

## TRAFFORD COUNCIL

**Report to:** Executive  
**Date:** 18<sup>th</sup> September 2023  
**Report for:** Decision  
**Report of:** Executive Member for Housing and Advice

### Report Title

Update on the Local Authority Housing Fund – Ukrainian and Afghan resettlement and relocation scheme.

### Summary

The report provides an update on the above scheme and programme for delivery.

### Recommendation(s)

The Executive is recommended to:

- i) approve the project for providing homes for Ukrainian and Afghan refugees as set out in this report.
- ii) Delegate authority to the Corporate Director, Place to procure a contractor to carry out the conversions and repairs and improvements as appropriate.
- iii) delegate authority to the Corporate Director, Place to negotiate, finalise and agree the terms for the purchase of properties for the purposes set out in this report.
- iv) delegate authority to the Director of Legal and Governance to enter into any contracts, agreements or deeds required to implement the above recommendations.

Contact person for access to background papers and further information:

Name: Clare Huber

Background Papers: none

*Implications:*

Relationship to Policy Framework/Corporate Priorities	This supports the Council's 10 year Estates Strategy, and the Council's Corporate priority of providing access to good quality affordable housing.
Relationship to GM Policy or Strategy Framework	At a Greater Manchester level, it supports the Homeless prevention strategy.
Financial	As set out in the report
Legal Implications:	When the Council is the direct landlord in a residential letting, subject to certain exceptions, the tenancy is a secure tenancy, and the tenant may acquire the right to buy. Currently Ukrainian and Afghan refugees are specific exceptions to this. However, if the refugees' status changes or the specific exception is ended then it is likely such tenants may qualify for a secure tenancy. The Council will need to monitor the situation closely to avoid inadvertently gaining secure tenants.
Equality/Diversity Implications	None as a consequence of this report
Sustainability Implications	None as a consequence of this report
Climate Change / Carbon Reduction Implications	The reusing of existing buildings supports the sustainable construction strategy and reduces carbon by reusing instead of constructing new buildings. Refurbished buildings will be constructed using energy efficient materials.
Resource Implications e.g., Staffing / ICT / Assets	No direct implications
Risk Management Implications	As set out in the report.
Health & Wellbeing Implications	No direct implications
Health and Safety Implications	No direct implications

## 1.0 Background

- 1.1 The UK has welcomed over 150,000 people from Ukraine through the Ukraine Family Scheme and Homes for Ukraine Scheme. With support from central government, local authorities and communities have worked tirelessly to provide safe refuge for people at their hour of need. These efforts come after welcoming around 23,000 Afghans who worked alongside the British Government, of whom c. 9,200 are living in bridging hotel accommodation.
- 1.2 In December 2022 the Council was advised of a national £500m capital fund, the Local Authority Housing Fund (LAHF). This is a fund for local authorities in England to provide accommodation to families with housing needs who have arrived in the UK via Ukrainian and Afghan resettlement schemes. These homes are in addition to the current available stock in the Borough. The long-term strategy will be to retain the homes as stock, and they will be used for future temporary accommodation allocations. The use of this stock will not be to the detriment of current applicants on the housing register. The Homes for Ukraine and Afghan resettlement schemes are government schemes to provide safe sanctuary for Ukrainians who are fleeing the war in Ukraine and Afghans who have supported the UK government in Afghan. Both schemes come with ringfenced funding to support both cohorts.

- 1.3 The Council was provisionally allocated £2.96m to deliver 19, 2/3-bedroom homes and 3 larger 4+ bed homes for allocation to households currently in bridging hotel accommodation. In February 2023, the Council approved additional prudential borrowing of up to £4.45m to provide match funding to grant for the delivery scheme, with a total cost of up to £7.95m.
- 1.4 The ambition of the programme was to deliver homes across 2022/23 and 2023/24.
- 1.5 In June 2023 the Council were advised of a further £250m capital fund, LAHF2. This fund is for local authorities in England to provide housing to those on the Afghan resettlement scheme at risk of homelessness. The Council was provisionally allocated £1.108m to deliver 6 homes for resettlement and 1 home for temporary accommodation.
- 1.6 The ambition of LAHF2 is to deliver the homes by the end of March 2024.
- 1.7 The Council has 80 Ukrainian households in guest accommodation, 2 Ukraine household in temporary accommodation and 9 Afghan families housed in settled accommodation in the Borough. The Council is supporting these families through the Homes for Ukraine Team and HOST's tenancy support team. These numbers could increase significantly when the bridging hotels close as Afghan households can present as homeless to a local authority of their choice should they not find move on accommodation themselves.
- 1.8 Work has progressed since December 2022 and this report provides an update on the programme and the plan for delivery of the homes in Trafford.

## **2.0 Progress**

- 2.1 The Council has worked closely with the Supporting Housing team at the Council and the Department for Levelling Up and Communities to understand the details and constraints of the LAHF funds and has conducted scoping and business case modelling to understand the risk, opportunities, and constraints of delivering the number of homes in the timescales and within the budget allocation.
- 2.2 The Council initially looked at purchasing new properties to fulfil the full LAHF requirement. This did not provide an acceptable business case for investment and there is a limited number of suitable properties available at short notice. We have therefore needed to look at more creative solutions to provide this much needed homes.
- 2.3 It is important to note that the Council does not hold housing stock following the transfer of its housing stock to registered housing providers in 2005.
- 2.4 The Council does have several commercial properties across its estate that could potentially be converted to residential accommodation.
- 2.5 The Council has therefore developed a hybrid option which includes the conversion of currently vacant space in commercial premises alongside a targeted purchase of several properties that are on the open market.
- 2.6 The commercial premises are in the upper floors of the Grafton Centre, Altrincham and 9 Crofts Bank, Urmston. Feasibility work commenced to determine if conversion

was possible, along with structural and other surveys to fully understand cost and risk and to construct a business case for delivery.

- 2.7 The LAHF has confirmed that the Council can use our existing buildings as 'match' capital funding, therefore reducing the amount of capital match funding needed.
- 2.8 Feasibility studies determined it was possible to deliver 10 apartments at the Grafton Centre, comprising of 2 bed and 4 bed apartments in the redundant commercial premises and 3 x 2 bed apartments at Crofts Bank in Urmston above the shops at 9a-9c. The Grafton Centre already contains 2 residential properties, one which is currently occupied, the other is allocated to this scheme.
- 2.9 The Council has made initial offers on 5 properties, subject to Executive approval. 4 residential homes in Partington and Urmston and Sibson House in Sale, a former L&Q property made up of 9 x 1-bedroom flats. 7 flats would be utilised for the LAHF2 scheme with the remaining 2 being allocated to supported housing.
- 2.10 The Council has commissioned feasibility studies and surveys to determine if it is possible to carry out the conversions. The work conducted has shown it to be feasible, this is however subject to further survey work. The LAHF have confirmed that if the work to convert is not feasible, the Council can utilise the grant to cover abortive design costs.

### **3.0 Plan for delivery**

- 3.1 The Council needs planning permission to convert the properties from commercial to residential development. Planning permission is by prior approval and delegated to Planning Officers. Applications have been made to the Planning Department.
- 3.2 The works to convert the commercial properties has been tendered to the open market and it is anticipated that work will start on site late 2023.
- 3.3 The Council will complete on the 5 purchased properties in September/October 2023 and will look to acquire a further 4 properties to complete the LAHF allocation. The converted properties at the Grafton Centre and Crofts bank will be ready Spring 2024.
- 3.4 Following start on site more firmer delivery dates will be understood and allocation of the properties through the Council's Housing Solution Team will begin.
- 3.5 As per the funding agreement the properties will become Council stock. The Council's Estates Team, supported by the Housing Solution Team will manage the properties and allocations in line with the terms of the funding agreements. The properties will remain in the Council's stock long term as supported accommodation once they are not required for the purposes of this scheme.

### **4.0 Finance**

- 4.1 The Business Case is set out in Part 2 of this report.

### **Other Options**

The main option is for the Council not to provide additional accommodation and source existing accommodation to house both cohorts. However, in light of the serious lack of

existing supply in the borough which cannot meet current demand let alone additional demand, this is not a viable option.

**Consultation**

No consultation is required at this stage. The proposal is in line with the Council's Estates Strategy and appropriate consultation will take place through the Planning process.

**Reasons for Recommendation**

The reason for the recommendation is that it puts the Council in control of the delivery of homes for this cohort of people, provides control over quality of accommodation and gives the Council's HOST team more long-term certainty over the provision of temporary accommodation.

**Key Decision** (as defined in the Constitution): No

**Finance Officer Clearance: FF**

**Legal Officer Clearance: TR**

**[CORPORATE] DIRECTOR'S SIGNATURE** (electronic)



To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.