

**Portfolio Holder for Housing and Homelessness Decision – 4
September 2024**

Proposed purchase of 5 homes through the Local Authority Housing Fund

Purpose	For Decision
Classification	Public
Executive Summary	This report seeks approval of the Portfolio Holder for Housing and Homelessness to purchase five homes with a financial grant from the Local Authority Housing Fund (LAHF) and NFDC capital subsidy. The scheme requires the Council to purchase two of the homes to provide Temporary Accommodation for NFDC homelessness clients, and three to meet the needs of Afghan families under the Afghan Citizens Resettlement Scheme (ACRS).
Recommendation(s)	<p>It is recommended:</p> <p>1) that the Council enters an agreement with central Government to purchase 5 homes under the Local Authority Housing Fund Round 3 for Temporary Accommodation and Afghan family resettlement.</p> <p>2) That approval is given for the direct purchase of 5 homes as supported by funding under the Local Authority Housing Fund Round 3 initiative and additional capital expenditure as required.</p>
Reasons for recommendation(s)	<p>The homes will address local and national housing priorities with those acquired for the ACRS scheme being retained by the Council should families be repatriated.</p> <p>The acquisitions will meet the Corporate Plan People Priority 1 (Helping those in our community in the greatest need) and People Priority 3 (Meeting housing needs).</p> <p>Funding will be issued to the Council as a grant payment under Section 31 of the Local Government Act 2003.</p>

Ward(s)	All
Portfolio Holder(s)	Councillor Davies – Portfolio Holder for Housing and Homelessness
Strategic Director(s)	Richard Knott, Strategic Director - Housing and Communities
Officer Contact	Tim Davis Service Manager Housing Strategy and Development 02380 285899 tim.davis@nfdc.gov.uk

Introduction

1. This report seeks the approval of the Portfolio Holder for Housing and Homelessness to purchase a total of five homes under the LAHF Round 3 programme - two to meet the needs of families requiring Temporary Accommodation via the Council's Homelessness Service, and three to house families requiring accommodation under the Afghan Citizens Resettlement Scheme (ACRS).

Background

2. Following previously successful rounds of the Local Authority Housing Fund (LAHF), central government announced a further £450m capital funding in March 2024 supported by a £5m revenue fund to deliver the initiative.
3. The objectives of the Round 3 programme are:
 - 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.

The Proposal

4. As one of the Local Authorities selected under the scheme New Forest District Council has been offered £945,000 in capital grant funding by central Government towards the delivery of 5 homes over the 2-year period 2024/25 and 2025/26. The specified mix will need to include 1 x four-bedroom property and 4 x smaller homes (ideally 2 or 3 bedroom).
5. In terms of delivery the proposed procurement route would take the form of an extension to the Council's existing Buy Back programme, which purchases ex-council social housing on the open market, and which is how 12 homes were successfully acquired during 2023/24 under the first round of the LAHF initiative.

Corporate plan priorities

6. The acquisitions will meet the Corporate Plan 'People' Objective 1 (Helping those in our community in the greatest need) and Objective 3 (Meeting housing needs).

Options appraisal

7. New Forest District Council has been offered grant funding and the chance to participate in the initiative by the Ministry of Housing Communities and Local Government.
8. The opportunity is not mandatory and does not have to be taken up however the scheme offers a value for money route to extend the existing Buy Back programme to deliver an additional five affordable homes across the District, including properties to serve as Temporary Accommodation.

Consultation undertaken

9. The proposal has been evaluated by senior housing managers and the Executive Management Team. It has also been supported by Lead Councillors.

Financial and resource implications

10. In February 2024 Council approved a 2024/25 budget of £18.2m for the Housing Acquisition and Development Programme. Decisions on individual sites or properties are made by the Housing and Homelessness Portfolio Holder. The acquisition proposed in this report is covered within the current approved budget and will be augmented with £945,000 in capital grants from central Government.

Legal implications

11. S17 (1b) of the Housing Act 1985 provides general statutory powers for the Council to acquire land and property. Funding has been offered to the Council under Section 31 of the Local Government Act 2003.

Risk assessment

12. As part of a financial evaluation exercise the potential cost of acquiring and improving five homes has been taken into consideration. As a result of the grant rate per unit - plus an additional allowance for oncosts and improvements - sufficient financial headroom exists to viably acquire properties on the open market even if values were to increase over the period.
13. In terms of sourcing potential properties, it can be confirmed that the Buy Back programme for the current year is ahead of target, and confidence exists that all five homes will be delivered during the 2-year period.

Environmental / Climate and nature implications

14. All five properties will be purchased from the district's existing housing stock. It is likely that future works will need to be carried out on any purchase to raise the energy efficiency standard to EPC C.

Equalities implications

15. Homes for Temporary Accommodation will be allocated in accordance with the Council's Homelessness Procedures. Homes for Afghan families will be subject to direct nomination via the Afghan Citizens Resettlement Scheme.

Crime and disorder implications

16. There are no implications to consider.

Data protection / Information governance / ICT implications

17. There are no implications to consider.

Conclusion

18. Given the national and local priorities associated with this initiative; the financial viability of the scheme as a result of central government subsidy, and the benefits it will provide for families needing temporary accommodation and resettlement, the case exists to participate in the programme.

19. By using the well-established Buy Back procurement route, the 5 homes can be delivered without affecting the existing affordable housing development programme.

Portfolio holder endorsement

I have agreed to the recommendations of this report.

Sign: Cllr Steve Davies

Date: 4 September 2024

Date on which notice given of this Decision – 5 September 2024

Last date for call in – 12 September 2024