

Notice of NON KEY Executive Decision containing exempt information

This Executive Decision Report is part exempt and Appendix A is not available for public inspection as it relates to exempt information within the meaning of Schedule 12A to the Local Government Act 1972. It is exempt because it refers to salary data and the public interest in maintaining the exemption outweighs the public interest in disclosing the information

Subject Heading:	<i>Affordable Homes for Local People - Revenue Funding Bid from the GLA Right to Buy Back Fund</i>
Cabinet Member:	<i>Councillor Roger Ramsey – Lead Member for Finance</i>
SLT Lead:	<i>Patrick Odling-Smee – Director of Housing Services</i>
Report Author and contact details:	<i>James Delaney – Strategy & Policy Officer (Housing)</i>
Policy context:	<i>Grant funding will support Havering’s ambitions to provide more genuinely affordable homes for local people</i>
Financial summary:	<i>The report seeks permission to bid for £143k in GLA revenue funding to fund three members of staff. The additional capacity can potentially increase the delivery of affordable homes under the Right to Buy Back programme.</i>

The subject matter of this report deals with the following Council Objectives

Communities making Havering	<input type="checkbox"/>
Places making Havering	<input checked="" type="checkbox"/>
Opportunities making Havering	<input checked="" type="checkbox"/>

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

It is recommended that the Director of Housing, in consultation with the Lead Member for Housing, authorise a bid to the Greater London Authority for £142,646 revenue funding to support the Right to Buy Back programme.

A successful funding bid will fund an additional three officers within the Housing department for one year to increase capacity for the Right to Buy Back programme. The Council has successfully delivered 33 new homes under this programme to date, with an additional 47 homes funded for purchases in 2022/23. It is anticipated that should our funding bid be successful, the additional officers could support a further 30 acquisitions this financial year.

Note that a further, separate capital grant funding bid can be made if this revenue bid is successful in securing funding for the additional members of staff. Without additional staff capacity, we are unable to support increased numbers of acquisitions.

AUTHORITY UNDER WHICH DECISION IS MADE

In accordance with the Council's constitution - 3.3 Powers of Members of the Senior Leadership Team (c) Financial Responsibilities:

In consultation with the relevant Cabinet Member to apply for, accept and manage external funding up to a limit of £500,000 per grant in support of any function within their Directorate provided that any financial contributions by the Council are made from within existing budgets.

STATEMENT OF THE REASONS FOR THE DECISION

The Greater London Authority (GLA) introduced the Right to Buy Back fund in 2021 to deliver increased levels of genuinely affordable housing in the capital to the London-wide housing crisis.

Havering has successfully delivered 33 homes through the programme so far, with 47 more purchases planned for 2022/23. Through this programme, we buy suitable homes within the borough and let them at social rents for local residents with an identified housing need. The programme helps re-supply properties that are lost through Right to Buy sales and helps reduce homelessness. Homes are maintained to decent homes standard, ensuring that residents have a safe and secure place to live.

The Council has an established team of two officers set up to complete acquisitions, but the team's capacity to purchase more properties is limited by its size.

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We would deliver more completions this year and be able to plan for further acquisitions in the future if we can secure funding from the Right to Buy Back Revenue Fund for additional staff.

The identified staff requirement is for three overall posts, on one year fixed term contracts, consisting of:

- Two additional Sales, Acquisitions and Marketing Officers, who will directly manage the acquisitions process.
- One Senior Sales, Acquisitions and Marketing Officer to supervise the two officers and oversee the programme's activity.

The officers recruited will also assist with the marketing and sales of Shared Ownership properties in the borough which will provide residents with further Low Cost Home Ownership (LCHO) properties.

We forecast the additional capacity from these posts would increase the Council's Right to Buy Back purchasing activity by over 30 properties this year.

This addition to the boroughs housing stock is particularly welcome as the number of homes sold using the Right to Buy process has risen with 478 Havering homes sold in the last five years adding pressure to housing in the borough. Council housing stock in Havering has reduced from approximately 13,000 homes to just over 9,400 in the last 14 years meaning pressure on Housing in the Borough has increased with demand for homes in the borough outstripping supply.

This is a great opportunity to provide homes available to local people at social rent levels at a time when more residents are struggling to afford housing. As housing demand increases, it is essential to make the most of external funding to minimise the impact on Council resources and enable the successful Buy Back Programme to continue.

The homes procured by the Right to Buy Back team are subject to meeting strict criteria to ensure the properties are a net asset to the borough, and are economically viable, alongside meeting environmental standards that allow us to meet future green targets. Before acquisition properties are surveyed and valued by an independent RICS Surveyor and inspected by our Stock Condition Surveyor to see if any works are required and their costs to bring properties up to our Decent Homes Standards.

Additionally, properties acquired are a mix of 1,2,3 & 4 bedroom flats, maisonettes and houses throughout the borough to provide suitable options for people in all circumstances.

Bidding for this funding is open until 6pm on Friday 6th May 2022 and each London borough may submit one bid up to £200,000. The GLA will consider bids on an individual basis and may negotiate with applicants once all bids have been received.

OTHER OPTIONS CONSIDERED AND REJECTED

5.1 Do Not Bid for Funding

The salary costs of Sales, Acquisitions and Marketing Officers can be capitalised against the capital budget for the acquisitions that they manage, subject to evidence and time

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assessments. However, this decreases the overall amount of capital funding available for the acquisitions programme, meaning that potentially less homes could be delivered overall. The Council receives £100,000 per property in grant funding, paid on completion. This is a flat rate for each property, applied against the total cost, there is no additional capital funding available toward the costs of staff.

The Council may also choose to fund the salary costs from the Housing Revenue Account revenue budget, but this could also reduce the overall amount available for other housing services that benefit Council tenants. The preferred option would always be external funding provision, as it doesn't affect existing Council budget allocations.

Without the additional funding for the three identified posts, we would not be able to support further Right to Buy Back activity, as the programme currently ends in April 2023, this would be a missed opportunity to deliver genuinely affordable housing for local people.

5.2 Bid for Less Funding

This option is inadequate to support the desired level of activity for the Right to Buy Back Programme, however the Council are willing to negotiate with the GLA on the funding amount as long as the additional number of properties to be delivered is reduced in conjunction with the revised offer.

PRE-DECISION CONSULTATION

N/A

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Kirsty Moller

Designation: Head of Programme & Support (Regeneration)

Signature:

Date: 25/04/22

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

6.1 The Council has a statutory duty under Section 8 of the Housing Act 1985 to consider housing conditions in its district and the needs of the district with respect to the provision of further housing accommodation.

6.2 Section 1 of the Localism Act 2011 gives the Council a general power of competence to do anything an individual can do, subject to any statutory constraints on the Council's

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powers. The recommendations in this report are in keeping with this power and the Council has the power to bid for and receive grant funding.

6.3 It is the responsibility of the Council to comply with the relevant funding conditions under the Contract including applying the relevant match funding to bring the matters to fruition. Any further bids for capital funding to increase the outputs from the Right to Buy Back programme would be subject to the relevant governance requirements of the Council's constitution.

FINANCIAL IMPLICATIONS AND RISKS

7.1 £143k funding is being requested from the GLA.

7.1 The Council's bid is in line with the funding required for an additional three members of staff; according to the latest salary calculations (see APPENDIX 1)

7.3 There are no direct financial implications related to the bid for funding, and acceptance of a funding offer would be subject to the Council's constitution and a further non-key executive decision which sets out the relevant terms and conditions, monitoring and audit requirements.

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

8.1 Should the funding bid be successful and grant funding be formally accepted by the Council, a proposal to create and recruit to the 3 new posts will be submitted to the R&R Panel and progressed in accordance with the Council's HR policies and procedures

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

9.1 The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) Foster good relations between those who have protected characteristics and those who do not.

9.2 Note: 'Protected characteristics' are age, disability, gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief, sex/gender, sexual orientation.

9.3 The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

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9.4 An acceptable grant bid, as set out in this report, would benefit local residents by providing additional capacity to possibly deliver further affordable housing.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

10.1 There are no direct implications relating to the environment or climate change relating to this report.

BACKGROUND PAPERS

None

APPENDICIES

Appendix A	Salary calculation for grant bid	Exempt
Appendix B	EQHIA for funding request	

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Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Details of decision maker



Signed

Patrick Odling-Smee
Director of Housing Services

Date: 04/05/22

In consultation with:

Signed:

Councillor Roger Ramsey
Lead Member for Finance

Lodging this notice

The signed decision notice must be delivered to the proper officer, Debra Marlow, Principal Democratic Services Officer in Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

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Signed _____