under the statutory duty to provide temporary accommodation to homeless families, utilising specific government funding to provide housing for this purpose. The duty to provide temporary accommodation is normally ended when the family move to longer term settled accommodation.
51. Management of the tenancies in the short term will be undertaken by an experienced partner using the same procurement arrangements as outlined for repairs, maintenance and compliance.

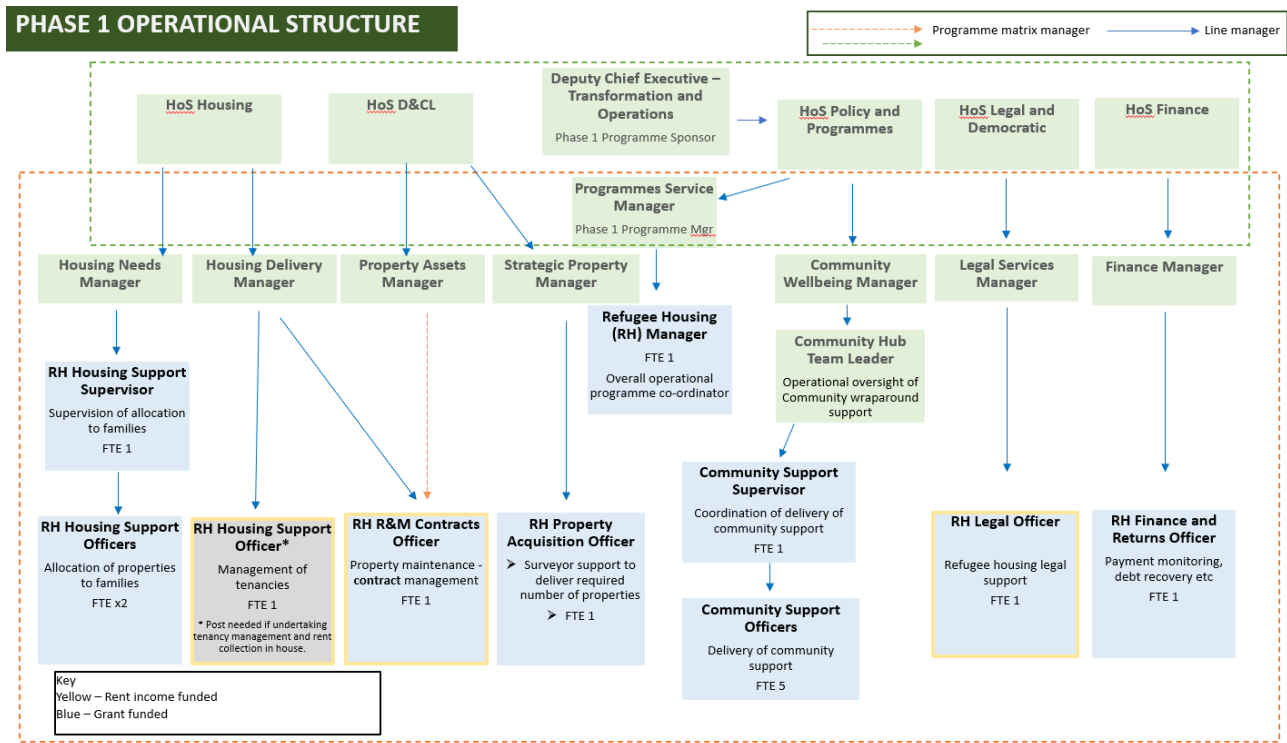
Community wraparound support

52. Community wraparound support for households will be provided by the Housing and Community Hub teams. From the outset there will be a firm emphasis on the properties being let short-term and transitional while officers support households into more settled arrangements. Housing Support Officers will provide initial housing allocation, property and services inductions before working with households to find longer term more sustainable housing. Community Support officers will provide initial support including orientation and induction into the area, support into local services including schools, health, benefits and employment and then signpost and support adults into training, ESOL access and employment opportunities so that families will be financially able to move on. The level of support will flex according to the needs of the individuals which will range from a high level of English and employability to illiteracy in their own language. Staffing resource will be required for this as set out in **Figure Two** below.
53. Resource and the community wraparound arrangements will be grant funded from the Flexible Housing Fund, Homelessness Assistance Fixed Tariff, Local Authority Caseworker and Relocation Support Funding and Homes for Ukraine top up funding as outlined in below in section 55 and in more detail in **Appendix Three**.

Resource requirements

54. Following an assessment of all the required workstreams to deliver the LAHF programme, and taking into consideration current community response requirements across the schemes as presented in **Figure One**, officers have determined the initial staff resource requirement as outlined in **Figure Two** below. It is anticipated that for the duration of phase 1, the identified roles will be line managed within their subject matter workstream, but oversight and team co-ordination will be managed by the Refugee Housing Manager which will report directly Programmes Service Manager. Should agreement to progress with the schemes be given, recruitment will commence in accordance with the council’s HR policies.

Figure Two – proposed staffing resource requirements and reporting lines



55. Resource requirements for this programme will be funded from a variety of sources as set out in detail in **Appendix Three**. Grant funding arrangements are complex, however they can be summarised into two funding streams:

- Funded from rental income – Rental income at LHA rates provides an income stream, some of which may be used to employ the staff necessary to run the housing related elements of the service. Posts that could be funded in this way are outlined in yellow in **Figure Two** above.
- Funded from government grant funding – There are a significant number of grant funding schemes available, and officers monitor the grant landscape on an ongoing basis as criteria and eligibility windows are complex. From the various funding pots available now outlined in **Appendix Three**, the posts identified in blue in **Figure Two** above can be funded. Officers will continue discussions with the HO about all available funding mechanisms.

56. Governance arrangements have been put in place to ensure that all funding/costs allocations and use is maintained and can be monitored and reviewed to ensure that grant funding criterion is met at all times.

Equality implications

57. In preparing this report, due consideration has been given to the councils' statutory Equality Duty to eliminate unlawful discrimination, advance equality of opportunity and foster good relations, as set out in Section 149(1) of the Equality Act 2010. Equality Impact screening/assessments will be undertaken to assess if a full Equality Impact Assessment EIA is required. This will be an ongoing process to review our approach on an ongoing basis to ensure that we are complying with best practice.

Climate and ecological impact implications

58. The council has set an ambitious target to reduce carbon emissions, aiming to be carbon neutral within its own operations by 2025. Action B7 of our Climate Action Plan sets out our intention to agree an energy efficiency standard for new asset acquisitions. The recently published Oxfordshire Net Zero Route Map and Action Plan suggests that 100% of properties in Oxfordshire will need to be EPC B or above by 2045 to reach the UK net zero by 2050 target. Furthermore, any property purchased through the Local Authority Housing Fund will need to meet the national Minimum Energy Efficiency Standards for rental properties which is currently set at EPC E but is expected to be strengthened to at least EPC C by 2030.

59. The climate impact of housing is closely linked to the level of insulation, quality of the structure and the type of heating system, which in part will be informed by the age and the building regulation requirements in place at the time it was built. Newer properties are generally much better insulated than older ones. Following the principles of minimising energy use and achieving net zero set out in the councils Housing Delivery Strategy, the energy performance of houses and expected costs of retrofitting will be assessed prior to purchase to inform whole lifetime costs (particularly for older properties). Where necessary and viable, works required to improve the energy performance of a property, such as improving insulation or replacing the heating system, will be undertaken to reduce the carbon footprint of the building as well as reducing the energy costs to tenants.

Financial implications

60. Any council decision that has financial implications must be made with the knowledge of the council's overarching financial position. For South, the position reflected in the council's medium-term financial plan (MTFP) as reported to full Council in February 2023 showed that it is due to receive £644,000 less in revenue funding than it plans to spend in 2023/24 (with the balance coming from reserves), with this budget gap expected to continue in future years. However there is great uncertainty over this caused by a lack of clarity from government.

61. The future funding gap is predicted to increase to over £8.5 million by 2027/28, based on current cautious officer estimates of future funding levels. Whilst it is anticipated that overall funding for the council will remain relatively unchanged in 2024/25, the lack of certainty on future local government funding from 2025/26 onwards means the level of funding, and the resulting estimated funding gap, could be significantly different from

current officer estimates in either a positive or negative way. Every financial decision, particularly those involving long-term funding commitments (i.e. those beyond 2024/25), needs to be cognisant of the potential for significant funding gaps in future years.

62. The financial implications of the individual workstreams have been detailed in the report. Note that there is an existing budget for temporary accommodation costs and that a decision to proceed with these scheme is expected to either reduce a potential overspend on this budget or to result in an underspend, with the reduction in temporary accommodation costs expected to be greater than the cost of funding the scheme.

Legal Implications

63. All legal implications have been set out in summary form in the body of the report. As stated above, should Cabinet require more detail, this will be provided in private session by the Head of Legal and Democratic.

Risks

64. A comprehensive risk register is being maintained for this programme to manage risk. The key risk in the initial phase have been outlined above within each relevant workstream, but overall the main risk is not being able to mitigate homelessness pressures effectively through being able to acquire suitable properties in appropriate locations at affordable prices within the LAHF scheme within the programme timescale dictated by Government. To seek to mitigate this risk, officers have developed a comprehensive framework to manage delivery of the programmes, whilst reducing the financial and legal implications to the council as far as possible.
65. The operational phase of the programme when properties are occupied contains risks around compliance with legal standards and duties. In order to mitigate these in the short term a partner with experience of repairs and maintenance and compliance in social housing is being sought to deliver these services on our behalf. This will enable the council to deliver a compliant service within the immediate programme delivery timescales.
66. Extensive modelling has been undertaken to understand the financial implications of the programme and the multiple different funding criteria for all the grants available. However, elements of the financial modelling are necessarily based on assumptions around the numbers, sizes and locations of properties. There is therefore a risk that the predicted rental income based on the number of properties will not materialise, leading to a revenue funding shortfall which may not be able to be covered by grant funding. Careful financial monitoring will be undertaken by the programmes team and overseen by the Head of Finance and regularly reported to Cabinet.
67. The LAHF programme is intended to be transitional accommodation. The council will need to ensure that it pro-actively manages and supports families into settled accommodation, to mitigating adding further to the risk of homelessness. The proposed resource structure outlined in **Figure Two** above, seeks to ensure that sufficient resource is in place to assist in securing and support families to move on.

Conclusion

68. In this report, officers have outlined their proposal for the property, management and support arrangements required to deliver the LAHF scheme, along with the legal,

financial and risk implications on a thematic basis. Officers recommend progressing with the LAHF property scheme as a matter of necessity and urgency.

Appendices

Appendix One – Signed DLUHC MoU

Appendix Two – Confidential LAHF financial model

Appendix Two A – Confidential Sensitivity Analysis

Appendix Three - Scheme Funding Sources Overview

Appendix Four – Glossary of refugee accommodation abbreviations

Background Papers

None

MEMORANDUM OF UNDERSTANDING

Between

Department for Levelling Up, Housing and Communities

-and-

South Oxfordshire District Council

1. Purpose

- 1.1. This Memorandum of Understanding ('MOU') sets out the terms that will apply to the working relationship between the Department for Levelling Up, Housing and Communities ('DLUHC') and South Oxfordshire District Council ('the Council') regarding the administration and delivery of the Local Authority Housing Fund ('LAHF').
- 1.2. This MOU will be for the period Q4 2022/23 and 2023/24. It will be reviewed and updated only where either of the signatories deem it necessary, in which case it will require joint agreement. Further detail on changing the MOU is set out in Paragraph 4.4.
- 1.3. This MOU sets out both the universal fund wide conditions and expectations for appropriate spend of LAHF.
- 1.4. This MOU is not intended to create legal or binding obligations. It describes the understanding between both parties for the use of funding specified in Section 3 of this agreement.

2. Background

- 2.1. The LAHF was launched on 14 December 2022. The details of the fund were shared with the Council in the document 'Local Authority Housing Fund – Prospectus and Guidance' ('the Prospectus').
- 2.2. LAHF is a £500m capital grant fund to support local authorities in England to provide sustainable housing for those unable to secure their own accommodation that meet the eligibility criteria outlined in Section 3.2 of the Prospectus.
- 2.3. The objectives of LAHF 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 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 pressures on the existing housing and homelessness systems and those waiting for social housing.
- 2.4. DLUHC has accepted the Council's plan to provide 23 homes ('the delivery target') under LAHF, and DLUHC will provide a grant of £3,756,708 ('the total allocation'). The Council agrees the following targets to deliver at least:
- 21 properties for households that meet the eligibility criteria outlined in section 3.2 of the Prospectus ('the main element');
 - 2 Four+ bed properties to be allocated to households currently in bridging accommodation ('the bridging element');
- 2.5. This MOU covers the funding commitments from DLUHC and the delivery, financial expenditure, agreed milestones, reporting and evaluation, and communications between the Parties. It also sets out the steps DLUHC could take in the event of underperformance if required.

3. Purpose of the Funding

- 3.1. LAHF funding has been provided specifically for spending on LAHF priorities and the Council agrees to spend LAHF funding on activity set out in this MOU as agreed by DLUHC or subsequently agreed by DLUHC as per Paragraph 4.4.
- 3.2. DLUHC will part fund the cost of the Council obtaining properties for use by households that meet the eligibility criteria. The Council will use its best endeavours to meet the delivery target and to achieve value for money.

DLUHC’s contributory share of funding (‘the average grant rate per unit’) should not exceed the maximum described below but the grant per unit for individual properties can be higher.

- 3.3. The maximum average grant rate per unit (for the portfolio of properties, not individual purchases) for the main element is 40% of the costs the council charges to its capital budget plus £20,000 per property. Eligible costs funded by the 40% and the £20,000 per property could include the purchase price, stamp duty, surveying, legal and other fees, refurbishments, energy efficiency measures, decoration, furnishings, or otherwise preparing the property for rent and potentially irrecoverable VAT incurred on these items. The Council should ensure it complies with the Code of Practice for Local Authority Accounting.
- 3.4. The maximum average grant rate per unit (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 £20,000 per property. Eligible costs funded by the 50% and the £20,000 per property could include the purchase price, stamp duty, surveying, legal and other fees, refurbishments, energy efficiency measures, decoration, furnishings, or otherwise preparing the property for rent and potentially irrecoverable VAT incurred on these items. The Council should ensure it complies with the Code of Practice for Local Authority Accounting.
- 3.5. The Council can determine how it uses the £20,000 per property and can choose how much of the grant is to be spent on each individual property.
- 3.6. The Council or its delivery partner(s) will fund the outstanding share for each property.
- 3.7. The funding provided by DLUHC in Q4 2022/23 (‘the Year 1 allocation’) is 30% of the total allocation. The funding provided by DLUHC in 2023/24 (‘the Year 2 allocation’) is 70% of the total allocation. Both are set out in Table 1.

	Year 1 allocation	Year 2 allocation	Total allocation
Properties for households that meet the eligibility criteria for this Programme	£932,400	£2,175,600	£3,108,000
4+ bed properties for households currently in bridging accommodation	£194,612	£454,096	£648,708
Total funding	£1,127,012	£2,629,696	£3,756,708

Table 1 – Funding allocation

4. Delivery Profile

- 4.1. Delivery of the fund will be measured on the basis of exchange of contracts, or equivalent milestone where exchange of contract will not occur, and number of families housed. Any variations to this, and necessary changes to the MOU will need to be agreed by the parties and an amendment to this MOU made.
- 4.2. Funding outlined in Table 1 is provided to deliver the delivery target. The Council agrees to make best endeavours to deliver the delivery target by 30 November 2023. DLUHC is committed to funding any contract the Council enters into, even if completion occurs after this date.
- 4.3. This MOU is for the full term of the total allocation unless signatories agree to change as per Paragraph 4.4. A further Grant Determination Letter (GDL) will be provided following confirmation of the annual payment for each year.
- 4.4. DLUHC and the Council both have the right to request a change to the MOU. With regards to changing the target amount of units, the Council may ask for either a higher or lower target. Any proposed change will impact the amount of funding received (as set out in the Prospectus) unless the Council is seeking to deliver more units for the same amount of money. Requests will be considered based on the progress of the reallocations process as outlined in Sections 4.4 and 4.5 of the Prospectus and confirmed in writing.

5. Financial Arrangements

- 5.1. The agreed funds will be issued to the Council as grant payments under section 31 of the Local Government Act 2003. The Council may pass on the funding to a third party (e.g. Registered Providers) as appropriate to deliver the delivery target, complying with the Subsidy Control Act 2022.
- 5.2. Table 2 sets out the timetable for payments to be made to the Council. Payment of the Year 1 allocation will be made in March 2023. The Year 2 allocation will be paid once the Council has demonstrated that at least 60% of the Year 1 allocation has been committed ('the spend requirement'). This will be paid in line with timings outlined in Table 2.
- 5.3. Should the Council not meet the spend requirement in time for payment in May 2023, the payment for the Year 2 allocation may then be made in July 2023 should the Council meet the spend requirement in time for that payment date as set out in Table 2. DLUHC will put in place further payment dates should the Council not meet the spend requirement for payment in July 2023 and will confirm any further dates in writing. The Council may wish to return unspent monies to the Department.

Payment month	March 2023	May 2023	July 2023 (if applicable)
MI from the Council to support payment	<ul style="list-style-type: none"> Signature of this MOU before the date below. 	<ul style="list-style-type: none"> April MI Touchpoint S151 officer statement of grant usage in April 	<ul style="list-style-type: none"> June MI Touchpoint S151 officer statement of grant usage in June
DLUHC confirm payment latest by	15 March	10 April	8 June
DLUHC make payment	By the last working day in March	By the last working day in May	By the last working day in July

Table 2 – Payments timetable

6. Roles and Responsibilities

DLUHC Responsibilities

6.1. DLUHC is responsible for setting national housing policy, providing grant(s) to the Council and monitoring the delivery of homes.

Council Responsibilities

6.2. The Council will make housing investment decisions, review existing housing policies and products, maximise leverage of this public sector investment and ensure that funds provide value for money and are deliverable within the timescale of the fund. The Council may work in partnership with private Registered Providers and local authority housing companies to deliver homes. The Council will also report on the fund by providing Management Information (MI) as set out in **Annex A** of this MOU and will work with DLUHC to ensure they have the capability to deliver the fund and provide MI within the set timescales.

6.3. The Council is expected to have the necessary governance and assurance arrangements in place and that all legal and other statutory obligations and consents will be adhered to, which may include, but not solely:

- **subsidy control**, at all levels e.g. the funding the Council allocates to project deliverers and subsidies that project deliverers provide to third parties.
- **equalities duties**, the Council must ensure that all LAHF funded activity is delivered in accordance with its obligations under the public sector equality duty (PSED)

- **procurement**, the Council must ensure that the allocation of funding to project deliverers that constitutes a procurement is managed in compliance with the public contract regulations
 - **fraud**, the Council must ensure that robust arrangements are in place to manage fraud risk, including ensuring that project deliverers have robust fraud risk management process and paying particular attention to projects that involve the payment of grants to beneficiaries e.g. businesses.
- 6.4. The Council's Section 151 Officer is expected to ensure that these legal duties and all other relevant duties are considered and that delivery of LAHF investment is carried out with propriety, regularity and value for money.

7. Monitoring Arrangements and Accountability

- 7.1. The Council will put in place appropriate governance and oversight arrangements to ensure that delivery of housing is on track and that plans remain ambitious and provide value for money.

Reporting Arrangements

- 7.2. The Council has agreed to provide reporting information to DLUHC on fund allocations and delivery. The Council will be asked to provide a mix of quantitative and qualitative summary updates to DLUHC; a full list of MI can be found in **Annex A**.
- 7.3. The first report will be due in April 2023 and then every two months thereafter, until the Council's programme has completed. The schedule for monitoring reports is outlined in **Annex B**.
- 7.4. Spend outturn and forecast should be signed off by the S151 officer or deputy S151 officer.
- 7.5. The Council also agrees to work with the department to provide any reasonable additional MI as and when requested by the DLUHC Senior Reporting Officer (SRO). DLUHC will provide an appropriate amount of time to return any additional MI requests.
- 7.6. The Council agrees to work collaboratively with any requests from DLUHC to support any retrospective assessment or evaluation as to the impact or value for money of LAHF. As a minimum, the Council is expected to monitor spend, outputs and outcomes against agreed indicators and keep this information for at least 5 years.

8. Governance & Assurance

- 8.1. The Council is expected to ensure that all legal and other statutory obligations and consents will be adhered to, which may include, but not solely, state aid / subsidy control, equalities duties, procurement, health and safety, and fraud prevention. The Council has prerogative to establish internal governance and assurance arrangements as they see fit to achieve this.
- 8.2. The Council will ensure data can be shared for the prevention and detection of fraud by including the following clause in all agreements with companies or external entities in relation to LAHF – including, but not limited to, property contracts, professional services contracts, construction contracts and lease agreements:

“Data may be shared with other enforcement agencies for the prevention and detection of crime.”

Signed for and on behalf of DLUHC

Signature:  

Name: Emma Fraser & Melanie Montanari
Position: Directors for Housing Markets & Strategy
Date: 15.03.23

Signed for and on behalf of South Oxfordshire District Council

Signature: 

Name: Adrianna Partridge
Position: Deputy Chief Executive – Transformation and Operations
Date: 10 March 2023

Annex A – Reporting and Monitoring Arrangements

Scope and Purpose

1. This annex sets out the agreed reporting and monitoring arrangements for LAHF, including the expected frequency and content of the regular reports that the Council will provide to DLUHC.

DLUHC Role

2. DLUHC will support the running of the fund and maintain a national picture of delivery by putting in place a proportionate monitoring and governance framework. This will include a fund governance board(s) attended by the DLUHC Senior Reporting Officer (SRO) and other relevant stakeholders. Wherever possible DLUHC will avoid duplication of requests towards the Council.

Council Role

3. Day-to-day project monitoring and delivery responsibilities will be delegated to the Council. The Council will submit reports to DLUHC in accordance with the agreed timescales and frequency set out in the MoU. The Council will also work with DLUHC to provide any reasonable additional MI required as and when requested by the DLUHC Senior Reporting Officer. DLUHC will provide an appropriate amount of time to return any additional MI requests.

Management Information (MI)

4. The list of MI is split between operational data – required for monitoring the ongoing fund delivery (Table 3) and evaluation data (Table 4) required to assess the strategy-level success of the fund and inform future policy development. Tables 4 and 5 present the required routine MI and is subject to change, with agreement by DLUHC and the Council. For MI purposes, “committed spend” is considered funding which has been allocated to a property where there has been an exchange of contracts or equivalent milestone where exchange of contract will not occur.

Item	Frequency
No. of offers accepted, including bedroom size and whether these are part of the ‘main’ or ‘bridging’ element of funding	Every 2 months
No. of properties where contracts exchanged, including bedroom size	Every 2 months
No. of properties occupied, including bedroom size	Every 2 months
Number of families housed, including which resettlement programme they belong to	Every 2 months
Number of individuals housed, including which resettlement programme they belong to	Every 2 months
Total expenditure (incl grant and other funding)	Every 2 months
Total committed spend (incl grant and other funding)	Every 2 months
DLUHC grant used	Every 2 months
Overall assessment (RAG rated) of whether delivery is on track as determined by the responsible Council officer	Every 2 months

Table 3 – Monitoring Data

Item	Frequency
How properties have been sourced (e.g. through stock acquisition or another delivery route)	In December 2023 and thereafter upon request to aid with evaluation of the fund
How the Council has funded its contributory share	
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.	
Evaluation of additional pledges, number of individuals houses, number of properties occupied.	

Table 4 – Evaluation Data

5. In addition, to enable the assessment of relative value for money and to assist with future spending reviews, we may occasionally ask for additional information including details of how the fund is delivered and housing market conditions. This will provide important data to support future policy developments and will also support engagement with HM Treasury. This information will be provided to agreed timeframes when requested by DLUHC.
6. Should the Council wish to amend and/or not collect any of these proposed data points, they should submit a proposal to DLUHC for agreement.

Frequency of Reporting

7. The Council will be asked to provide reports every two months. The schedule for monitoring reports is outlined in Annex B.

Data Consistency

8. DLUHC and the Council have a shared commitment to ensure that, for clarity and transparency purposes, consistent methods of recording outputs are maintained. It is expected that the provided reporting will be robust, accurate and quality assured to a high standard. As such minimal revisions would be expected – although, where these are required, DLUHC should be advised as soon as practical.

Use of Material Provided

9. DLUHC will use the provided material to monitor delivery nationally.

Annex B – Monitoring Milestones

Date	Milestone
February 2023	Payment of the Year 1 allocation if this MOU is signed before 15 February 2023.
March 2023	Payment of the Year 1 allocation if this MOU is signed after 15 February 2023 and before 15 March 2023.
April 2023	MI touchpoint
May 2023	Payment of the Year 2 allocation
June 2023	MI touchpoint
July 2023	Payment of the Year 2 allocation if the spend requirement for payment in May was not met.
August 2023	MI touchpoint
October 2023	MI touchpoint
30 November 2023	The Council agrees to make best endeavours to deliver the delivery target by 30 November 2023.
December 2023	Final MI touchpoint following 30 November 2023. DLUHC-led evaluation of LAHF begins.

Refugee Accommodation Programme – abbreviations glossary

Abbreviation	Meaning	Explanation
ACRS	Afghan Citizens Relocation Scheme	A scheme prioritising: <ul style="list-style-type: none"> those who have assisted the UK efforts in Afghanistan and stood up for values such as democracy, women’s rights, freedom of speech, and rule of law vulnerable people, including women and girls at risk, and members of minority groups at risk (including ethnic and religious minorities and LGBT+)
ARAP	Afghan Relocations and Assistance Policy	A scheme for Afghan citizens who worked for or with the UK Government in Afghanistan in exposed or meaningful roles and may include an offer of relocation to the UK for those deemed eligible by the Ministry of Defence and who are deemed suitable for relocation by the Home Office.
BAU	Business as Usual	
B&B	Bed and breakfast	
BNO	British National (Overseas)	Someone who was a British overseas territories citizen by connection with Hong Kong was able to register as a British national (overseas) before 1 July 1997.
CLO	Community Liaison Officer	An officer employed by the Council to work supporting Homes for Ukraine and other refugee and asylum schemes.
DLUHC	Department for Levelling Up Housing and Communities	A ministerial Department responsible for housing.
EIA	Equality Impact Assessment	An assessment carried out by a public authority prior to implementing policies with a view to predicting their impact on equality.
EPC	Energy Performance Certificate	A legally required certificate containing information about a home’s energy use and typical energy costs. The certificate is required for all such properties being marketed for sale or rent.
ESOL	English for Speakers of Other Languages	Courses in English language for non-native speakers.
FYOA	Find Your Own Accommodation	The need for Afghan refugees currently housed in hotels to find their own accommodation if they do not receive an allocated property.
GDL	Grant Determination Letter	Letter confirming of the annual payment for each year.

HA85	Housing Act 1985	Primary UK legislation to consolidate the Housing Acts.
HO	Home Office	The ministerial department responsible for immigration.
HoS	Head of Service	The head of one of the council's business streams.
HfU	Homes for Ukraine	A sponsorship scheme that allows people and organisations in the UK to offer Ukrainians fleeing war home.
IFRS16	International Financial Reporting Standard	An international standard for lease accounting.
LA	Local Authority	A local council
LAHF	Local Authority Housing Fund	A capital fund that supports local authorities in England to obtain housing for those who are unable to find settled accommodation on resettlement schemes.
LES	Locally Engaged Staff Ex Gratia Scheme	A scheme originating on 2014 to provide funding to local authorities to support resettled Afghan staff locally engaged by the British Armed Forces and the UK Government in Afghanistan
LHA	Local Housing Allowance	A rental rate based on private market rents within an area where a person might reasonably be expected to live.
LSVT	Large-Scale Voluntary Transfer	A transfer of council housing to a housing association.
MI	Management Information required under MoU with DLUHC.	A reporting requirement set out by DLUHC.
MoD	Ministry of Defence	A ministerial department offering leases on accommodation held for service families.
MoS	Minister of State	
MoU	Memorandum of Understanding	A document describing the outlines of the LAHF agreement between the council and DLUHC.
MTFP	Medium Term Financial Plan	The Council's key financial planning document and covers a rolling five year period. It is a living document which provides a reference point for corporate decision making and ensures that the Council is able to optimise the balance between its financial resources and delivery of its priorities as set out in the Corporate Plan.
NHS	National Health Service	The public health provider in the UK.

PSED	Public Sector Equality Duty	A duty imposed on public authorities to eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010.
RAG	Red, amber, green	Traffic light rating system to monitor progress of a programme.
RH	Refugee Housing	Housing for refugees.
RSH	Regulator for Social Housing	The regulator for providers of social housing in England.
SDLT	Stamp Duty Land Tax	A tax paid on property purchases.
SFA	Service Family Accommodation	MOD held property available for service families.
SODC	South Oxfordshire District Council	
SRO	Senior Reporting Officer	Officer within DLUHC to whom management information reports are made.
TA	Temporary Accommodation	Accommodation provided on a temporary basis by local authorities to those for whom it has a duty to house and who have become homeless.
UC	Universal Credit	A social security payment for people over 18 but under state pension age who are on a low income or out of work.
UKRS	UK Settlement Scheme	The UK Resettlement Scheme (UKRS) was launched on 25 February 2021, replacing the Vulnerable Persons Resettlement Scheme (VPRS) and the Vulnerable Children's Resettlement Scheme (VCRS).
VCS	Voluntary and Community Sector	Organisations which serve the community.
VEAT	Voluntary Ex Ante Transparency Notice	A notice published when a contracting authority chooses a different or non-compliant procurement.
VWHDC	Vale of White Horse District Council	

By virtue of paragraph(s) 3, 5 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Agenda Item 8

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Agenda Item 8

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Agenda Item 9

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