This report is public	
Local Authority Housing Fund Round 4	
Committee	Executive
Date of Committee	14 July 2026
Portfolio Holder presenting the report	Portfolio Holder for Housing and Greener Communities, Councillor Ian Middleton
Date Portfolio Holder agreed report	27 May 2026
Report of	Assistant Director Wellbeing and Housing, Nicola Riley

Purpose of report

To seek approval for the expenditure of capital grant received from the Local Authority Housing Fund (LAHF) Round 4.

1. Recommendations

The Executive resolves:

1.1 To approve a capital grant to South Oxfordshire Housing Association (SOHA) of £342,100 for the delivery of new social housing within Cherwell from the grant received from MHCLG; Local Authority Housing Fund Round 4.

1.2 To approve that the remaining £319,900 grant be used to provide temporary accommodation units enabled by the Council, in accordance with grant criteria.

1.3 To approve the increase to the Council's capital programme of £342,100 that arises from the report.

2. Executive Summary

2.1 The LAHF was established by the Ministry of Housing, Communities and Local Government (MHCLG) (then DLUHC) in 2022-23 to help local authorities respond to new and emerging housing pressures faced from resettlement schemes. LAHF rounds 2, 3 and 4 also included the provision for new temporary accommodation enabled through the grant.

2.2 The LAHF 4 grant conditions stipulate that 2 units for resettlement accommodation, specifically for those on the Afghan Resettlement Programme (ARP), one of these should be a property that is 4 bedroom or larger, and 2 units of general needs temporary accommodation must be provided as a minimum. MHCLG have provided a capital grant allocation of £662,000 for CDC to deliver this. Grants are determined by calculations carried out by MHCLG and are based on property prices within areas. Council's can express interest in providing homes with their grant allocation.

2.3 The Council expressed interest in delivering homes within LAHF 4 and received notification of the grant amount as outlined in 1.3 and 2.2. The report proposes to grant a proportion of the money received to SOHA for the delivery of two new social housing units for resettlement families, as per grant criteria. These units will either be new houses or new social housing through market purchase. This continues existing arrangements in LAHF Round 2 and 3, which has been successful in delivering 17 units.

2.4 The report proposes to use the remaining grant to reduce the need for the Council to finance all the capital committed in the capital programme for temporary accommodation from its own borrowing.

Implications & Impact Assessments

Implications	Commentary
Finance	The approval of the transfer of the LAHF grant to SOHA, will provide more properties in the district for Resettlement families, avoiding expensive, nightly charged accommodation. Approving the use of the remaining grant for further provision of temporary accommodation, already in this year's capital programme, reduces the need for the Council to finance the whole project, which reduces borrowing costs and does not impact on cashflow or investments. Kelly Wheeler, Finance Business Partner, 15 May 2026
Legal	Legal Services provided advice to wellbeing and housing to assist with the preparation of the LAHF 3 grant funding agreements. At present Legal Services has not yet been instructed in relation to the LAHF 4, but will be able to provide advice and assistance as required when instructions are provided. Based on the work undertaken for LAHF 3, we note there is likely to be a need for advice around subsidy control. Legal Services will continue working with the relevant departments to assist with the implementation of the scheme as required. The funds should not be transferred until an appropriate grant funding agreement has been completed for this round of funding. Denzil – John Turbervill, Head of Legal Services, 20 May 2026
Risk Management	There are no risks arising as a direct consequence of this report, which outlines to spend grant received in line with grant terms. Related potential risks will be managed through the service operational risk and escalated to the Corporate risk register as and when deemed necessary. Celia Prado-Teeling, Performance Team Leader, 19 May 2025

Impact Assessments	Positive	Neutral	Negative	Commentary
Equality Impact	x			The outcome of the report will improve the range and nature of social tenancies throughout the district, supporting low-income households
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		x		
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?	x			Low-income households will be better provided for
Climate & Environmental Impact		x		The highest EPC ratings will be encouraged for the units purchased and delivered through the grant
ICT & Digital Impact		x		Not applicable
Data Impact		x		Not applicable
Procurement & subsidy		x		Not applicable
Council Priorities	Quality housing and place making			
Human Resources	Not applicable			
Property	The report does not have any implications for existing CDC property. Any property acquired in the future with this grant will be managed either by SOHA or by the Housing Team.			
Consultation & Engagement	None			

Supporting Information

3. Background

3.1 The LAHF was established by the Ministry of Housing, Communities and Local Government (MHCLG) (then DLUHC) in 2022-23 to help local authorities respond to new and emerging housing pressures faced from resettlement schemes.

3.2 The Council has successfully accessed Round 1, 2 and 3 of this funding. Delivering more than 60 units of affordable housing to date within Cherwell. This has enabled the Council to access these additional units, some of which may not have been brought forward as affordable housing at all, to assist with our direct housing pressures and at minimal direct cost to the Council.

3.3 A fourth iteration of LAHF has been made available and the Council was successful in an initial bid. The total capital is £662,000.

3.4 The Council has funds within the capital programme for the delivery of homelessness accommodation to assist with temporary accommodation pressures, and an apportionment of this grant can be used to assist with new temporary accommodation. This could reduce some direct capital expenditure that Council has committed by offsetting some costs to grant.

4. Details

4.1 The proposed partnership with SOHA is a continuation of existing similar schemes funded through previous LAHF Round 2, 3 and a scheme using Council Section 106 commuted sums. It involves a grant contribution towards the purchase price of the accommodation, in accordance with grant conditions outlined above. In return, SOHA manage the property and provide it for our usage. In this instance, our usage is for resettlement families that are being assisted through the Afghan Resettlement Programme (ARP).

4.2 The remaining grant will be used for temporary accommodation acquisition by the Council and will be managed and delivered directly by the Council.

4.3 These units will all be delivered by the end of March 2027 in accordance with grant conditions.

4.4 Ongoing revenue costs for management of the SOHA purchased property will be met by SOHA as part of a grant agreement.

4.5 A legal agreement will cover our engagement with SOHA in relation to the grant, to ensure if is spent in accordance with conditions and for it to be returned if they fail to perform as anticipated.

5. Alternative Options and Reasons for Rejection

5.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: Not to transfer the grant to SOHA and use another provider. All Registered Providers operating locally were given the opportunity to work with the Council and SOHA were the only ones to submit a compliant expression of interest. This is therefore rejected.

Option 2: The Council deliver all units. The Council is under time pressure to deliver units in accordance with the conditions of the grant and SOHA have an established reputation for delivery. The Council does have funds within the Capital Programme to purchase and develop temporary accommodation. Due to this, the report proposes to retain some of the grant to offset potential borrowing. However, the Council does not have capital within the capital programme for general property purchases (for resettlement households in this instance) and housing development that the grant could assist with. This is a requirement of the grant. This is therefore rejected.

Option 3: Not deliver any units. This would lead to the return of the grant to MHCLG. This would lead to the inability to offset any potential capital usage for temporary accommodation that is within the capital programme through grant usage. This is therefore rejected.

6. Conclusion and Reasons for Recommendations

6.1 The report will enable more affordable housing within the district, which is required to address demand pressures. It will not directly enable the planned self-contained temporary accommodation purchase to take place, but will reduce the amount of its own capital that the Council has to use when doing so.

Decision Information

Key Decision	Yes, financial threshold met
Subject to Call in	Yes
If not, why not subject to call in	N/A
Ward(s) Affected	All Wards

Document Information

Appendices	
Appendix 1	None
Background Papers	None
Reference Papers	None
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Executive Director Approval (unless Executive Director or Statutory Officer report)	Kristian Aspinall, Executive Director – Neighbourhood Services, 19 May 2026