

# Public Document Pack



## RUSHMOOR BOROUGH COUNCIL

### CABINET

*at the Council Offices, Farnborough on  
Tuesday, 16th April, 2024 at 7.00 pm*

To:

Cllr G.B. Lyon, Leader of the Council  
Cllr M.L. Sheehan, Deputy Leader and Environment & Neighbourhood Portfolio  
Holder  
Cllr M.J. Tennant, Deputy Leader and Major Projects & Property Portfolio Holder

Cllr A. Adeola, Digital First & Corporate Portfolio Holder  
Cllr J.B. Canty, Development & Economic Growth Portfolio Holder  
Cllr Sue Carter, Community Portfolio Holder  
Cllr P.G. Taylor, Finance Portfolio Holder  
Cllr S. Trussler, Member of the Cabinet

Enquiries regarding this agenda should be referred to Chris Todd, Democratic  
Support Officer, on 01252 398825 or e-mail: [chris.todd@rushmoor.gov.uk](mailto:chris.todd@rushmoor.gov.uk)

## A G E N D A

### 1. DECLARATIONS OF INTEREST –

Under the Council's Code of Conduct for Councillors, all Members are required to disclose relevant Interests in any matter to be considered at the meeting. Where the matter directly relates to a Member's Disclosable Pecuniary Interests or Other Registrable Interest, that Member must not participate in any discussion or vote on the matter and must not remain in the room unless they have been granted a dispensation (see note below). If the matter directly relates to 'Non-Registrable Interests', the Member's participation in the meeting will depend on the nature of the

matter and whether it directly relates or affects their financial interest or well-being or that of a relative, friend or close associate, applying the tests set out in the Code.

**NOTE:**

On 27th May, 2021, the Council's Corporate Governance, Audit and Standards Committee granted dispensations to Members appointed by the Council to the Board of the Rushmoor Development Partnership and as Directors of Rushmoor Homes Limited.

2. **MINUTES** – (Pages 1 - 4)

To confirm the Minutes of the meeting held on 12th March, 2024 (copy attached).

3. **COUNCIL TAX - CARE LEAVERS DISCOUNT** – (Pages 5 - 12)  
(Cllr Paul Taylor, Finance Portfolio Holder)

To consider Report No. FIN2404 (copy attached), which sets out a local policy to award a Council Tax discount to Rushmoor residents that qualify as care leavers.

4. **RESERVIST POLICY** – (Pages 13 - 24)  
(Cllr Ade Adeola, Digital First & Corporate Portfolio Holder)

To consider Report No. DEM2403 (copy attached), which sets out a Reservist Policy in relation to the Council's workforce.

5. **LOCAL AUTHORITY HOUSING FUND - ROUND 3** – (Pages 25 - 50)  
(Cllr Martin Tennant, Major Projects and Property Portfolio Holder / Cllr Sue Carter, Community Portfolio Holder)

To consider Report No. ACE2405 (copy attached), which sets out the Council's approach to dealing with the third round of the Local Authority Housing Fund, including governance and funding arrangements.

-----

# CABINET

Meeting held on Tuesday, 12th March, 2024 at the Council Offices, Farnborough at 7.00 pm.

## Voting Members

Cllr G.B. Lyon, Leader of the Council  
 Cllr M.L. Sheehan, Deputy Leader and Environment & Neighbourhood Portfolio Holder  
 Cllr M.J. Tennant, Deputy Leader and Major Projects & Property Portfolio Holder

Cllr A. Adeola, Digital First & Corporate Portfolio Holder  
 Cllr J.B. Canty, Development & Economic Growth Portfolio Holder  
 Cllr Sue Carter, Community Portfolio Holder  
 Cllr P.G. Taylor, Finance Portfolio Holder  
 Cllr S. Trussler, Member of the Cabinet

The Cabinet considered the following matters at the above-mentioned meeting. All executive decisions of the Cabinet shall become effective, subject to the call-in procedure, from **25th March, 2024**.

## 54. DECLARATIONS OF INTEREST –

Having regard to the Council's Code of Conduct for Councillors, the following declarations of interest were made:

Item No.	Member	Interest	Reason
61	Cllr P.G. Taylor	Personal and non-pecuniary	Council appointed Director of Rushmoor Homes Limited
61	Cllr S. Trussler	Personal and non-pecuniary	Council appointed Director of Rushmoor Homes Limited

Cllrs Taylor and Trussler each declared a non-pecuniary interest as Board Members of Rushmoor Homes Limited. In accordance with the dispensation granted by the Council's Corporate Governance, Audit and Standards on 27th May, 2021, both Councillors remained in the meeting and participated in the decision.

## 55. MINUTES –

The Minutes of the meeting of the Cabinet held on 6th February, 2024 were confirmed and signed by the Chairman.

## 56. REVENUE AND CAPITAL BUDGET MONITORING REPORT - Q3 2023/24 – (Cllr Paul Taylor, Finance Portfolio Holder)

The Cabinet considered Report No. FIN2407, which set out the anticipated financial position for 2023/24, based on the budget monitoring information provided by Heads

of Service and Service Managers as at the end of February 2024. Members were informed that the Council continued to face a number of external budget pressures that were having an impact on the 2023/24 budget and the Council's finances over the medium term, including higher than expected interest rates and the rate of inflation. It was reported that, at this stage of the financial year, the projected General Fund net adverse variation was £2.178 million, which represented an overall improvement of £169,000 compared to the previous quarter. The Report set out the reasons for this variance and confirmed that, overall, the financial position was stable. It was confirmed that the risks and pressures were being closely monitored by budget holders. The Cabinet expressed appreciation for the work that had been carried out by the Council's financial officers.

**The Cabinet RESOLVED** that

- (i) the revenue budget forecast and impact on reserve balances, as set out in paragraphs 2.4 to 2.12 of Report No. FIN2407, be noted; and
- (ii) the Capital Programme forecast, as set out in paragraphs 2.13 to 2.18 of the Report, be noted.

57. **INTRODUCTION OF ANTISOCIAL BEHAVIOUR POLICY –**  
(Cllr Maurice Sheehan, Environment & Neighbourhood Portfolio Holder)

The Cabinet considered Report No. OS2401, which set out a new Antisocial Behaviour Policy for the Council.

Members were informed that there was not, currently, a formal Antisocial Behaviour Policy in place. The Policy set out what response residents should expect from the Council and also the processes to be followed. The draft policy had been considered by the Policy and Project Advisory Board and the Board had recommended it to the Cabinet for adoption. The Cabinet was supportive of the proposed approach in relation to dealing with incidents of antisocial behaviour and was pleased to see the Council's new Place Protection Team in operation.

**The Cabinet RESOLVED** that the Antisocial Behaviour Policy, as set out in Appendix 1 of Report No. OS2401, be approved.

58. **ADOPTION OF THE CAR AND CYCLE PARKING STANDARDS SUPPLEMENTARY PLANNING DOCUMENT –**  
(Cllr Jonathan Canty, Development and Economic Growth Portfolio Holder)

The Cabinet considered Report No. PG2405, which set out an updated Car and Cycle Parking Standards Supplementary Planning Document (SPD) for adoption.

Members were reminded that the purpose of the update was to reflect a number of factors, including changes to policy, recent town centre planning applications, 2021 Census data and factual changes since the adoption of the current SPD in 2017. A consultation exercise had been carried out during December 2023 and January 2024. Whilst this had generated a number of responses, there had only been minor changes made to the SPD since the Cabinet had considered the draft document in November 2023.

**The Cabinet RESOLVED** that the adoption of the Car and Cycle Parking Standards Supplementary Planning Document, as set out in Report No. PG2405, be approved.

59. **RUSHMOOR LOCAL PLAN - LOCAL DEVELOPMENT SCHEME MARCH 2024 –**  
(Cllr Jonathan Canty, Development and Economic Growth Portfolio Holder)

The Cabinet considered Report No. PG2406, which set out a Local Development Scheme in relation to the Council's Local Plan.

The Cabinet was reminded that it had agreed, in November 2023, that the current Rushmoor Local Plan was in need of updating. It was explained that the Local Development Scheme set out an indicative timetable for the preparation of this updated Local Plan. In considering this, Members discussed matters around the expected level of housing provision and the availability of areas of Suitable Alternative Natural Greenspace.

**The Cabinet RESOLVED** that the publication and submission to the Department of Levelling Up, Housing and Communities of an updated Local Development Scheme for the new Local Plan, as set out in Report No. PG2406, be approved.

60. **EXCLUSION OF THE PUBLIC –**

**RESOLVED:** That, taking into account the public interest test, the public be excluded from the meeting during the discussion of the under mentioned item to avoid the disclosure of exempt information within the paragraph of Schedule 12A to the Local Government Act, 1972 indicated against the item:

<b>Minute No.</b>	<b>Schedule 12A Para. No.</b>	<b>Category</b>
61	3	Information relating to financial or business affairs

**THE FOLLOWING ITEM WAS CONSIDERED  
IN THE ABSENCE OF THE PUBLIC**

61. **UNION YARD, ALDERSHOT - DISPOSAL OF PRIVATE RENTED RESIDENTIAL UNITS –**  
(Cllr Martin Tennant, Major Projects and Property Portfolio Holder)

The Cabinet considered Exempt Report No. REG2403, which set out a proposal to dispose of a leasehold interest for the private residential units contained within the Union Yard scheme.

Members were informed that there was a total of 82 private units being delivered. The Report set out the next steps for the disposal with a view to the scheme achieving practical completion and handover in Summer 2024.

**The Cabinet RESOLVED** that

- (i) the market review of disposal options provided by Lambert Smith Hampton Investment Management, as set out at Appendix 3 of Exempt Report No. REG2403, be noted;
- (ii) the disposal of a leasehold interest in the private residential element of the Union Yard development, comprising 82 units, to Rushmoor Homes Limited, at the value set out in paragraph 3.3 of the Exempt Report, be approved; and
- (iii) on the conclusion of due diligence, the Executive Director, in consultation with the Major Projects and Property Portfolio Holder, be authorised to confirm the final terms and to enable the disposal.

The Meeting closed at 7.47 pm.

CLLR G.B. LYON, LEADER OF THE COUNCIL

-----

CABINET

COUNCILLOR PAUL TAYOR  
FINANCE PORTFOLIO HOLDER  
REPORT NO. FIN240416<sup>th</sup> April 2024

KEY DECISION? YES/NO

**COUNCIL TAX – CARE LEAVERS DISCOUNT****SUMMARY:**

This report seeks approval to provide up to a 100% discount from the council tax liability of residents of Rushmoor who are care leavers aged up to 25.

The Council has discretion to reduce council tax liability for individuals or prescribed groups. This discretion is exercised in accordance with Section 13A(1)(C) of the Local Government Finance Act 1992.

**RECOMMENDATIONS:**

Cabinet is recommended to: -

- 1) To approve the Care Leavers Discount Policy, as set out in Appendix 1 of this report.

**1. INTRODUCTION**

- 1.1. The council has the discretion to reduce Council Tax Liability for individuals or prescribed groups. This discretion is exercised in accordance with section 13A(1)(C) of the Local Government Finance Act 1992.
- 1.2. For the purpose of this report a care leaver is defined as a person who has been in the care of a local authority (looked after) for a period or cumulative periods equalling at least 13 weeks since the age of 14 and which ended on or after their 16<sup>th</sup> birthday.

**2. BACKGROUND**

- 2.1. Care leavers are amongst the most vulnerable groups in society. Many will have suffered abuse or neglect. Research advises that care leavers show significantly lower academic achievement, are more likely to be unemployed and to have mental health needs.
- 2.2. A 2015 report by The Childrens Society [The Childrens Society The Wolf at the Door March 2015.pdf \(gedling.gov.uk\)](#) suggests that care leavers are a

particularly vulnerable group for council tax debt. The Childrens Society believes that to ensure that the transition from care to adult life is as smooth as possible, and to mitigate the chances of care leavers falling into debt as they begin to manage their own finances, they should be exempt from paying Council Tax.

- 2.3. It found that when care leavers moved into independent accommodation and they began to manage their own budget fully for the first time, that this is a challenging time for care leavers, particularly if they are falling behind on their council Tax.
- 2.4. Therefore, the Childrens Society report made several recommendations including making care leavers ineligible for a council tax discount. This would relieve some of that initial pressure.
- 2.5. Hampshire County Council have also highlighted this campaign and have urged Hampshire Billing Authorities to provide for this discount. At present only two Billing Authorities in Hampshire do not provide for this discount, one being Rushmoor and the other Gosport Borough Council.

### **3. DETAILS OF THE CARE LEAVER DISCOUNT**

- 3.1. Full details of the care leaver discount can be found in Appendix 1 of this report. However, a summary of the proposals are in paragraphs 3.2 to 3.10 of this report.
- 3.2. A care leaver, for the purposes of this policy, is defined as a young person aged 18-25 who was formerly a child in the care of Hampshire County Council and then became a “Former Relevant Child” as defined by The Children (Leaving Care) Act 2000. The care leaver must be resident and liable for council tax within the Rushmoor Borough Council area.
- 3.3. A care leaver must be aged 18-25 years to qualify for a reduction under the care leavers discount scheme. A care leaver will cease to qualify for the discount from the date of their 25<sup>th</sup> birthday.
- 3.4. The care leaver must be the liable person for council tax, either solely or joint and severally with other(s), at the dwelling in respect of which the application is made. The council tax bill must be in their name or include their name.
- 3.5. Where a care leaver lives in a house of multiple occupation or other property where they are not the council taxpayer, no discount will be awarded.
- 3.6. The care leaver discount will apply to occupied properties only.
- 3.7. The care leaver discount is effective from 1 April 2024.



- 3.8. Where care leavers meet the eligibility criteria above they will be eligible to apply for a discount as follows:
- Where a property is solely occupied by a care leaver(s) a 100% discount will be awarded.
  - Where a customer is in occupation and jointly liable with others, a 50% discount will be awarded.
- 3.9. The care leaver discount will be awarded after all other discounts, exemptions and council tax support have been awarded, if still applicable.

### **Consultation**

- 3.10. A public consultation is not required before introducing a new discount under S13A(1)(C) of the Local Government Finance Act 1992.

## **4. IMPLICATIONS**

### **Risks**

- 4.1. There are no significant risks associated with this report.

### **Legal Implications**

- 4.2. The legal provision to introduce a new discount is contained within S13A(1)(C) of the Local Government Finance Act 1992.

### **Financial Implications**

- 4.3. There are 6 individuals liable for Council Tax who have been identified as being a care leaver. The total value of discount awarded will be £7,063. The council's proportion of this (11.2%) would amount to £791. The remainder would be picked up by the other preceptors.
- 4.4. Therefore, the financial implication for the council is relatively low.

### **Equalities Impact Implications**

- 4.5. There are no negative equalities impacts associated with implementing the policy.

## **5. CONCLUSIONS**

- 5.1. In conclusion, cabinet are asked to approve the care leaver discount as set out in this report.
- 5.2. The discount will be delivered using our powers under the S13A(1)(C) of the Local Government Finance Act 1992.

- 5.3. The Corporate Services Portfolio Holder is supportive of the care leaver discount.
- 5.4. The financial implication to the council is relatively low but would be of significant benefit to a vulnerable group in society.

**LIST OF APPENDICES/ANNEXES:**

Care Leavers Discount Policy (Appendix 1)

**BACKGROUND DOCUMENTS:**

[The Childrens Society The Wolf at the Door March 2015.pdf \(gedling.gov.uk\)](#)

**CONTACT DETAILS:**

**Report Author** – David May / [david.may@rushmoor.gov.uk](mailto:david.may@rushmoor.gov.uk) / 01252 398330

**Head of Service** – Peter Vickers / [peter.vickers@rushmoor.gov.uk](mailto:peter.vickers@rushmoor.gov.uk)

# Discretionary Council Tax Discount Policy Care Leavers

(Section 13A Local Government Finance Act 1992)

## **1. Introduction**

The Government made recommendations in its care leavers strategy “Keep on Caring”, published in July 2016, that local authorities should consider exempting care leavers from council tax using their existing discretionary powers under Section 13A of the Local Government Finance Act 1992. Many councils have since introduced discounts for care leavers.

## **2. Legal provision**

Billing authorities have discretion under Section 13A(1)(c) of the local Government Finance Act 1992 to reduce the amount of council tax payable for individuals or for classes of council taxpayer. This includes the power to reduce the amount payable to nil.

This provision is separate to and distinct from the Council Tax Support Scheme which is made under Section 13A(1)(a) of the Local Government Finance Act 1992. It allows the Council to reduce the amount payable after all statutory discounts, exemptions, and local council tax support scheme.

## **3. Eligibility criteria**

- A care leaver, for the purposes of this policy, is defined as a young person aged 18-25 who was formerly a child in the care of Hampshire County Council and then became a “Former Relevant Child” as defined by The Children (Leaving Care) Act 2000. The care leaver must be resident and liable for council tax on a property within the Rushmoor Borough Council area.
- A care leaver must be aged 18-25 years old to qualify for a reduction under the care leavers discount scheme. A care leaver will cease to qualify for discount from the date of their 25<sup>th</sup> birthday.
- The care leaver must be the liable person for council tax, either solely or jointly and severally with other(s), at the dwelling in respect of which the application is made. The council tax bill must be in their name or name on it.
- Where a care leaver lives in a house in multiple occupation or other property where they are not the council taxpayer, no discount will be awarded.
- The care leaver discount will apply to occupied properties only.

#### **4 Care Leaver Discount**

The care leaver discount is effective from 1 April 2024.

Care leavers that meet the eligibility criteria above will be eligible to apply for a discretionary council tax discount as follows:

- Where a property is solely occupied by care leaver(s) a 100% discount will be awarded.
- Where a care leaver is in occupation and jointly liable with others, a 50% discount will be awarded.

The care leaver discount will be awarded after all other discount, exemptions and council tax support have been awarded, if applicable.

#### **5 Application process and administration**

An application should provide the following information:

- Full name
- Date of birth
- Current address
- Details of any other adults in the property and relationship to them
- Details of any circumstances that would be relevant regarding entitlement to discounts, disregards or exemptions.
- Contact details
- Name of lead care support worker if known.

Awards will be made directly by awarding a discount to the council tax liability. Notification of the discount being awarded will be by way of the council tax bill. The Revenues and Benefits Service will undertake periodic reviews appropriate to the individual circumstances of each case. The care leaver (or his/her appointee or a recognised third party acting on his/her behalf) must advise Rushmoor Borough Council of any change in circumstances which may affect entitlement to the discount within 21 days of the change occurring.

Any overpaid care leaver discount will be reclaimed through the relevant council tax account and collected and recovered under the Council Tax (administration and Enforcement) Regulations 1992.

This page is intentionally left blank

CABINET

COUNCILLOR ADE ADEOLA  
DIGITAL FIRST AND  
CORPORATE PORTFOLIO HOLDER  
REPORT NO. DEM2403

16TH APRIL 2024

KEY DECISION? NO

**RESERVIST POLICY****SUMMARY AND RECOMMENDATIONS:**

A Reservist Policy is a statement that the Council supports and recognises the need to ensure flexible working practices to help staff maintain their working responsibilities if they are or become Reservists in the Armed Forces. It sets out the procedures in the case that a Reservist is required to be mobilised.

The adoption of a Reservist Policy supports the Council's ambition to reach the Gold Award standard in the Defence Employer Recognition Scheme.

**The Cabinet is recommended to** approve a Reservist Policy for the Council as set out in Appendix 1 to the Report.

**1. INTRODUCTION**

- 1.1. This Report proposes the adoption of a new Reservist Policy for the Council (attached at Appendix 1) which sets out a commitment to flexible working arrangements and a pledge of support for those staff in the organisation who are or will become Reservists in the Armed Forces. It provides that Reserves will be entitled to the same career opportunities and not treated unfavourably.
- 1.2 Reservists in the workplace perform military duties in their spare time, combining this with their civilian career. All members of the Reserve Forces can be mobilised to full-time service and typically this would be for a period shorter than 12 months.

**2. BACKGROUND**

- 2.1. The Council is committed to supporting the armed forces community and has signed the Armed Forces Covenant and is a silver award holder in the Defence Employer Recognition Scheme working towards the gold award standard this year.

- 2.2. The adoption of a Reservist Policy is a further development of a provision in the Council's Special Leave Policy which provides that employees who are voluntary reservists in a Defence service will be granted up to two weeks additional paid leave each year in order to attend annual training camp. The Policy provides further details of the procedures for Reserves and a commitment to support staff who require flexibility to support their military service outside of work.
- 2.3. An employer at the gold award standard would be expected to have a policy on Reserves, although it is not a requirement that the Council has employees who are Reserves.

### **3. PROPOSAL TO ADOPT RESERVIST POLICY**

#### **General**

- 3.1. The Policy has been drafted by the People Team and the Democracy Team in line with Employment legislation and Armed Forces guidance.
- 3.2. The policy covers the rights and responsibilities of both reservist employees and the Council as an employer. For example, the Council has an obligation to provide support for training events, mobilisation and continuous employment rights during mobilisation, and the employee has an obligation to provide the Council with notification of their status as reservist and to follow arrangements for pre-mobilisation and return to work following deployment.

#### **Alternative Options**

- 3.3. Not to adopt a new policy about employing Reservists. However, Rushmoor Borough Council is a strong supporter of the armed forces community.

#### **Consultation**

- 3.4. As part of its review of support for the local armed forces community in the Autumn 2023, the Overview and Scrutiny Committee, the Cabinet and the Cabinet Champion for Armed Forces have expressed support for the Council to carry out further work towards the gold award standard in the Defence Employer Recognition Scheme and support for the Armed Forces community.

### **4. IMPLICATIONS**

#### **Risks**

- 4.1. Risk of mobilisation and loss of key staff. Staff who are reservists are requested to notify their manager in order that plans can be made for staff coverage in the event of the employee being called up.



### **Legal Implications**

- 4.2. The Council's obligations towards reservists are set out in the policy.

### **Financial and Resource Implications**

- 4.3. There are no direct financial implications arising from this report.

### **Equalities Impact Implications**

- 4.4. The policy applies equally to all staff who meet the criteria.

### **Other**

- 4.5. None

## **5. CONCLUSIONS**

- 5.1. The adoption of the policy is a pledge of support for those staff in the organisation who wish to become Reservists in the Armed Forces. It is designed to ensure the organisation's commitment to supporting armed forces employees and potential employees in its employment practices – with flexible arrangements and procedures in the case that a reservist employee is mobilised.

### **LIST OF APPENDICES/ANNEXES:**

Appendix 1 – Reservist Policy

### **BACKGROUND DOCUMENTS:**

### **CONTACT DETAILS:**

Jill Shuttleworth, Corporate Manager – Democracy  
[Jill.shuttleworth@rushmoor.gov.uk](mailto:Jill.shuttleworth@rushmoor.gov.uk)

Belinda Tam, Corporate Manager - People  
[belinda.tam@rushmoor.gov.uk](mailto:belinda.tam@rushmoor.gov.uk)



## RESERVIST POLICY

### 1. Introduction

Rushmoor Borough Council recognises the valuable contribution that Reservists make to the UK Armed Forces, their communities and the civilian workplace. Reservists in the workplace perform military duties in their spare time, combining this with their civilian career. The training undertaken by Reservists enables them to develop skills and abilities that are of benefit to both the individual and the Council as their employer.

### 2. Scope

Rushmoor Borough Council offers this policy as a pledge of support to all its employees who are or will become Reservists in the Armed Forces. Its guidelines and procedures also apply to the Reservist's manager(s), the People Team and those recruiting staff either internally or externally.

### 3. Policy Statement

Rushmoor Borough Council recognises the need to develop effective flexible working practices in order to help staff maintain their working responsibilities, whilst they serve in the Armed Forces Reserves.

### 4. Principles and Aims

This policy aims to enable employees of Rushmoor Borough Council to become Reservists in the Armed Forces and manage both their civilian and military career flexibly. It should ensure mutual benefit for both parties.

Rushmoor Borough Council will not disadvantage those Reservists who notify Rushmoor Borough Council of their Reserve status or those Reservists who are made known to Rushmoor Borough Council directly by the Ministry of Defence (MoD).

Rushmoor Borough Council shall, subject to the provisions set out in Sections 6 & 7, agree to release Reservists for attendance at Reserve Forces Training events, and subject to the provisions set out in Section 8 agree to the release of all employees mobilised for Reservist duties.

Rushmoor Borough Council will continue to treat the contracts of employment of employees mobilised for Reserve Service as operable throughout the period of such service and there will be no loss of continuous service.

## 5. Types of Reservist

5.1 There are three types of Reservists which this policy applies to: (1) Volunteer Reservists (2) Regular Reservists and (3) High Readiness Reserves.

- Volunteer Reservists are civilians, recruited into the Royal Naval Reserves, Royal Marines Reserves, Army Reserve and Royal Auxiliary Air Force.
- Regular Reservists are ex-regular servicemen who may retain a liability to be mobilised depending on how long they have served in the Armed Forces.
- High Readiness Reserves have a particular skill set, and are available at short notice with the written agreement of their employer

## 6 Reserve Status Notification

6.1 In order to provide a Reservist with appropriate support, Reservists are required to inform their line manager that they are a member of the Reserve Forces and the specific force that they belong to. This also assists with resource planning during periods of leave e.g. training and/or mobilisation.

6.2 Reservist employees are also required to grant permission for the Ministry of Defence (MoD) to write directly to their employer. This is known as 'Employer Notification' and ensures Rushmoor Borough Council is made aware that the employee is a Reservist and the benefits, rights and obligations that apply.

6.3 The MoD will issue written confirmation to the employer informing them the employee is a Member of the Reserve Forces. This will provide detail of mobilisation obligations and rights as an employee; rights as an employer; and details of the financial assistance available if an employee is mobilised. Where possible, it will also provide details of any annual training commitments. The MoD will also send a follow-up letter each year to confirm that the information held is still accurate.

6.4 It is the responsibility of the Reservist to ensure their personal details are kept up to date e.g. if they change employer or leave their respective Reserve Force.

6.5 In any circumstance, the Reservist will not be disadvantaged as a result of notifying Rushmoor Borough Council of their Reserve status.

## **7 Training and Leave**

- 7.1 Reservists are typically committed to up to 24-40 days training per year. Training tends to take place one evening per week and/or over various weekends throughout the year. There is also a two-week training event each year for reservists known as the 'annual camp'. Training should be taken outside of work hours when possible (see para 7.2 below for the annual camp). Flexible working arrangements can be discussed between the employee and their line manager to help manage the demands of training.
- 7.2 Supplementary to the flexible work arrangements offered, and as set out in the Council's Special Leave Policy, Rushmoor Borough Council will provide Reservists up to 10 working days (pro rata for part-time employees) for paid training leave in order to attend the annual two-week training camp offered to all Reservists in the Armed Forces (as referenced in para 7.1 above).
- 7.3 Reservist employees should give as much notice as possible of training commitments to allow appropriate planning for absences. Permission once given will not be rescinded unless there are exceptional circumstances.

## **8 Mobilisation**

- 8.1 Mobilisation is the process of calling Reservists into full time service with the Regular Forces, in order to make them available for military operations. The maximum period of mobilisation will depend on the scale and the nature of the operation. Mobilisation is typically shorter than 12 months.
- 8.2 The Call-out papers for mobilisation are sent by post to Rushmoor Borough Council or sometimes delivered in person by the Reservist to their line manager. The documentation will include the call-out date and the anticipated timeline. Whenever possible, Defence aims to give at least 28 days' notice of the date that a Reservist will be required to report for mobilisation, although there is no statutory requirement for a warning period prior to mobilisation.
- 8.3 Employees who are called out must present to their line manager their mobilisation papers and any information intended for the employer.
- 8.4 Line managers must inform the People Team of impending mobilisation and the first day of permanent military service. Rushmoor Borough Council will adjust pay and benefits accordingly (see Section 10).
- 8.5 Line managers must complete the consent form included in the call-out pack and any internal paperwork regarding mobilisation.
- 8.6 The People Team must meet with the employee to discuss mobilisation. They must also exchange contact details.

## Summary of Activity:

### Pre-mobilisation

- Employer meeting with Reservist to ensure all mobilisation paperwork completed (including pay, benefits & pension arrangements)
- Employer can make a claim for financial assistance as appropriate (see s.12 of policy)
- Discuss any handover of work and return of equipment.
- Discuss arrangements for keeping in touch – including establishing a contact at the MOD as a link for communications.

### During mobilisation

- Contact to be maintained between employer/Reservist as agreed during the pre-mobilisation discussion.

### Post-mobilisation

- Ensure both employer and reservist fulfill their return-to-work obligations (including reference to template letters)
- After care and support requirements

## 9 **Applying for Exemption/Deferral/Revocation**

- 9.1 In all cases of mobilisation, Rushmoor Borough Council will release the Reservist to report for duty unless there are exceptional circumstances whereby line managers need to invoke their right to seek an exemption, deferral or revocation of the reservist's mobilisation because it is considered that the Reservist's absence would cause 'serious harm' to service delivery.
- 9.2 Definitions of 'serious harm' will vary from case to case, but may include loss of reputation, goodwill or other financial harm or impairment of the ability to provide services e.g., the staff member is vital to the delivery a high profile/high financial risk project at a critical time. If the line manager believes there are exceptional circumstances, the decision and reasoning will be explained to the Reservist.
- 9.3 Details of how to apply for an exemption are included in the call-out pack. The application must reach the Adjudication Officer within 7 days of Rushmoor Borough Council receiving a call-out notice. If this timescale is not met, permission to make a late application will need to be obtained from the Adjudication Officer. The Reservist also has the right to apply for exemption or deferral if the call-out papers arrive at a difficult time.
- 9.4 If an unsatisfactory decision is received following the application for a deferral, Rushmoor Borough Council can appeal for a hearing by the Reserve Forces Appeals Tribunal. Appeals must reach the Tribunals

Secretary within 5 days receipt of written notice of the decision. If the tribunal rejects the application for exemption or deferral, Rushmoor Borough Council will be required to release the Reservist for mobilisation.

## **10 Terms and Conditions during mobilisation**

- 10.1 Rushmoor Borough Council will continue to treat the contracts of employment of employees mobilised for Reserve Service as operable throughout the period of such service such that there will be no loss of continuous service.

### **Pay and Benefits**

- 10.2 For payroll purposes, the individual should be considered on a period of unpaid leave. A P45 should not be issued for a mobilisation period less than 12 months.
- 10.3 The employee will receive a salary from the MoD during mobilisation that is appropriate to their rank in the Service. Accordingly, Rushmoor Borough Council will suspend payment of their civilian salary.
- 10.4 If the pay the Reservist receives from Rushmoor Borough Council is higher than their Service pay, it is the Reservist's responsibility to apply to the MoD for the difference to ensure that they suffer no loss of earnings. This is known as a Reservist Award.
- 10.5 All contractual benefits are suspended during mobilisation but can be claimed by the Reservist from the MoD.
- 10.6 The People Team and the Reservist will discuss benefit arrangements during a pre-mobilisation meeting. The Reservist will be given evidence of suspended benefits to help support their claim for financial assistance.

### **Pensions**

- 10.7 If the employee is a member of the Local Government Pension Scheme, then Rushmoor Borough Council will suspend its employer contributions during mobilisation.
- 10.8 If the employee continues to pay their contributions, then the Ministry of Defence will pay the employer contributions on the amount of Assumed Pensionable Pay.

### **Annual Leave**

- 10.9 Annual Leave will not accrue during the employee's mobilisation.
- 10.10 Reservists accrue leave with the MoD, rather than Rushmoor Borough Council whilst they are in full-time service. When they demobilise, Reservists are entitled to a period of post-operational leave. During this period they will continue to be paid by MoD.

## **Dismissal/Redundancy**

- 10.11 A Reservist's employment cannot be terminated on the grounds of their military duties or their liability to be mobilised. To do so would be a criminal offence under s.17 of The Reserve Forces (Safeguarding of Employment) Act 1985.
- 10.12 Reservists can be included in the redundancy pool if this is necessary. However, all employees should be treated consistently, and redundancy criteria should not discriminate against Reservists on the grounds of their Reserve service or call-up liability.

## **Sickness Arrangements**

- 10.13 Should a Reservist become sick or injured during mobilisation they will be covered by Defence Medical Services and any financial assistance will continue to be received (including pay) until demobilised. If the sickness or injury continues and this results in early demobilisation, the Reservist will remain covered by Defence until the last day of paid military leave. After this time the Reservist will be covered by Rushmoor Borough Council's sickness absence arrangements and mental health and other wellbeing provisions as appropriate.

## **11 Post-Mobilisation Return to Work**

- 11.1 Both the Reservist and their employer have obligations under The Reserve Forces (Safeguarding of Employment Act) 1985 regarding the return-to-work process.
- 11.2 The Reservist must return to work within six weeks of their last day of mobilisation.
- 11.3 The Reservist must write to their employer by the third Monday after their last day of military service making their request to return to work and suggesting a date which should fall within 6 weeks of their last day of full-time service. This letter formally starts the return-to-work process.
- 11.4 The Employer has an obligation to reinstate the Reservist to their former role, or a mutually acceptable role on the same terms and conditions as the previous position.
- 11.5 They must be reinstated for a minimum period of 13, 26 or 52 weeks, depending on their length of service prior to mobilisation.
- 11.6 If a Reservist is not happy with the offer of alternative employment they must write to the employer stating why there is reasonable cause for them not to accept it. If a Reservist believes that an employer's response to their application denies their rights under the Safeguard of Employment Act 1985, an application can be made to a Reinstatement Committee for assessment. This committee will consider the Reservist's application and can make an order for reinstatement and/or compensation.



## **Aftercare**

11.7 A Reservist returning to work will benefit from a smooth re-integration into the workplace/team. The following should be considered as part of this process:

- The need to update on changes and developments in Rushmoor Borough Council.
- The need to offer specific refresher training where it is sought/considered necessary.
- Where the job duties have changed since mobilisation a period of skills training may be required to assist with new aspects of the job.
- Whether the reservist can meet up with colleagues informally or socially before or after return to work to prevent any feeling of dislocation, if this is sought.
- Reasonable time off to seek therapeutic treatment if required.

## **Development Reviews**

11.8 Line managers who carry out Development Reviews with a Reservist should be aware that Reserve Forces activities undertaken by an individual (either through training or mobilisation) bring essential skills into the workplace such as leadership, communication, team working and organisational ability, which ultimately lead to improved performance in the workplace.

## **12. Financial Assistance**

12.1 Financial assistance for employers in the event of an employee who is a Reservist being mobilised is governed by the Reserve Forces (Call out and recall) (Financial Assistance) Regulations 2005. These cover additional costs above the normal earnings of the called-up Reservist associated with replacing that employee. (It is limited to additional costs as the Council will not be paying the salary of the Reservist while they are away working for the MoD).

There are 3 types of financial award available:

### **(1) One-off costs of agency/advertising fees**

Employers can claim financial assistance to cover the cost of using a recruitment agency or employment agency (and their advertising costs) to find a temporary replacement for a Reservist who is mobilised. There is no financial cap on claims, but any claim must be supported by relevant documentation.

## (2) Recurring costs

### Overtime costs

If other employees work overtime to cover the work of the Reservist, then the MoD will help with these costs.

### Salary costs of temporary replacement

If a temporary replacement's salary is more than the earnings of the Reservist who is mobilised, then the MoD will cover the costs of that difference.

The maximum claim available is £110 per day (£40,000 per annum). Claims can be made for every normal working day that the Reservist is away on service. An application for one-off costs and recurring costs must be made within 4 weeks of the end of full time Reservist service.

## (3) Training costs

If a returning Reservist has to undertake additional training as a direct result of their mobilisation (routine training excluded), then Rushmoor Borough Council can make an application for the financial assistance.

## 13. Further information

Further sources of guidance and information can be obtained from the following:

- [Defence Relationship Management](#)

Helpline: – 0800 389 5459. This is a free telephone helpline open during office hours where advice and guidance can be obtained on training, mobilisation and employment issues.

- [Royal Navy website](#)
- [Army website](#)
- [Royal Air Force website](#)

CABINET

CLLR MARTIN TENNANT  
MAJOR PROJECTS AND PROPERTY  
PORTFOLIO HOLDER  
CLLR SUE CARTER  
COMMUNITY PORTFOLIO HOLDER  
REPORT NO ACE2405

16 APRIL 2024

KEY DECISION: YES

**LOCAL AUTHORITY HOUSING FUND – ROUND 3****SUMMARY AND RECOMMENDATIONS:**

The Council has received funding under the Local Authority Housing Fund Round 1 and 2 for the purchase of nine properties for resettlement and temporary homeless accommodation.

In March 2024, the Council was advised it had been allocated £518,000 of capital funding under [Local Authority Housing Fund Round 3](#) (LAHF R3) to provide temporary homeless accommodation and sustainable settled housing to those on Afghan Citizens Resettlement Scheme (ACRS).

An expression of interest has been submitted to purchase property with match funding from unallocated grant funding from the wider Resettlement Programme and Homelessness Prevention Grant.

This proposal will contribute towards the Council's housing and homelessness prevention strategy, support the Government to accommodate Afghan families who assisted UK efforts in Afghanistan, and provide an income stream to the Council.

Cabinet is recommended to:

- a) Agree in principle with the purchase of homes for temporary homelessness accommodation and to accommodate an ACRS household using LAHF R3 funding with match funding from unallocated grant funding from the wider Resettlement Programme and Homelessness Prevention Grant.
- b) Agree to sign the Memorandum of Understanding (MOU) relating to LAHF R3 following the principles set out in this report.
- c) Approve the governance arrangements associated with the purchase of properties (section 3.4 to 3.6).
- d) Agree to provide grant funding to Rushmoor Homes Limited for the purchase of a property to accommodate an ACRS household.
- e) Recommend to Council that the Capital Programme for 2024/25 is increased by £742,000 to be fully funded from a combination of LAHF and Resettlement grants.

## 1. INTRODUCTION

- 1.1 In March 2024, the Council was advised by the Department for Levelling Up, Housing and Communities (DLUHC) that it had been allocated £518,000 of capital funding under [Local Authority Housing Fund Round 3](#) (LAHF R3).
- 1.2 LAHF R3 has the following objectives:
- To reduce local housing pressures and use of expensive and unsuitable accommodation, by providing better quality temporary accommodation to those owed homelessness duties by local authorities.
  - To reduce temporary accommodation costs.
  - To provide sustainable settled housing to those on Afghan Citizens Resettlement Scheme (ACRS) so that they can build new lives in the UK, find employment and integrate into communities.
  - To support local housing markets by assisting the delivery of new housing stock or new developments to grow overall housing supply.
- 1.3 The intention in the longer term is that LAHF funded properties remain available to meet demand for temporary accommodation more generally. Rushmoor has been asked to make at least one property available under the resettlement element of the scheme and one property available under the temporary accommodation element.
- 1.4 This is a key decision because it is likely to result in the Council incurring expenditure or making savings which are significant in as much as they will have a material effect on the level of council tax or balances or contingencies in relation to the Council's overall budget. In this case, the decision involves the acquisition of property costing over £250,000.

## 2. BACKGROUND

- 2.1 The Council has bought nine properties under Local Authority Housing Fund Round 1 and 2 (LAHF R1&2) to resettle Afghan and Ukrainian households, as well increase local temporary homeless accommodation. In the longer term all accommodation will be available to use as temporary homeless accommodation. Cabinet considered and delegated authority for these decisions at its meetings on [18 April 2023](#) (Exempt Report No. ACE2303) and [8 August 2023](#) (Exempt Report No. ACE2308).
- 2.2 The Council's LAHF R3 allocation requires delivery of the following:
- A minimum of one 2-to-4-bedroom home for temporary homeless accommodation.
  - A minimum of one 2-to-3-bedroom home or 4+ bedroom home to accommodate ACRS households.
- 2.3 The grant covers 40% to 50% of the home purchase costs. There is an added 10% uplift to the grant rate for each property that is a new home. The

Council will receive £21,000 per property to cover refurbishment and conveyancing costs. There is a further indicative allocation of £4,500 of revenue funding. The Council needs to supply 50% to 60% match-funding of the home purchase costs.

2.4 The Council's [Housing and Homelessness Prevention Strategy](#) commits the Council to:

- Support the Government with its housing obligation to refugees in the borough through partnership working with DLUHC and Rushmoor Homes Limited to deliver appropriate accommodation.
- Ensure a sufficient supply of appropriate emergency accommodation and support.
- If necessary, to acquire property to provide additional accommodation.

### **3. DETAILS OF THE PROPOSAL**

#### **a) Process for acquiring properties**

3.1 On 28 March 2024, the Council submitted an expression of interest for LAHF R3. Details of the properties proposed to be acquired is set out in confidential appendix 2.

3.2 This choice of property and number of homes to deliver under LAHF R3 reflects the Council's aims to:

- Achieve strategic objectives in relation to housing and homelessness prevention.
- Support the Government' to accommodate Afghan families who assisted UK efforts in Afghanistan.
- Address the budget deficit over the medium term by providing an income stream to the Council and reduce costs associated with the provision of temporary accommodation.

3.3 The Council must sign a Memorandum of Understanding (MOU) with DLUHC by 31 May 2024 and the first payments to the Council will be made by the end of June 2024. Further payments will be made up to the end of March 2025, depending on progress.

3.4 All properties purchased under LAHF R3 will undergo the usual processes of due diligence, including independent surveys.

3.5 Purchases of individual properties will take place once the due diligence is completed. The Council will complete the due diligence process for both properties. The Council will purchase the property for temporary homelessness accommodation.

3.6 Once the due diligence is completed, the Council will make grant funding available to Rushmoor Homes Ltd (RHL) to complete the purchase of the

property to accommodate an ACRS household. The RHL Board has agreed to this approach for LAHF R1 and R2. The Council will seek formal confirmation of the LAHF R3 position from the RHL Board at its next meeting in May. Approval to proceed to exchange of contracts will be delegated to the Chief Operating Officer. Although RHL will own and manage the property, the Council will retain 100% nomination rights.

3.7 In line with the requirements of the fund, the Council must submit regular progress reports and monitoring information to DLUHC.

**b) Funding**

3.8 The Council will receive capital funding of £280,000 from LAHF R3 to purchase the property as set out in confidential appendix 2. DLUHC will provide a further £42,000 refurbishment and conveyancing costs.

3.9 The Council will need to provide match funding of £420,000. It is proposed that the Council uses unallocated grant funding from the wider Resettlement Programme and Homelessness Prevention Grant to cover this requirement. The proposed funding sources are set out in the table below.

PROPOSED FUNDING SOURCE	VALUE
HOMELESSNESS PREVENTION GRANT TOP UP	£160,000.00
RESETTLEMENT SCHEMES – CONTINGENCY ACCOMMODATION	£60,000.00
RESETTLEMENT SCHEMES – HOMES FOR UKRAINE	£200,000.00
<b>TOTAL</b>	<b>£420,000.00</b>

3.10 This proposal contributes to the Council addressing its budget deficit over the medium term through:

- The acquisition of a new asset at 60% of the market value through the use of uncommitted grant funding, rather than new revenue expenditure or further borrowing.
- Additional income from the rental of the properties.

**c) Rushmoor Homes Ltd**

3.11 Rushmoor Homes Ltd (RHL) is the Council's wholly owned housing company established to deliver quality homes in the borough and to support the Council in the meeting its temporary accommodation obligations where appropriate.

3.12 Rushmoor Homes Ltd owns and manages three properties from LAHF R1&2. It has a contract to manage six Council properties from LAHF R1&2 and two properties owned by the Ministry of Defence and leased by the Council.

3.13 The Right to Buy is granted to secure tenants of council owned housing stock, it does not apply to tenants of the Housing Company.

3.14 The Council has considered the most flexible and beneficial approach to the acquisitions and considers that RHL is best placed to purchase the property to accommodate an ACRS household. The RHL Board has agreed to this approach for LAHF R1 and R2. The Council will seek formal confirmation of the R3 position from the RHL Board.

**d) Alternative Options**

3.15 The Council can choose to not participate in LAHF R3 and use the Council's match funding to provide a larger temporary accommodation site. It has been difficult to identify a suitable location for similar sites and LAHF offers the opportunity to acquire an asset and generate future income for the Council.

3.16 The Council could choose to partner with a housing association rather than buy the properties directly. The Council would have no control over project delivery and other councils have experienced project delays through this approach.

3.17 Officers considered a range of options for the choice of property types and sizes. The proposed property choice reflects a best value and risk management judgement as set out in paragraph 4.2.

**e) Consultation**

3.18 This report has been prepared in consultation with:

- The relevant Portfolio Holders and Lead Member for Resettlement.
- Policy, strategic housing, finance, housing options, and benefits officers.
- The Council's Executive Leadership Team
- Hampshire County Council.

**4. IMPLICATIONS**

**Risks**

4.1 This project will be included in the Council's resettlement programme with a team to progress this work including officers from the Council's property, finance, housing, policy and community and partnerships teams. A project risk register has been established and is reviewed on a regular basis.

4.2 The choice of property and recommendation not to apply for the full LAHF R3 allocation manages the risks to the Council related to:

- Uncertainty around the availability of the Flexible Housing Fund to address potential rent arrears. The Flexible Housing Fund was created to help local authorities move Afghans under ACRS from bridging hotels or temporary accommodation into appropriate settled accommodation. £7,100 of funding per person is available, up to a

maximum of £35,000 per household. This can be claimed once accommodation is occupied and where a local authority is providing support to access accommodation.

- In-house management of accommodation, particularly larger family homes.
- Availability of match funding and potential competing demands for this funding.

### **Legal Implications**

- 4.3 External legal advice and support will be sought for the purchase of property(s). The cost of this will be met by the grant funding arrangements. Separate tenancy agreements will be required for the letting of the property. There is a separate Memorandum of Understanding that will be signed, as outlined in the report, which will detail the legal responsibilities as to how the funding is used.

### **Financial and Resource Implications**

- 4.4 The costs of acquiring the property are set out in confidential appendix 2. This will also include Stamp Duty that will be payable by RHL on the property that it is acquiring.
- 4.5 LAHF funding available amounts to a total of £280,000 (based on 40% of the purchase price of £700k) plus a sum of £42,000 for legal and conveyancing costs.
- 4.6 Match funding of £420,000 has been identified from the wider Resettlement programme and Homelessness Prevention Grant.
- 4.7 The management and running costs of the properties under LAHF R3 will be covered by the receipt of rental income. Any surplus income from the RBC owned property will be available for general use by the Council. The surplus income for the Council owned property is estimated to be in the region of £9,000 per annum.

### **Equalities Impact Implications**

- 4.8 An Equalities Impact Assessment for the Local Authority Housing Fund has been undertaken and will be updated as the project progresses.
- 4.9 It is expected that this proposal will have no negative impact on people with protected characteristics. Purchasing accessible properties would have a positive impact on people with disabilities. Purchasing homes for ACRS households will have a positive impact for those people.

## **5. CONCLUSIONS**

- 5.1 Cabinet is asked to:



- Agree in principle with the purchase of homes for temporary homelessness accommodation and to accommodate an ACRS household using LAHF R3 funding with match funding from unallocated grant funding from the wider Resettlement Programme and Homelessness Prevention Grant.
- Agree to sign the Memorandum of Understanding (MOU) relating to LAHF R3 following the principles set out in this report.
- Approve the governance arrangements associated with the purchase of properties (section 3.4 to 3.6).
- Agree to provide grant funding to Rushmoor Homes Limited for the purchase of properties to accommodate an ACRS household.
- Recommend to Council that the Capital Programme for 2024/25 is increased by £742,000 to be fully funded from a combination of LAHF and Resettlement grants.

**LIST OF APPENDICES/ANNEXES:**

Appendix 1: Memorandum of Understanding

Confidential Appendix 2: Proposed property plan.

**BACKGROUND DOCUMENTS:**

[Local Authority Housing Fund: Round 3 prospectus and guidance](#)

**CONTACT DETAILS:**

**Report Author**      Difaf Sharba [difaf.sharba@rushmoor.gov.uk](mailto:difaf.sharba@rushmoor.gov.uk)  
 Alex Shiell [alex.shiell@rushmoor.gov.uk](mailto:alex.shiell@rushmoor.gov.uk)

**Head of Service**    Rachel Barker [rachel.barker@rushmoor.gov.uk](mailto:rachel.barker@rushmoor.gov.uk)  
 Tim Mills [tim.mills@rushmoor.gov.uk](mailto:tim.mills@rushmoor.gov.uk)



**MEMORANDUM OF UNDERSTANDING**

*Between*

**Department for Levelling Up, Housing and Communities**

*-and-*

**LA Name**

**1. Purpose**

- 1.1. This Memorandum of Understanding ('MOU') sets out the agreed working relationship between the Department for Levelling Up, Housing and Communities ('DLUHC') and **LA Name** ('the Council') regarding the administration and delivery of the Local Authority Housing Fund – third funding round ('LAHF R3').
- 1.2. This MOU will be for the period 2024/25-2025/26. 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 4.5.
- 1.3. 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. LAHF R3 was launched in March 2024. The details of the fund were shared with the Council in the document 'Local Authority Housing Fund - third funding round: Prospectus and Guidance' ('the Prospectus').
- 2.2. LAHF R3 is a £450m grant fund, with objectives to:
  - Reduce local housing pressures and use of expensive and unsuitable accommodation, by providing better quality temporary accommodation to those owed homelessness duties by local authorities.
  - Reduce temporary accommodation costs.
  - Provide sustainable settled housing to those on ACRS so that they can build new lives in the UK, find employment and integrate into communities.
  - Support local housing markets by assisting the delivery of new housing stock or new developments to grow overall housing supply.

2.3. DLUHC has accepted the Council's plan to provide X homes ('the total delivery target') under LAHF R3, and DLUHC will provide a capital grant of £X ('the total allocation'). This will be provided as £X in 2024-2025 ('the Year 1 allocation') and £X in 2025-2026 ('the Year 2 allocation'). The Council agrees the following targets to deliver at least:

- X properties to be allocated to households that meet the **TA element** eligibility criteria outlined in section 5.1 of the Prospectus.
- X properties for households that meet the **R3 resettlement element** eligibility criteria outlined in section 5.2 of the Prospectus;
- X properties (4+ bed) for households that meet the **R3 large resettlement element** eligibility criteria outlined in section 5.2 of the Prospectus.

2.4. DLUHC will also provide £X in revenue funding in 2024-2025 to the Council.

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 R3 funding has been provided specifically for spending on LAHF R3 priorities and the Council agrees to spend LAHF R3 funding on activity set out in this MOU as agreed with DLUHC or subsequently agreed with DLUHC as per Paragraph 4.5.

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.

3.3. For the **TA element** and the **R3 resettlement element**, DLUHC's contributory share of capital funding ('the base grant rate') has been calculated as 40% of the costs of each acquisition or refurbishment that the council charges to its capital budget plus £21,000 per property. Eligible costs funded by the 40% and the £21,000 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. For the **R3 large resettlement element**, the base grant rate has been calculated as 50% of the costs of each acquisition or refurbishment that the council charges to its capital budget plus £21,000 per property. Eligible costs funded by the 50% and the £21,000 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. DLUHC has also agreed to provide a 10% uplift to the grant rate for each property that is a new home ('the new home uplift'). A new home is a property that will be delivered in FYs 24/25 or 25/26 as a direct new development, an 'Off-the-shelf' new build property purchased from developers, a property that has its use converted (delivering an extra residential unit) or a property that has its use changed (delivering an extra residential unit). The Council has agreed to deliver at least the following as new homes ('the new home target'):
- **X** TA element or R3 resettlement element properties
  - **X** R3 large resettlement element properties
- 3.6. The Council may determine how it uses the base grant rate, the new home uplift and the £21,000 per property and how much is to be spent on each individual property as long as the delivery target and the new home target is met.
- 3.7. The Council or its delivery partner(s) will fund the outstanding sum required for each property.
- 3.8. The funding will be provided by DLUHC in four tranches. The 'Tranche 1 allocation' is 30% of the Year 1 allocation. The 'Tranche 2 allocation' is 70% of the Year 1 allocation. The 'Tranche 3 allocation' and the 'Tranche 4 allocation' are both 50% of the Year 2 allocation. All tranches are set out in Table 1.

Table 1 – Capital funding allocation

	Tranche 1 allocation	Tranche 2 allocation	Tranche 3 allocation	Tranche 4 allocation	Total allocation
<b>Total funding</b>	£ <b>X</b>	£ <b>X</b>	£ <b>X</b>	£ <b>X</b>	£ <b>X</b>

- 3.9. Revenue funding has been provided to the Council for any activities which support delivery of the total allocation, including but not limited to programme/administration resource or professional services (e.g. fees, conveyancing). Revenue funding will be paid in full alongside the Tranche 1 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 the number of households accommodated in the properties. 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 total delivery target. The Council agrees to make best endeavours to meet the total delivery target by 31 March 2026.
- 4.3. The Council agrees to deliver **X** properties in financial year 2024-25 ('the Year 1 delivery target') and **X** properties in financial year 2025-26. The property types that the Council agrees to delivery is each year is outlined in Table 2.

*Table 2 – delivery profile*

Property type	Year 1 delivery target (2024-25)	Year 2 delivery target (2025-26)	Total delivery target
TA element	<b>X</b>	<b>X</b>	<b>X</b>
R3 resettlement element	<b>X</b>	<b>X</b>	<b>X</b>
R3 large resettlement element	<b>X</b>	<b>X</b>	<b>X</b>
All property types	<b>X</b>	<b>X</b>	<b>X</b>

- 4.4. This MOU is for the full term of the total allocation unless signatories agree to change as per Paragraph 4.5. A further Grant Determination Letter (GDL) will be provided following confirmation of each tranche payment.
- 4.5. DLUHC and the Council both have the right to request a change to the MOU. With regards to changing the target number 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 Section 11 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 3 sets out the timetable for payments to be made to the Council. The earliest payment date for the Tranche 1 allocation is in April 2024. The Tranche 2 allocation will be paid once the Council has demonstrated that at least 60% of the Tranche 1 allocation has been committed ('the Tranche 2 spend requirement') via a Section 151 officer Statement of Grant Usage.
- 5.3. The Tranche 3 allocation will be paid once the Council has demonstrated that at least 80% of the Tranche 1 and Tranche 2 allocations has been committed ('the Tranche 3 spend requirement') via a Section 151 officer Statement of Grant Usage.
- 5.4. The Tranche 4 allocation will be paid once the Council has demonstrated that at least 80% of the Tranche 1, Tranche 2 and Tranche 3 allocations has been committed ('the Tranche 4 spend requirement') via a Section 151 officer Statement of Grant Usage.
- 5.5. Should the Council not meet the spend requirement for Tranche 2, 3 or 4 payments by the dates set out in Table 3, DLUHC will consider putting in place further payment dates.
- 5.6. The Council may wish to return unspent monies to the Department.
- 5.7. DLUHC reserves the right to request the return of some or all of the capital and resource funding if the Council significantly reduces its agreed delivery target or withdraws from LAHF R3 completely.

*Table 3 – Payments timetable*

<b>Payment milestone</b>	<b>Requirements for payment milestone</b>	<b>Payment by</b>
<b>Tranche 1</b> <b>(30% of total Year 1 capital allocation)</b> <b>100% of programme revenue allocation</b>	MOU signed with DLUHC	By 15 May 2024 (if a MOU is signed by 5 April) or By 14 June 2024 (if a MOU is signed by 6 May)

<p><b>Tranche 2</b> <b>(70% of Year 1 capital allocation)</b></p>	<p>Statement of Grant Usage (SOGU) demonstrating <u>60% of the Tranche 1</u> first tranche has been committed*, AND</p> <p>Relevant monitoring information (MI) submitted</p>	<p>By 2 September 2024 (if SOGU provided by 5 August) and all MI submitted to schedule.</p> <p>or</p> <p>By 4 November 2024 (if SOGU provided by 7 October) and all MI submitted to schedule.</p> <p>(With further payment windows in January 2025, and March 2025 deadlines TBC)</p>
<p>Please note that Year 2 allocation can be paid in full, in a combined tranche 3 &amp; 4 payment if the relevant milestone is met and SOGU submitted by relevant deadline<sup>1</sup>.</p>		
<p><b>Tranche 3</b> <b>(50% of Year 2 capital allocation)</b></p>	<p>Statement of Grant Usage (SOGU) demonstrating <u>80% of the Tranches 1 and 2</u> has been committed*, AND</p> <p>Relevant monitoring information (MI) submitted</p>	<p>By 2 June 2025 (if SOGU provided by 12 May) and all MI submitted to schedule.</p> <p>Or</p> <p>By 4 July 2025 (if SOGU provided by 2 June) and all MI submitted to schedule.</p> <p>(With further payment windows in September 2025, November 2025, January 2026, and March 2026 deadlines TBC)</p>

---

<sup>1</sup> For local authorities seeking to accelerate delivery, a combined tranche 3 & 4 payment can be made. The SOGU needs to demonstrate the local authority has committed 80% of the combined Tranche 1, 2 and 3 total. Note that the tranche 3 payment may not yet have been paid to the local authority.



<p><b>Tranche 4 (50% of Year 2 capital allocation)</b></p>	<p>Statement of Grant Usage (SOGU) demonstrating <u>80% of the Tranches 1, 2 and 3</u> has been committed*, AND</p> <p>Relevant monitoring information (MI)</p>	<p>By 2 June 2025 (if SOGU provided by 12 May) and all MI submitted to schedule.</p> <p>Or</p> <p>By 4 July 2025 (if SOGU provided by 2 June) and all MI submitted to schedule.</p> <p>(With further payment windows in September 2025, November 2025, January 2026, and March 2026 deadlines TBC)</p>
--	---	--

\* Note: committed spend in table 1 refers only to capital grant spend (and does not include revenue grant spend)

## 6. Charging Affordable Rents for LAHF R3 funded homes

- 6.1. The LAHF Prospectus specifies “It is up to local authorities to determine the precise rent level and tenure of homes in line with the fund objectives. This could include...Affordable Rent.”
- 6.2. The Rent Standard <https://www.gov.uk/government/publications/rent-standard/rent-standard-april-2023-accessible-version> provides that Affordable Rents may be charged only in limited circumstances.
- 6.3. This MOU records the agreement between the Secretary of State and the Council that relevant accommodation, provided by the Council or a partner Registered Provider pursuant to LAHF grant funding, is permitted to be let at an Affordable Rent, and that accordingly that an Affordable Rent may be charged for such accommodation in accordance with paragraph 3.8b of the Rent Standard - April 2023.
- 6.4. In Paragraph 6.3, “relevant accommodation” means accommodation:
  - in the Council area;
  - which is being used to further the LAHF objectives set out at paragraph 2.3 of the MOU;
  - which has never been let at a social rent; and
  - where the accommodation is provided by a partner Registered Provider, for which the Council has agreed that the partner Registered Provider may charge affordable rent.

## 7. Roles and Responsibilities

### DLUHC Responsibilities

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

### Council Responsibilities (fund delivery)

7.2. 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, local authority housing companies or other bodies 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.

7.3. 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.

7.4. 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.

### Council Responsibilities (Affordable Rents – where required by LAs)

- 7.5. The Council should note (and remind partner Registered Providers) that conversion of social rent properties to affordable rent is not permitted pursuant to paragraph 3.15 of the Rent Standard other than in the circumstances set out in chapter 2 of the Rent Policy Statement.
- 7.6. Where the Council has agreed that a partner Registered Provider may charge affordable rent, the Council will confirm to the Registered Provider that the Registered Provider may charge affordable rent in accordance with Paragraph 6.3 of this MOU.
- 7.7. The Council will require partner Registered Providers to provide details to the Council of any accommodation provided pursuant to LAHF grant funding for which Affordable Rent is charged.
- 7.8. The Council will maintain a register of any accommodation provided pursuant to LAHF grant funding for which it or a partner Registered Provider is charging Affordable Rent. This register should be available for inspection upon request by either DLUHC or the Regulator for Social Housing. The fields of information required in register are specified in **Annex C**.

## **8. Monitoring Arrangements and Accountability**

- 8.1. 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

- 8.2. 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**.
- 8.3. The first report will be due in July 2024 and then every two months thereafter, until the Council's programme has completed. The schedule for monitoring reports is outlined in **Annex B**.
- 8.4. Spend outturn and forecast should be signed off by the Section 151 officer or deputy Section 151 officer.
- 8.5. A Statement of Grant Usage Section 151 officer or deputy Section 151 officer should be submitted when:
  - at least 60% of the Tranche 1 allocation has been committed

- at least 80% of the Tranche 1 and 2 allocations has been committed
  - at least 80% of the Trance 1, 2 and 3 allocations has been committed
- 8.6. 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.
- 8.7. 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.

## 9. Governance & Assurance

- 9.1. 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.
- 9.2. 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 **LA Name**

Signature:

Name:  
Position:

Date:

SAMPLE

## **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 and payment 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.

Table 3 – Monitoring Data

Item	Frequency
Number of properties where contracts exchanged, including: <ul style="list-style-type: none"> <li>• bedroom size</li> <li>• whether located in another borough area</li> <li>• who will own the dwellings</li> <li>• how properties obtained</li> </ul>	Every 2 months
Number of properties occupied/ ready to let, including bedroom size	Every 2 months
Number of resettlement scheme households housed	Every 2 months
Number of pending resettlement scheme properties pre-matched to current/ former bridging hotel households	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 4 – Evaluation Data

Item	Frequency
How properties have been sourced (e.g. through stock acquisition or another delivery route)	In April 2026 and thereafter upon request to aid with evaluation of the fund
How the Council has funded its contributory share	
Breakdown of resettlement scheme households housed by previous housing situation, e.g. in bridging hotel, in LA emergency accommodation/temporary accommodation	
Tenancy duration	
Rent levels	
Number of properties obtained outside the local authority's area, if applicable, and where these are located.	

- 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.
- 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

- 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.

SAMPLE



## Annex B – Monitoring Milestones

1. The Council is requested to submit the monitoring information summarised in **Annex A** via a Microsoft Form every two months by 5pm on the dates outlined below. DLUHC will provide the link to the form directly to the Council well in advance of each touchpoint date.
2. DLUHC will provide full guidance for submitting the form directly well in advance of each touchpoint date.

*Table 5 – Monitoring Touchpoint Dates*

<b>Monitoring touchpoint</b>	<b>Microsoft Form to be submitted by 5pm on the following dates</b>
Touchpoint 1	01 July 2024
Touchpoint 2	02 September 2024
Touchpoint 3	04 November 2024
Touchpoint 4	06 January 2025
Touchpoints 5-12	TBC
Evaluation	April 2026

**Annex C – Register of LAHF accommodation for which an Affordable Rent is charged**

This annex sets out the agreed information which will be contained in the Council’s Register of LAHF accommodation for which an Affordable Rent is charged.

This register should be available for inspection upon request by either DLUHC or the Regulator for Social Housing.

Property address			
Completion date			
Name of Registered Provider			
Registration Code			

(Note: The Council is not required to submit this information as part of regular delivery monitoring submissions.)

SAMPLE

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

Document is Restricted

This page is intentionally left blank