

Report of the Cabinet Member for Climate Change & Service Transformation

Cabinet – 17 February 2022

Optimised Retrofit Programme, Land and Building Development Fund and Integrated Care Fund Applications

Purpose:	<ul style="list-style-type: none">• To seek retrospective approval for Land and Building Development Fund bids.• To seek retrospective approval for an Integrated Care Fund bid.• To commit the schemes to the capital programme in line with the Council's Financial Procedure Rules
Policy Framework:	More Homes Strategy
Consultation:	Access to Services, Finance, Legal.
Recommendation(s):	<p>It is recommended that Cabinet:</p> <ol style="list-style-type: none">1. Approves the Land and Building Development (LBDF) funding bids set out in Section 2.2. Approves the Integrated Care Fund (ICF) bid set out in Section 3.3. Delegates authority to the Director of Place, the Chief Legal Officer and Chief Finance Officer to enter into any agreements necessary to ensure the delivery of the projects and to protect the Council's interests.4. Delegates authority to the Director of Place and the Chief Finance Officer to recover all expenditure associated with the delivery of the projects from Welsh Government.5. Any further decisions relating to the funding above will be delegated to the Director of Place and the Cabinet Member for Climate Change and Service Transformation, and schemes are detailed and approved via the annual HRA Capital Budget report
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1. Introduction

- 1.1 Two bids have been submitted to the Welsh Government for funding to support the Council's More Homes Strategy. Given the short timescales involved, it was not practical to inform Cabinet of the bids before the bid submission dates so this report seeks retrospective approval for the two bids.

2. Land and Building Development Fund (LBDF) Bid

- 2.1 The Land and Building Development Fund is a targeted capital funding programme that concentrates on freeing up public land and buildings where developments have stalled to meet the demand for social and affordable housing. The Authority wishes to utilise the fund to support its More Homes Capital Programme. The Fund can award up to 100% of the land preparatory cost for specific schemes.
- 2.2 In November 2021 bids were submitted for 3 schemes:
- Former Brondeg House site (Manselton) – involving the demolition of the property and asbestos removal from the site.
 - Land at Creswell Rd (Clase) – the scheme involves ground remodelling and demolition of the former Council property.
 - Former Gorseinon Business Park (West St) – the scheme involves the removal of asbestos cladding, demolition of buildings and removal of contaminated materials and Japanese Knotweed.

3. Integrated Care Fund (ICF) Application

- 3.1 The Integrated Care Fund (ICF) is allocated by the Welsh Government across Wales. The aim of the fund is to drive and enable integrated working between social services, health, housing and the third sector and independent providers to develop sustainable services.
- 3.2 The Council will acquire six units of accommodation that have had adaptations or lend themselves to be adapted so that they are suitable for tenants who are wheelchair users or have mobility issues. Offers have been accepted on properties and these are now going through the conveyancing process. The funding for the purchases needs to be spent by the end of the current financial year.
- 3.3 The acquisitions will be spread across the city to meet the needs of families and children with complex needs, adding to the very short supply of adapted accommodation. This will benefit individuals and families in unsuitable housing, enabling families to live together without the need for specialist accommodation which may not be available in the area they need to live in.

4. Financial Implications

4.1 LBDF Funding

- 4.1.1 The amount of funding is applied for each scheme is set out in the table below.

Scheme	Amount requested
Former Brondeg House	£320,000

Land at Creswell Rd, Clase	£632,122
Former Gorseinon Business Park	£360,000
TOTAL	£1,312,122

4.1.2 The grant is an additional subsidy for the HRA, and if the grant application is unsuccessful, the costs will be covered by the HRA as part of the scheme development costs. The schemes are in the HRA Capital programme. The funding is for spend in 2022/23.

4.1.3 The LBDF will need to be spent in 2022/23. Plans are already in place to procure contractors to undertake the work. If the funding is not granted, or is less than anticipated, the costs will be funded from the main scheme budget.

4.2 ICF Funding

4.2.1 The amount of funding applied for relating to this scheme is set out in the table below.

Scheme name	Estimated Scheme cost	Grant Applied for (75%)	Estimated HRA contribution
Purchase of 6 units to be adapted	£750,000	£562,000	£188,000

4.2.2 The estimated total cost of the scheme is £750,000 with the ICF contribution being £562,000. The remaining estimated sum of £188,000 would be met by the HRA. The properties will then form part of the HRA stock. These acquisitions are also part of the Council's HRA Capital Programme. The funding must be committed by the end of March 2022.

4.2.3 The ICF funding is for acquisitions of properties in 2021/22. The properties have already been identified and conveyancing is underway. The funding has been agreed at 75% of the purchase and works costs with the remainder being met from the HRA More Homes Capital Programme scheme costs.

4.2.4 As highlighted in the application form, the estimated costs were based on average unit and works costs of £125,000, and not on any particular property types or areas. The 6 properties have now been identified and the unit costs are above the initial estimates. Including works costs to ten properties the total costs could be up to £1million. It is hoped that the ICF contribution will be increased to cover the actual costs. If this is not possible, the additional HRA contribution will have to be covered from the HRA acquisitions budget.

5. Integrated Assessment Implications

5.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the Socio-economic Duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.

- Foster good relations between people who share a protected characteristic and those who do not.
 - Deliver better outcomes for those people who experience socio-economic disadvantage
 - Consider opportunities for people to use the Welsh language
 - Treat the Welsh language no less favourably than English.
 - Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.
- 5.2 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.
- 5.3 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.
- 5.4 An IIA Screening Form has been completed and a full IIA report is not required at this stage. Each site will need to be considered in detail once the development proposals are known. This will be subject to a further report.
- 5.5 Delivery of affordable homes is a good example of the 5 Ways of Working promoted by the Well-being of Future Generations (Wales) Act 2015 and will make a significant contribution to the 7 well-being goals. It is an example of collaborative working between the public and private sector in a sustainable way resulting in a long term partnership with the objectives of developing homes within the city for the benefit of future generations.
- 5.6 Increasing the supply of affordable housing, will assist in the regeneration of areas, and stimulate economic growth, addressing issues such as fuel poverty, inequality, jobs and skills which directly contributes to the council's obligations to act in a sustainable way pursuant to the Well-being of Future Generations (Wales) Act 2015.

6. Legal Implications

- 6.1 The Council will need to ensure that it complies with any terms and conditions attached to this Welsh Government grant funding. Any procurement activities in relation to the projects in this report will follow the Council's Contract Procedure Rules.

Background Papers: None

Appendices:

Appendix A – Financial Implications

Appendix B - IIA Screening form