



Exeter City Council

An EXTRAORDINARY MEETING OF THE COUNCIL will be held at the **GUILDHALL, HIGH STREET, EXETER** on **MONDAY 13 MARCH 2023**, at 6.00 pm, at which you are hereby summoned to attend.

If you have an enquiry regarding any items on this agenda, please contact Mark Devin, Democratic Services Team Leader on 01392 265477.

The following business is proposed to be transacted:-

1 Public Questions

Details of questions should be notified to the Corporate Manager Democratic and Civic Support at least three working days prior to the meeting - by 10am on Wednesday 8 March 2023. Further information and a copy of the procedure are available from Democratic Services (Committees) (Tel: 01392 265115) with details about speaking at Council to be found here: [Public Speaking at Meetings](#).

2 Questions from Members of the Council Under Standing Order No. 8

Details of questions should be notified to the Corporate Manager Democratic and Civic Support by no later than 10am on Friday 10 March 2023.

3 Local Authority Housing Fund

To consider the report of the Assistant Director of Housing.

Pages

3 - 26

4 Appointment of new permanent Chief Executive and Head of Paid Service

To consider the report of the Leader of the Council.

27 - 30

Date: 3 March 2023

Karime Hassan MBE
Chief Executive & Growth Director

Office of Corporate Manager Democratic & Civic Support			
Civic Centre, Paris Street, Exeter, EX1 1JN	Tel: 01392 277888	Fax: 01392 265593	Council Website

This page is intentionally left blank

REPORT TO EXTRAORDINARY COUNCIL

Date of Meeting: 13th March 2023

Report of: Director of City Development and housing

Title: Local Authority Housing Fund (LAHF)

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

The Department of Levelling Up, Housing and Communities (DLUHC) has made **£500 million** available to Local Authorities to purchase housing for those households who have come to the UK from Ukraine and Afghanistan through the Ukraine Family Scheme and Homes for Ukraine Scheme and the Afghan Resettlement Scheme.

Exeter City Council has provisionally been identified as eligible for **£1,842,378** capital grant funding to purchase 15 homes as per the following indicative allocation (there may be further allocations subject to take up of this scheme nationally):

Main grant element: **£1,404,000** in funding. With this funding ECC is expected to use this as a contribution towards the provision of **13** x 1, 2, and 3-bed homes for Ukrainian households.

Bridging grant element: **£438,378** in additional funding. With this funding ECC is expected to use this as a contribution to provide **2** x 4+ bed home(s) to be allocated to Afghan households currently residing in bridging accommodation.

It is permissible to bid for less than 15 properties which would reduce the level of grant received which would reduce or negate the need for any potential borrowing ECC.

Homes would be used to relieve some of the pressure in move-on from the bridging hotels (Afghan refugees) and Ukraine HOST and Family schemes. Once these resettlement needs have been met the longer term use of the houses would be for LA determination e.g. housing and homelessness relief.

In order to secure this capital grant funding it is estimated that the council would need to contribute £2,735,158.

2. Recommendations:

That Executive recommend to Council to approve the decision that:

1. The Council does not take on additional borrowing and accepts a reduced allocation of £1,086,378 in DLUHC grant funding to purchase 8 x properties to be held in the Housing Revenue Account

- The Council's capital contribution is funded through £1,537,906 of available S106 funds and from a £265,740 Homes For Ukraine (H4U) grant contribution from Devon County Council.
- The Council identifies and purchases suitable properties to let to eligible households using introductory tenancies for the first year and fixed term tenancies for up to five years.
- The rents are set as per the recommended rental funding model (see table below)
- The Memorandum Of Understanding (MOU) (Appendix 1) is signed and returned to DLUHC by 15th March deadline confirming the Council's participation in the programme and allow payment from DLUHC.
- The Director of City Development and Housing and the relevant Portfolio Holder are given delegated authority to proceed with the acquisitions and to amend the number of properties purchased in line with the agreement above and including where additional government grant may become available (providing no capital borrowing is involved).

Property Funding Source	Proposed Rent Level	Year 1 Deficit	Weekly rent for 2 Bed Property (Year 1)	Weekly Rent for 3 Bed Property (Year 1)	When annual deficit breaks even	HB Subsidy Loss (Year 1)	50 Year Net cost	Housing Officer £10k p.a. costs included?	Proposal
HRA enhanced	Affordable rent capped at LHA + £100 per month	Nil	£180	£213.46	Year 1	N/A	£2 million	Y	Officer Recommended

3. Reasons for the recommendation:

Exeter City Council is committed to supporting refugees, where possible and within available resources, that have been uprooted. The Local Authority Housing Fund (LAHF) is an opportunity to bring on additional units of long term family accommodation that will help address much needed accommodation for this cohort and to provide homes for future housing need.

It is highly likely that without additional accommodation being provided there will be more approaches through the homelessness route. There are multiple Ukrainian households in Exeter host placements where there are no evident move-on options available when the HOST placement ends. To date the council has received **34** homelessness enquiries from Ukrainian families resulting in **16** homelessness applications. This figure is likely to increase as is the number of statutory homelessness applications from Afghan households moving out of bridging hotels

Subject to council approval, once these properties have been secured they will be an ECC asset. DULCH has indicated that once the Ukrainian situation is resolved and families return to the Ukraine the council will be able to use them for other housing priority needs such as temporary accommodation which is always in high demand.

4. What are the resource implications including non-financial resources?

With a reduced allocation and utilising available S106 funds and DCC contribution there will be no additional resource implications. The properties held within the HRA, and based on a stock profile of 2 x Two Beds; 4 x Three Beds and 2 x 4 Beds it is estimated that the total cost of purchasing properties off the open market would be **£2,890,024**. Alongside contributions of **£1,086,378** from DLUHC, and a grant contribution of **£265,740** from Devon

County Council the Council would need to invest a total of **£1,537,906**. The Council's contribution will come from the use of eligible Section 106 Funding towards the acquisition of affordable housing in Exeter.

5. Section 151 Officer Comments:

The section 151 Officer has been involved in process of determining whether to recommend acceptance of the Grant. The funding model proposed will allow for proper maintenance of the properties to take place, which having no negative impact, financially on the HRA. It is the section 151 Officer's understanding that the properties, if they remain in the HRA once they have been used for the proposed purpose, will become part of the HRA stock and allocated in line with our normal rules.

6. What are the legal aspects?

The funds are to be provided by central government to authorities in accordance with the provisions of section 31 of the Local Government Act 2003. Section 31 addresses the power to pay grants to local authorities and states:

A Minister of the Crown may pay a grant to a local authority in England towards expenditure incurred or to be incurred by it.

This is a non-ringfenced capital grant, although conditions can be attached as to the use of the grant, and that is the case in relation to these funds which Council Officers will apply.

The purpose of the scheme is for local authorities to acquire housing stock to rent to individuals and families falling within certain schemes to alleviate housing pressures on local authorities arising from the conflicts in Afghanistan and Ukraine on a short to medium term basis. As noted elsewhere in this report, the ultimate intention is that the funding will create a lasting supply of affordable homes. The guidance published by the Department for Levelling Up Homes and Communities (DLUHC) states, inter alia, '...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.'

A condition of receiving the grant monies is that the Council submits a validation form to DLUHC. This has been done. It is also necessary that the Council enters into a Memorandum of Understanding with DLUHC by 15 March 2023. DLUHC state that if the authority misses the deadline '...they are unlikely to receive funding at tranche 1'.

7. Monitoring Officer's comments:

This report raises no issues for the Monitoring Officer.

8. Report details:

As of January 2023, in Exeter there are a total of **221** Ukrainian guests being sponsored of which **169** have arrived so far. The number of Afghan individuals in the first Exeter bridging hotel is approximately **60 plus over another 130 in the second Exeter bridging hotel**. Afghan resettlement into Exeter is not limited to these hotels or others in Devon (e.g. Exmouth) but the London and South East area is also eligible to refer households to the area under the Home Office bridging resettlement plans.

Purpose of funding and Next Steps

DLUHC is inviting the council to submit a proposal for how the Council would use the funding in line with the scheme's objectives, namely to:

- Ensure recent refugee schemes (Afghan and Ukraine schemes) which offer assistance, 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 in the programme prospectus) as sponsorship/family placements/bridging accommodation arrangements come to an end by increasing the provision of affordable housing to 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);
- Reduce impacts on the existing housing and homelessness systems and those waiting for social housing.

Property acquisition

Within the framework of the objectives of the fund set out above, DLUHC is providing as much flexibility to local authorities as possible to shape local delivery according to local circumstances. Properties can be acquired through the following means:-

- stock acquisition through the open market,
- refurbishment or conversion of buildings,
- acquiring new build properties from developers,
- building new homes,
- Passing on the funding to enable housing association delivery.

Officers are proposing the following option for Council to consider:-

The HRA uses eligible Section 106 funds for the Council to purchase through open market acquisition

Based on a stock profile of 2 x Two Beds; 4 x Three Beds and 2 x 4 Beds it is estimated that the total cost of purchasing properties off the open market would be **£2,890,024**. Alongside contributions of **£1,086,378** from DLUHC, and a grant contribution of **£265,740** from Devon County Council the Council would need to invest a total of **£1,537,906**. The Council's contribution will come from the use of eligible Section 106 Funding towards the acquisition of affordable housing in Exeter.

Rental Income Yield

Rents would be set at Affordable Rent and capped at LHA + £100 per month and are based on [median private rentals](#) in Exeter

Property Size	Median Monthly Rent	LHA Rate	Rent to be charged
1 Bed	£795	£570.01	£636
2 Bed	£1,100	£679.99	£779.99
3 Bed	£1,350	£824.99	£924.99
4 Bed	£2,470	£1,100	£1,200

Assuming a **1%** annual rent increase would see a total income of **£5.9 million** over a **50** year period. With On costs for Contribution to Technical officer and Housing Officer, Planned Maintenance, Reactive Repairs and allowance for bad debt and voids factored in this would see a total outlay of **£3.8** million over the same period. Concentrating on acquiring new build properties would see a reduction in long term planned maintenance costs as the properties will already meet current Building Regulations.

Total Income (Rents)	£5,925,409.29
Total Outlay (staff costs, bad debt and voids, planned maintenance & reactive repairs)	£3,868,961.49
Return to ECC over 50 years	£2,056,447.81

Pros

- The government will be providing **£1.08** million investment to purchase additional family homes.
- With **35** families currently in Council temporary accommodation and over **1,000** families on the housing register, in the medium to long-term the accommodation can be used to relieve Council and local housing need.
- There are available properties on the market which will mean that we should be able to meet delivery within timescales.
- Concentrating on purchasing new build properties will mean that the Council will be purchasing modern housing stock and that there is less upfront costs associated to refurbishment, removal of asbestos and the properties will meet current building regulations and have updated insulation – reducing long term planned maintenance costs.
- If set within the HRA the affordable rent charges will be fully covered by HB claims and / or affordable top-ups for those households with income in excess of benefits thresholds
- There is currently sufficient levels of eligible funding in the Section 106 account. The Section 106 Account will increase over the coming year as committed receipts are paid to the Council.
-

Cons

- Those households who are on Fixed Term tenancies will be able to purchase their property after 3 years through the RTB. This may be mitigated by the cost of the housing which should maintain their property value.

9. How does the decision contribute to the Council's Corporate Plan?

The service will contribute to the Council's Corporate Plan in the following areas:-

- **Building great neighbourhoods** - By tackling social inequality through maximising homelessness preventions and reliefs and through maintaining and developing emergency, first and second stage housing options with suitable personalised support to address single and multiple need.
- **Promoting active and healthy lifestyles** - Supporting households to access key health and advocacy services in primary and secondary healthcare services including mental health assessment and support, physical and social care, and education, training and employment opportunities.
- **Tackling congestion and accessibility** - By extending access to homelessness & housing support services by extending our reach into the community through outreach and co-location and by developing multiple access points to advice and assistance

10. What risks are there and how can they be reduced?

Risks are:

- **Local housing market** - not having the desired property available for acquisition. This is a low risk as the market has been assessed for the range of properties and there are sufficient numbers of 1 to 4+ bed houses available including new-builds.
- **Officer capacity to progress the scheme.** The risk is low to medium. The identification of properties would be undertaken by the Housing Needs enabling officer with conveyancing and purchase via Legal and Estates who have been notified of the potential scheme and timescales. Subject to purchasing properties that can be inhabited without significant lead in for compliance and repairs an assessment of ongoing capacity for property management including cyclical maintenance will be undertaken
- **Public perception** that the Council are acquiring properties for refuges when so many local people are in housing need. This can be mitigated by ensuring clear comms that the funding is targeted grant monies from central government and that there is no impact on the Council's social housing development programme, and that long term the properties will be used for local citizens.

11. Equality Act 2010 (The Act)

Initially the properties acquired will be ring-fenced for the eligible cohort. Once there are no longer eligible households the properties will be free to be used as the Council determines best. This might be as temporary accommodation for homeless households or as long-term homes to relieve household need.

12. Carbon Footprint (Environmental) Implications:

No direct carbon/environmental impacts arising from the recommendations.

13. Are there any other options?

The only other option is to not get involved. The Council is already facing significant financial pressures.

Pros

- Short response back to DLUHC confirming that we would not be applying. No need to borrow additional monies or find alternatives to source additional funding or resources.

Cons

- Risk of reputational damage from central government for not participating in the programme and may result in losing out on future investment opportunities.
- Reputational damage with members of public and Host families for not providing housing solutions for Ukrainian and Afghanistan families when funding was readily being offered.
- There is a growing need to increase the supply of temporary accommodation for family households. Providing dedicated homes to this cohort will reduce the numbers of families potentially approaching the Council as homeless, who will need a housing solution.
- The Council would effectively be rejecting **£1.08m** as a contribution towards **8** new properties from central government.

Assistant Director of Housing: Lawrence Blake

Author: Chris Stocks

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

Contact for enquires:
Democratic Services (Committees)
Room 4.36
01392 265275

APPENDIX 1 MOU

. MEMORANDUM OF UNDERSTANDING

Between

Department for Levelling Up, Housing and Communities

-and-

Exeter City 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 Exeter City 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 8 homes ('the delivery target') under LAHF, and DLUHC will provide a grant of £1,086,378 ('the total allocation'). The Council agrees the following targets to deliver at least:

- 6 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	£194,400	£453,600	£648,000
4+ bed properties for households currently in bridging accommodation	£131,513	£306,865	£438,378
Total funding	£325,913	£760,465	£1,086,378

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:

Position:

Date:

**Signed for and on behalf of Exeter City
Council**

Signature:

Name:

Position:

Date:

Annex A – Reporting and Monitoring Arrangements

Scope and Purpose

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

DLUHC Role

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

Council Role

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

Management Information (MI)

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

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.	

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.

This page is intentionally left blank

Equality Impact Assessment: The Local Housing Authority Fund (LHAF)

The Equality Act 2010 includes a general duty which requires public authorities, in the exercise of their functions, to have due regard to the need to:

- **Eliminate discrimination**, harassment and victimisation and any other conduct that is prohibited by or under the Act.
- **Advance equality of opportunity** between people who share a relevant protected characteristic and people who do not share it.
- **Foster good relations** between people who share a relevant protected characteristic and those who do not

In order to comply with the general duty authorities must assess the impact on equality of decisions, policies and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

Authorities which fail to carry out equality impact assessments risk making poor and unfair decisions which may discriminate against particular groups and worsen inequality.

Committee name and date:	Report Title	Decisions being recommended:	People with protected characteristics potentially impacted by the decisions to be made:
Council 13 th March 2023	Local Authority Housing Fund	To sign MOU with DLUHC and to purchase 8 units of accommodation	See below

Factors to consider in the assessment: For each of the groups below, an assessment has been made on whether the proposed decision will have a **positive, negative or neutral impact**. This must be noted in the table below alongside brief details of why this conclusion has been reached and notes of any mitigation proposed. Where the impact is negative, a **high, medium or low assessment** is given. The assessment rates the impact of the policy based on the current situation (i.e. disregarding any actions

planned to be carried out in future).

High impact – a significant potential impact, risk of exposure, history of complaints, no mitigating measures in place etc.

Medium impact – some potential impact exists, some mitigating measures are in place, poor evidence

Low impact – almost no relevancy to the process, e.g. an area that is very much legislation led and where the Council has very little discretion

Protected characteristic/ area of interest	Positive or Negative Impact	High, Medium or Low Impact	Reason
Race and ethnicity (including Gypsies and Travellers; migrant workers; asylum seekers).	Positive	medium	The LHAF is targeted funding to provide homes for refugees who have come to England from areas of conflict. The properties being purchased are to be ring-fenced for the use of households from Ukraine and Afghanistan as per Grant restrictions. For future lets if there are no further eligible cohorts, for example Ukrainian guests returning home, then the properties can be used to meet the housing needs of Exeter citizens.
Disability: as defined by the Equality Act – a person has a disability if they have a physical or mental impairment that has a substantial and long-term adverse impact on their ability to carry out normal day-to-day activities.	Positive	Low	As above
Sex/Gender	Positive	Low	As above
Gender reassignment	Positive	Low	As above
Religion and belief (includes no belief, some philosophical beliefs such as Buddhism and sects within religions).	Positive	Low	As above
Sexual orientation (including heterosexual, lesbian, gay, bisexual).	Positive	Low	As above
Age (children and young people aged 0-24; adults aged 25-50; younger older people aged 51-75/80; older	Positive	Low	As above

Protected characteristic/ area of interest	Positive or Negative Impact	High, Medium or Low Impact	Reason
people 81+; frail older people; people living with age related conditions. The age categories are for illustration only as overriding consideration should be given to needs).			
Pregnancy and maternity including new and breast feeding mothers	Positive	Low	As above
Marriage and civil partnership status	-	-	(No negative impacts identified)

Actions identified that will mitigate any negative impacts and/or promote inclusion

Officer: Chris Stocks

Date: 03rd March 2023

This page is intentionally left blank

REPORT TO EXTRAORDINARY COUNCIL

Date of Meeting: 13 March 2023

Report of: The Council Leader

Title: Appointment of new permanent Chief Executive and Head of Paid Service

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

Further to the Leader's Report of February 2023 regarding the process to appoint a new, permanent Chief Executive / Head of Paid Service, this Report alerts the Council to the potential outcomes of the Selection Process.

Depending upon the success of the Selection Day on the 7th March, the potential outcome of the process are as follows:

- Following interview, the Appointment Committee recommends the appointment of a named individual; and
- Following interview, the Appointment Committee does not recommend the appointment of any of the internal candidates. This means that an external recruitment would necessarily follow.

2. Recommendations:

That Council ratifies the recommendations of the Selection Committee as reported by the Leader to the Extraordinary Meeting of Council scheduled on the 13 March 2023.

3. Reasons for the recommendation:

This timely recruitment is designed to ensure stability at a time of change and provide clarity as to the direction of travel for the whole of the organisation, the Council's partners and the Exeter communities alike.

4. What are the resource implications including non financial resources

None as all issues were dealt with in the earlier and related 2022 Report.

5. Section 151 Officer comments:

Not appropriate as the current post holder is a Consultee in this process.

6. What are the legal aspects?

The post of Chief Executive and Head of Paid Service is a statutory Chief Officer post as stated in section 4 of the Local Government and Housing Act 1989. Local authorities are under an obligation to designate one of their officers as the Head of Paid Service.

The process followed must comply with the Council's Standing Orders at 50(A) and 51. SO 50A states, inter alia, that 'Council shall approve the appointment of a Head of Paid Service following the recommendation of such appointment by a Committee or Sub-Committee of the Council'.

7. Monitoring Officer's comments:

The procedure to appoint the Head of Paid Service is set out in the Council's Standing Orders as set out under 'Legal Aspects' above.

Simon Copper – Deputy Monitoring Officer.

8. The Background details:

8.1 Council is in the midst of a fundamental business transformation process designed to:

- Deliver a customer focused organisation fit for the future;
- Modernise service delivery through channel shift and digitisation, driving out wasteful processes focused on customer needs; and
- Respond positively to an increasingly challenging financial climate

8.2 The Council's financial shortfall is significant and, whilst both the Strategic Management Board (SMB), the Operational Management Board (OMB) and members have been working hard to address a deficit of £2.3 million for 2023, this deficit has increased by an additional £2 million as a direct result of the energy crisis.

8.3 In addition and working with the LGA, it is recognised that the timely appointment of the permanent Chief Executive is imperative in order that the post holder is able to play a key role in the planned restructure of both SMB and OMB, due by April 2024.

9. The legal background:

9.1 Standing Order 50(a) requires that an Appointment Committee is formed.

9.2 Standing Order 51(1) affords the Council the option of recruiting internally if it so wishes.

9.3 Standing Order 52 requires consultation with the Executive in relation to the successful candidate following interview before the Selection Committee's recommendation is presented to Council

9.4 This and previous Papers' decision-making arrangements comply with all relevant requirements.

10. How does the decision contribute to the Council's Corporate Plan?

This appointment will enable the organisation to focus on the new skills needed to take the council forward in financially challenging times and will contribute greatly to the Strategic Objective of delivering a "well run council".

11. What risks are there and how can they be reduced?

Councillors can choose not to address this issue and not appoint a permanent Head of Paid Service at this juncture. This could potentially lead to the demoralisation of its SMB and OMB Teams - and the rest of the organisation of course - at such a critical time.

12. Equality Act 2010 (The Act)

12.1 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

12.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

12.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage and civil partnership status in coming to a decision.

12.4 The Recommendations herein present no potential impact on people with protected characteristics as determined by the Act.

13. Carbon Footprint (Environmental) Implications:

There are no direct carbon/environmental impacts arising from the recommendations.

14. Are there any other options?

- Do nothing; or
- Wait for the outcome of the LGA proposals in relation to the SMB restructure.

15. This report looks for Agreement to the Recommendations herein

The Leader of the Council

Author: John Cooke, Service Lead, HR

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

1. The Director, Corporate Services' Report to Council in December of 2022 regarding the exit of the current Chief Executive & Growth Director / Head of Paid Service, the appointment of an interim Deputy Chief Executive and the subsequent appointment of a new Chief Executive / Head of Paid Service refers.
2. The Leader's Report to Council in February of 2023 regarding the process into recruit the new, permanent, Chief Executive / Head of Paid Service also refers.

Contact for enquires:
Democratic Services (Committees)
Room 4.36
01392 265275