

Central Bedfordshire Council

Executive

9 October 2018

Purchase of Properties for use as Transitional Accommodation

Report of:

Cllr Hegley, Executive Member for Social Care and Housing, (carole.hegley@centralbedfordshire.gov.uk),
Cllr Ghent, Executive Member for Assets and Housing Delivery, (eugene.ghent@centralbedfordshire.gov.uk),
and Cllr Wenham, Deputy Leader and Executive Member for Corporate Resources
(richard.wenham@centralbedfordshire.gov.uk)

Responsible Director(s):

Julie Ogley, Director of Social Care, Health and Housing
(julie.ogley@centralbedfordshire.gov.uk);

Marcel Coffait, Director of Community Services
(marcel.coffait@centralbedfordshire.gov.uk)

This report relates to a decision that is Key

Purpose of this report

1. The report seeks approval for the Council's Housing Revenue Account (HRA) to purchase residential accommodation identified in exempt appendix 1. The supporting rationale is to provide transitional accommodation to clients presenting as homeless (CBC has a statutory obligation to provide accommodation).

RECOMMENDATIONS
The Executive is asked to:
<ol style="list-style-type: none">1. authorise the acquisition of the two properties identified in exempt appendix 1 and to delegate to the Director of Community Services, authority to enter into and complete all necessary legal documentation relating to the purchase in consultation with the Monitoring Officer.

Overview and Scrutiny Comments/Recommendations

2. Previous reports identifying homelessness pressure and the purchase of properties by the HRA have been reviewed by the Overview and Scrutiny Committee (OSC). Due to the timeframe for a decision to be made and to support this purchase, this report has not been to OSC. The chairman of the OSC has, however, been advised of this purchase and has agreed to support and progress the recommendation.

Issues

3. Housing needs, including homelessness, is increasing in Central Bedfordshire and must be met. This has arisen due to affordability problems and limited supply of rented housing at or below Local Housing Allowance (LHA) limits.
4. The acquisition of these units is one of many actions being taken to reduce housing and homelessness pressures facing the Council. Actions include empty home reoccupation; new build schemes; affordable housing delivery through section 106 entitlements and property acquisitions.
5. Homelessness pressures in neighbouring authorities (evident for some years) are now becoming significant challenges within Central Bedfordshire. Approximately 50% of the current Transitional Accommodation (TA) demand is from those who are generally in low paid, uncertain employment, those who are young, unsettled and in transient relationships.

Reason/s for decision

6. Housing need, including homelessness, is increasing in Central Bedfordshire and must be met. This has arisen due to affordability problems and limited supply of rented housing at or below Local Housing Allowance (LHA) limits.
7. The acquisition of these units is one of many actions being taken to reduce housing and homelessness pressures and costs facing the Council. The acquisition of properties will reduce the reliance upon more costly private "Nightly Let" temporary accommodation. Council owned and managed transitional accommodation generates a net saving as opposed to other means of discharging our duties which would cost more.

Reason for urgency

8. Suitable properties for use as good quality multiple self-contained or shared accommodation are rarely available in Central Bedfordshire. These properties have been viewed, surveyed, costed, and negotiations entered as soon as they were deemed suitable. Due to the nature of this work in researching suitable sites, it is difficult to predict and enter onto a forward plan. Without Executive approval, the accommodation/sites cannot be purchased for use as transitional accommodation.

Council Priorities

9. The proposed action supports the priority to enhance Central Bedfordshire by providing great resident services, protecting the vulnerable and improving wellbeing. By reducing spend on private temporary accommodation, the proposal also demonstrates our aspiration to maximise efficiency (reduce cost). In addressing homelessness, the actions illustrate CBC is responsive to an evolving local and national issue.

Corporate Implications

Community Safety

10. There is a pro-active approach to casework, as well as close monitoring of performance, to ensure anti-social behaviour is managed by the Housing Service. Security arrangements will be put in place to minimise any adverse impacts arising from the use of this site for transitional accommodation.

Sustainability

11. The addition of assets to the HRA will assist the HRA Business Plan as a result of retained rentals, which can be used to make further investment or repay debt. Additional units also offset the stock implications arising from the Right to Buy (RtB).

Legal Implications

12. Section 120 of the Local Government Act 1972 permits the Council to acquire land for any of their statutory functions, or for the benefit, improvement or development of their area, and the land may lie within the boundary of another authority.
13. Part VII of the Housing Act 1996 ('the HA') imposes obligations on local housing authorities in respect of persons who are homeless or threatened with homelessness. Under section 188 of the HA, if the local housing authority have reason to believe that an applicant may be homeless, eligible for assistance and have a priority need, they must secure that accommodation is available for the applicant's occupation. Section 193 of the HA details the full duty to secure accommodation for persons in priority need who are not homeless intentionally.
14. The conveyancing will be undertaken by LGSS Law Ltd.

Financial and Risk Implications

15. The client mix will be varied, vulnerable and likely to include customers with lower level mental health needs. The Council's Housing Service is already managing similar accommodation and has effective management and support arrangements in place to mitigate this risk.

16. Financial implications are included in the accompanying non-public Supporting Financial information report. Funding of these acquisitions is included in the Council's Housing Revenue Account capital programme. The acquisitions allow retained right to buy receipts to be used on a 30% of expenditure basis. The acquisitions will not result in delays to other HRA capital projects.

Equalities Implications

17. Central Bedfordshire Council has a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics; age disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The proposal will help the Council meet the needs of a range of vulnerable groups who are experiencing homelessness

Conclusion and next Steps

18. The proposed acquisitions present several opportunities:
- Both properties are suitable and meet Housing requirements. They provide multiple units of self-contained accommodation and are well located for transport routes, within easy access of local amenities, supporting easy management.
 - Critically, the properties meet specifications for use as transitional accommodation, reducing additional cost and time delay in bringing them into service to meet demand very soon after acquisition.

Appendices

Appendix 1 – Details of the properties and financial information relating to the proposed purchase.

Exempt

Schedule 12A of the Local Government Act 1972 paragraph 3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Background Papers

None.

Report author(s):

Gurminder Singh

Housing Innovations Manager

gurminder.singh@centralbedfordshire.gov.uk