

**Portfolio holder decision – Portfolio holder for Housing and Homelessness– 27 February 2025**

**Proposed Purchase of 4 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 four homes with a financial grant from the Local Authority Housing Fund (LAHF) and NFDC capital subsidy. The scheme requires the Council to purchase three of the homes to provide Temporary Accommodation for NFDC homelessness clients, and one to meet the needs of Afghan families under the Afghan Citizens Resettlement Scheme (ACRS).
<b>Recommendation(s)</b>	<p><b>It is recommended:</b></p> <p><b>1) that the Council enters an agreement with central Government to purchase 4 homes under the Local Authority Housing Fund Round 3 for Temporary Accommodation and Afghan family resettlement; and</b></p> <p><b>2) That approval is given for the direct purchase of 4 homes as supported by funding under the Local Authority Housing Fund Round 3 initiative and additional capital expenditure as required.</b></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 four homes under the LAHF Round 3 programme – three to meet the needs of families requiring Temporary Accommodation through the Council’s Homelessness Service, and one 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 (LAHF Round 3) supported by £5m of revenue funding. New Forest District Council duly bid for and secured £945,000 under the initiative and a related Portfolio Holder decision was published in September 2024 for the delivery of 5 homes.
3. In December 2024 Local Authorities were invited to bid for additional funding under Round 3. New Forest District Council submitted a bid and has been allocated funding to purchase an additional 4 homes as outlined in this decision.
4. The relevant 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.

### **The Proposal**

5. As one of the Local Authorities selected under the scheme New Forest District Council has been offered £723,920 in capital grant funding by central Government under LAHF Round 3 towards the delivery of 4 additional homes over the 2-year period 2024/25 and 2025/26. A sum which includes an £84,000 contribution towards on-costs and property improvements.
6. In terms of delivery the procurement route will be the Council's well established Buy Back programme through which previous LAHF properties have been secured.

### **Corporate plan priorities**

7. 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**

8. 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.
9. The opportunity is not mandatory and does not have to be taken-up however the scheme offers a value for money route to acquire homes through the existing Buy Back programme, including properties to serve as Temporary Accommodation.

### **Consultation undertaken**

10. 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**

11. In February 2025 Council approved a 2025/26 budget of £15.2m for the Housing Acquisition and Development Programme. Decisions on individual sites or properties are made by the Housing and Homelessness Portfolio Holder. The acquisitions proposed in this report are covered within the current approved budget and will be partly funded by £723,920 in capital grant from central Government.

## **Legal implications**

12. 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**

13. As part of a financial evaluation exercise the potential cost of acquiring and improving four homes has been taken into consideration. At the allocated 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.
14. In terms of sourcing potential properties, it can be confirmed that the Buy Back programme for the current year is on target, and confidence exists that all four homes will be delivered by March 2026.

## **Environmental / Climate and nature implications**

15. There are implications to consider. All four properties will be purchased from the district's existing housing stock.

## **Equalities implications**

16. 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**

17. There are no implications to consider.

## **Data protection / Information governance / ICT implications**

18. There are no implications to consider.

## **Conclusion**

19. 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.

20. By using the well-established Buy Back procurement route, the 4 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: 27 February 2025

Date on which notice given of this Decision – 27 February 2025

Last date for call in – 6 March 2025