

Report to CABINET

Local Authority Housing Fund (LAHF) – Acceptance of Funding

Portfolio Holder:

Cllr E Taylor – Cabinet Member for Housing and Licensing

Officer Contact: Neil Consterdine - Director of Communities

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23rd March 2026

Reason for Decision

The Ministry for Housing, Communities and Local Government (MHCLG) launched a fourth round of the Local Authority Housing fund (LAHF) to run over the financial years of 2026/27 to 2029/30.

Oldham Council has been given an allocation of £3,719,182 comprising of a capital grant element of £3,676,200 and revenue grant of £42,982.

To secure the Grant a legally non-binding Memorandum of Understanding needs to be completed between the Council and MHCLG by 10th April 2026.

The LAHF grant should be used to deliver:

- 22 properties (2-4+ bed) to be allocated to temporary accommodation.
- 7 properties (2-3 bed) for resettlement households
- 6 properties (4+ bed) for resettlement households.

This report is presented under Rule 13 of the Council's Constitution, with the Chair of the Place, Economic Growth and Environment Scrutiny Board having approved it being submitted without having been on the forward plan, due to the date of receipt of funding confirmation.

Recommendations

It is recommended that Cabinet:

- Approves acceptance of the £3,7191,82 grant from MHCLG, comprising:
 - £2,611,200 capital allocation for 2026/27
 - £1,065,000 capital allocation for 2028/29
 - One-off revenue allocation of £42,982
- Delegates authority to the Deputy Chief Exec (Place) and Cabinet Member for Neighbourhoods for:
 - Approval of preferred model(s) to achieve delivery of expected outcomes
 - Approval of any necessary procurement exercises, to enable delivery of this scheme
- Delegates authority to the Borough Solicitor or their nominee to formalise any necessary legal requirements including signing and/or sealing any documentation required to give effect to the recommendations and/or delegations in this report.
- Delegates authority to the Deputy Chief Exec (Place) or their nominee to approve the appointment of external legal advisors, as required, to protect the Council's interests and give effect to the recommendations in this report.
- Delegates authority to the Deputy Chief Exec (Place) or their nominee to sign and return the Memorandum of Understanding with MHCLG by the deadline of 10th April.

Local Authority Housing Fund (LAHF) – Acceptance of funding.

1 Background

- 1.1 Oldham Council have been allocated £3,719,182 from The Ministry for Housing, Communities and Local Government's (MHCLG) fourth round of the Local Authority Housing fund to run over the financial years of 2026/7 and 2029-30.

The funding should be used to deliver:

- 22 temporary accommodation (TA) properties of two to four bedrooms. These will provide accommodation to families who are owed a statutory homeless duty by the local authority.
- 7 family homes for households welcomed to Oldham under the Resettlement Scheme (2 to 3-bedroom properties).
- 6 larger (4+ bed) homes for a households under the Resettlement Scheme.

The homes would be let at Social Rent where viable but could include the Affordable Rent.

- 1.2 A Memorandum of Understanding (contained at Appendix 1) was issued by the MHCLG on 6th March 2026. To secure the grant, the MOU needs to be signed by 10th April 2026.
- 1.3 The MOU is not intended to create legal or binding obligations but sets out an understanding between both parties for the use and timing of funding.

Under the MOU, the following delivery profile has been put forward:

Property type	Year 1 delivery target (2026-27)	Year 2 delivery target (2027-28)	Year 3 delivery target (2028-29)	Year 4 delivery target (2029-30)	Total delivery target
TA element (2-4+bed)	22	0	0	0	22
R4 resettlement element (2-3 bed)	2	0	5	0	7
R4 large resettlement element (4+bed)	1	0	5	0	6

All property types	25	0	10	0	35
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2 **Current Position**

- 2.1 While local authorities (LAs) can deliver LAHF independently, MHCLG encourages LAs to work closely with partners, particularly housing associations, who may be the most appropriate delivery vehicle.
- 2.2 The delivery model and Business Case for how LAHF 4 will be delivered is being developed and further reports and approvals will be required before the delivery vehicle is agreed. It could that each element of LAHF is delivered in different ways.

3. **Options/Alternatives**

Option 1 – Complete the MoU and accept grant monies

Under this option, the Council would receive £3.7 M to help deliver 35 homes including 22 to provide accommodation to families who are owed a statutory homeless duty by the local authority. Whilst the exact figures are not yet known, this will lead to revenue savings for the Local Authority.

Option 2 - Decline grant

The Council could decline to accept the MHCLG grant and not take part in the scheme. By not completing the MoU no grant would be paid to the Council.

4 **Preferred Option**

- 4.1 Option 1 is the preferred option for the reasons outlined above.

5 **Consultation**

- 5.1 The Cabinet Member for Decent Homes has been consulted and is supportive.

6 **Financial Implications**

- 6.1 The acceptance of the grant will enable the Council to receive £3.676m of capital grant funding profiled as £2.611m for 2027/28 and £1.065m for 2028/29, which will increase the Council's capital programme. The grant will need to be spent in line with the terms outlined in the Memorandum of Understanding with MHCLG.

(James Postle)

7 **Legal Implications**

- 7.1 S1 of the Localism Act 2011 gives Local Authorities a general power of competence to do anything which an individual may do for the benefit of the authority, its area or persons resident or present in their area.

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- 7.2 The Council must be satisfied it can meet the objectives and terms and conditions and milestones of funding imposed by any funding authority including any obligation to provide match funding and to monitor and keep any necessary records and file any necessary returns. Client Officers must also check the terms do not conflict with other funding conditions already in place.
- 7.3 External legal advice may be needed to supplement the in-house team to complete any Subsidy Control analysis and satisfy the relevant regulations and may also be required for delivery of the schemes which costs will need to be factored into and funded by the projects at the appropriate time. Any advice required will be procured by means of a compliant route in accordance with the Contract Procedure Rules.
- 7.4 Any property transactions/acquisitions must comply with the Council's Land and Property Protocol. Any works or services procured must, where relevant, comply with the Council's Contract Procedure Rules and the Council's Financial Procedure Rules must be observed at all times. To date, the report author has confirmed compliance with all relevant protocols and regulations.

Rebecca Boyle (Corporate Group Solicitor)

8 **Equality Impact, including implications for Children and Young People**



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8.1 Yes

9 **Key Decision**

9.1 Yes

10 **Key Decision Reference**

11.1

12 **Background Papers**

12.1 The following is a list of background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information as defined by the Act :

13 **Appendices**

13.1 Memorandum of Understanding