

Portfolio holder decision – Portfolio holder for Housing and Homelessness – 4 February 2026

Proposed purchase of 6 homes through the Local Authority Housing Fund (Round 4)

Purpose	For Decision
Classification	Public
Executive Summary	This report seeks approval of the Portfolio Holder for Housing and Homelessness to purchase six homes with a financial grant from the Local Authority Housing Fund (LAHF) and NFDC capital funding. The grant conditions require the Council to purchase three of the homes to provide Temporary Accommodation for NFDC homelessness clients, and three to meet the needs of Afghan families under the Afghan Resettlement Programme (ARP).
Recommendation(s)	<p>It is recommended:</p> <ol style="list-style-type: none"> 1) that the Council enters an agreement with central Government to purchase 6 homes under the Local Authority Housing Fund Round 4 for Temporary Accommodation and Afghan family resettlement; and 2) That approval is given for the direct purchase of 6 homes as supported by funding under the Local Authority Housing Fund Round 4 initiative and additional capital expenditure as required.
Reasons for recommendation(s)	<p>The homes will address local and national housing priorities with those acquired for the ARP 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)	Peter Matthew, Interim Strategic Director - Housing and Communities. Alan Bethune, Strategic Director of Corporate Resources and S151 Officer
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 six homes under the LAHF Round 4 programme - three 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 Resettlement Programme.

Background

2. Following previously successful rounds of the Local Authority Housing Fund (LAHF), central government announced a further £950m capital funding in November 2025 to deliver a four-year programme from April 2026.
3. The objectives of the Round 4 programme are:
 - 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.
 - Provide sustainable settled housing for some families on the Afghan Resettlement Programme (ARP) so that they can build new lives in the UK, find employment and integrate into communities.
 - 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 £1,076,000 in capital grant funding by central Government towards the delivery of 6 homes during 2026/27. The specified mix will need to include 1 x four-bedroom property and 5 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 previous Buy Back programme through which ex-council social housing has been purchased on the open market – this is how 21 homes were successfully acquired between 2023/24 and 2025/26 for earlier rounds 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 deliver an additional six 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 has been supported by the Housing Development Panel¹.

Financial and resource implications

10. In February 2025 Council approved an indicative budget of £15.2m for 2026/27 for the Housing Acquisition and Development Programme. Decisions on individual sites or properties are made by the Housing Portfolio Holder. The acquisitions proposed in this report are covered within the approved budget and will be partly funded by £1,076,000 in capital grant from central Government.

¹ Portfolio Holder for Housing and Homelessness; Portfolio Holder for Finance; Chairman of the Housing Communities Overview and Scrutiny Panel; Strategic Director of Housing and Communities; Strategic Director of Finance.

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 six 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. The resources necessary to deliver the programme have been taken into account having regard for the significant past experience of acquiring and delivering Buy Back properties for more than 10 years.

Environmental / Climate and nature implications

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

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 Resettlement Programme.

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 6 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 February 2026

Date on which notice given of this decision – 4 February 2026

Last date for call in – 11 February 2026