

	Officer Key Decision
	Report to the Strategic Director of Community Wellbeing
AUTHORITY TO ENTER INTO A GRANT AGREEMENT WITH THE GLA FOR THE PURPOSE OF DEVELOPING NEW AFFORDABLE HOUSING	

Wards Affected:	All
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
No. of Appendices:	One Appendix 1 GLA Affordable Housing Programme Grant Agreement.
Background Papers:	None
Contact Officer(s):	Hakeem Osinaike, Operational Director – Housing Tel: 0208 937 2023 Email:Hakeem.Osinaike@brent.gov.uk

1.0 Purpose of the Report

1.1 This report requests approval to enter into a grant agreement with The Greater London Authority (GLA) for the purpose of developing new affordable housing.

2.0 Recommendations

2.1 That the Strategic Director Community Wellbeing approves the Council entering into a grant agreement with The Greater London Authority for a grant in the total sum of £111 million for the purpose of developing a minimum 701 new affordable homes in Brent.

3.0 Detail

- 3.1 The London Mayor published a new prospectus; Homes for Londoners: Affordable Homes Programme 2021-2026 in November 2020, inviting Registered Providers in London to bid for an allocation of capital grant to support the development of new affordable housing.
- 3.2 In July 2021 Cabinet indicated approval for the bid intended to fund activity in 5 key areas:
- The St Raphael's Estate
 - A continuation of the Brent wide Infill programme
 - Airspace development using an offsite Modern Methods of Construction(MMC) solution
 - New Build for Rent in South Kilburn
 - A New Build opportunity in Wembley Central.
- 3.3 In September 2021 , the Council was advised that the bid had been successful and that the resulting allocation is considered indicative, meaning that the requirement is to deliver a minimum 701 new homes with discretion on individual projects lying with the Council.
- 3.4 Development of new Council homes, is consistent with and supports the Council's Borough Plan 2021-22 specifically the objective: A Future Built for Everyone , An Economy Fit For All
- 3.5 The Lead Member for Housing was consulted on the Council's AHP 2021-26 GLA bid prior to submission and approved the principles therein as required by paragraph 13 of Part 3 of the Constitution.
- 3.6 In order to receive grant funding, the Council is required to enter into a grant agreement, a copy of which is attached as Appendix 1. It will be necessary to ensure that the Council is able to comply with the GLA grant conditions.
- 3.7 In addition, the Council's Director of Legal HR Audit and Investigations is required to sign a Legal Opinion that at the date of signing the grant agreement, the Council is satisfied that it has the full authority to enter into the grant agreement and that it is able to satisfy the grant conditions.

4.0 Financial Implications

- 4.1 Grant funding of £111m has been secured from the GLA for the purpose of developing 701 new homes. The Council has entered into a grant agreement with the GLA governing the award of such funding to include the requirement to deliver specified numbers of new homes. Failure to observe grant conditions or achieve specified delivery numbers may lead to a requirement to repay grant funding and therefore efficient and timely delivery approaches are essential to mitigate the risk.

5.0 Legal Implications

- 5.1 In accordance with paragraph 13 of Part 3 of the Constitution, submission of bids for additional resources from government is a decision for individual Cabinet Members in relation to their portfolio area in consultation with the Leader. Officers have confirmed in paragraph 3.5 that relevant approval was obtained.
- 5.2 The Strategic Director of Community Wellbeing has delegated authority pursuant to paragraph 9.5 of Part 3 of the Constitution and Financial Regulation 8.2.2 of Part 2 of the Constitution to enter into a grant funding arrangements. In doing so, the Strategic Director must ensure that the objectives of the grant agreement are consistent with the Council objectives and priorities in accordance with Financial Regulation 9.1.2.
- 5.3 As the Council will be an accountable body in respect of grant funding and in accordance with Financial Regulation 9.1.1, the Strategic Director Community Wellbeing must only exercise delegated powers to enter into grant funding arrangements where the Director of Finance approves entry into such arrangement. The Director of Finance has confirmed in the Financial Implications approval to entry into the grant agreement.
- 5.4 The Council is required to enter into a formal grant agreement, a copy of which is at Appendix 1. Legal Services have reviewed the grant agreement and can confirm that it is legally permissible for the Council to enter into the grant agreement
- 5.5 The Council's power to apply for grant funding and enter into a Grant Agreement can be found under section 111 of the Local Government Act 1972, or under the power of general competence set out in section 1 of the Localism Act 2011.
- 5.6 Section 111 of the Local Government Act 1972 allows the local authority to do anything which is "calculated to facilitate, or is conducive or incidental to, the discharge" of any of its functions. This can include entering into a grant agreement and spending money, however it is subject to the powers exercisable through other legislation, it cannot be used to authorise what is prohibited by other statutory provisions.
- 5.7 Section 1 of The Localism Act 2011 provides that the Council may do anything "which individuals may generally do". This is a free-standing power of general competence which is subject to section 2 of the Act. The Council would not be able to rely on the S.1 power where a pre-existing power sets out more specific restrictions, or where a post-commencement power indicates that the power of general competence is excluded.
- 5.8 Any grant funding received will be subject to certain conditions such as, the grant money is to be spent on capital and the scheme will be delivered to programme to agreed dates. Failure to adhere to such conditions could require the Council to refund some or all of the grant received.

6.0 Equality Implications

- 6.1 The Council must in the exercise of its functions, have due regard to the need to:
- (a) eliminate discrimination, harassment and victimisation
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it,

pursuant to s149 Equality Act 2010. This is known as the Public Sector Equality Duty.

- 6.2 The Public Sector Equality Duty covers the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 6.3 The purpose of the duty is to enquire into whether a proposed decision disproportionately affects people with a protected characteristic. In other words, the indirect discriminatory effects of a proposed decision. Due regard is the regard that is appropriate in all the circumstances.
- 6.4 The proposals in this report have been subject to screening and officers believe that there are no adverse equality implications.

7.0 Consultation with Ward Members and Stakeholders

- 7.1 There are no implications for this report.

8.0 Human Resources/Property Implications (if appropriate)

- 8.2 There are no implications for this report.

Related Documents:

Cabinet Reports – January & July 2021

Report sign off:

Phil Porter
Strategic Director, Community
Wellbeing