

SOUTH HOLLAND DISTRICT COUNCIL

Report of: Christine Marshall, Executive Director - Commercialisation

To: Portfolio Holder for Assets and Planning
(Cllr Rodney Grocock)

Author: Caroline Hannon, Strategic Housing Manager

Subject: Property acquisition to support the Next Steps Accommodation Programme

Purpose: To consider whether to acquire a property to be occupied by rough sleepers and those threatened with rough sleeping, utilising the MHCLG grant allocation and the General Fund Capital program budget 'Capital acquisitions re Growth and Commercialisation'.

Recommendation(s):

1. That the funding identified in the report is utilised from the approved General Fund capital program budget 'capital acquisitions re Growth and Commercialisation' and a similar amount from the MHCLG capital grant allocation, to enable the purchase and adaptation of the identified property in Spalding Monkshouse ward.
2. That authority be delegated to the Executive Director – Commercialisation (S.151 Officer) to agree a purchase price, oversee due diligence, sign any necessary contract and complete the transfer, and undertake any other actions necessary to secure the purchase of this property within the agreed budget.

1.0 BACKGROUND

- 1.1 At Council on 25th November, the authority approved the receipt and spend of MHCLG Next Steps Accommodation Programme (NSAP) grant of £399,255, and noted the requirement for additional funding of approximately £400,000 to support this programme of activity to be funded from the Growth and Commercialisation – Acquisitions Fund on a case by case basis.
- 1.2 The NSAP is a national funding programme to support the Government's policy to end rough sleeping for good. It follows the 'Everyone In' initiative which sought to take rough sleepers off the streets at the start of the pandemic. The NSAP programme is aimed at providing capital funding to secure move-on accommodation for rough sleepers for up to 3 years and provides revenue funding for staffing resources to support the residents to sustain their tenancies.
- 1.3 On 2nd December, a Leader decision became effective which agreed a project mandate relating to the acquisition and refurbishment of accommodation suitable for occupation by nine households, utilising the MHCLG grant allocation and delegating authority to Executive Director – Commercialisation (S.151 Officer) to approve, enter into and sign the grant agreement with Homes England and/or MHCLG.
- 1.4 The project mandate proposed that SHDC acquires properties which will provide 9 units of non-self-contained accommodation for single people or couples. In terms of the strategy for

the use of the funds, SHDC will explore both the acquisition of existing houses in multiple occupation that would be suitable for the proposed use, alongside exploring the acquisition of a small number of properties which can be easily converted into units of non-self-contained accommodation.

- 1.5 Decisions on individual property purchases will be taken by the Portfolio Holder for Assets & Planning, in consultation with the Portfolio Holder for HRA & Private Sector Housing; the Portfolio Holder for Finance, Strategy & Partnerships; and relevant Ward Members.
- 1.6 The properties will be managed and maintained by SHDC's Housing Teams as part of the overall management of the interim accommodation portfolio. MHCLG has allocated revenue funding to SHDC for this project. The revenue funding will enable an officer to work closely with the residents of this accommodation to enable them to sustain their tenancies.
- 1.7 This report relates to the third proposed acquisition in accordance with the project mandate and the conditions of grant. This proposed acquisition of a property in the Spalding Monkshouse ward will be the final of three acquisitions.

2.0 PROPERTY DETAILS

- 2.1 The identified property is a 3-bedroom semi-detached house which is currently for sale.
- 2.2 The marketing price is in line with the resources available for this project and is within a price range that ensures sufficient further resources are still available to enable the purchase of the two additional properties, which have already been identified.
- 2.3 The property benefits from a rear garden which is mostly laid to lawn with hedging to one side. There is a low maintenance front garden which could provide off-road parking for one vehicle. Ongoing grounds maintenance is expected to be minimal.
- 2.4 The property is in a reasonable condition. However, improvements are necessary before it will be let. As the property has previously been used as a family home, modifications and adaptations will be required for it to provide 3 units of non-self-contained accommodation such as installation of an additional bathroom, internal fire doors and locks.
- 2.5 The property attributes have been considered by the Portfolio Holder for Assets & Planning, the Portfolio Holder for HRA & Private Sector Housing and the Portfolio Holder for Finance, Strategy & Partnerships. Spalding Monkshouse ward members and Performance Monitoring Panel (PMP) have been consulted. Further information on the feedback from Ward Members and PMP is provided at Section 3 of this report.
- 2.6 The property is deemed by the Housing Team to be suitable for the purposes of providing non-secure, non-self-contained accommodation for single people and couples. The property attributes include that it is in a location where the residents can access local services; the property can be easily adapted to provide three units of non-self-contained accommodation; and the layout allows for refurbishment to provide an additional bathroom and other preferred modifications.

3.0 FEEDBACK FROM PERFORMANCE MONITORING PANEL AND SPALDING MONKSHOUSE WARD MEMBERS

- 3.1 On 9th February 2021, a Special meeting of the Performance Monitoring Panel took place to allow members, including Spalding Monkshouse ward members, to pre-scrutinise the proposed decision to purchase this property. The Panel raised a number of concerns (set out in paragraph 3.2 below) and referred the matter back to the Portfolio Holder for Assets

and Planning with a recommendation that he reconsiders the potential acquisition of this property, with a view instead to pursuing the acquisition of a more suitable property, with no chain, and that does not require so much work.

3.2 A summary of the comments from PMP, and the response to that feedback, is provided in the table below, along with an assessment as to whether there is justification for proceeding to acquire the property.

Comments from PMP	Background information	Justification for proceeding																
Concerns re: parking	<p>The property provides one informal off-road parking space in the front garden which is already used as a parking space.</p> <p>The residents of this accommodation will be rough sleepers or those at risk of rough sleeping and accordingly it is anticipated that there will be a low level of car ownership by the residents.</p> <p>The table below shows the results of various snapshots of car ownership rates amongst residents who were provided with temporary accommodation by SHDC.</p> <table border="1" data-bbox="352 927 1106 1240"> <thead> <tr> <th data-bbox="352 927 541 1066">Date</th> <th data-bbox="541 927 729 1066">No. of households in TA</th> <th data-bbox="729 927 917 1066">Number of households with a car</th> <th data-bbox="917 927 1106 1066">% of households with a car</th> </tr> </thead> <tbody> <tr> <td data-bbox="352 1066 541 1122">6.4.20</td> <td data-bbox="541 1066 729 1122">42</td> <td data-bbox="729 1066 917 1122">15</td> <td data-bbox="917 1066 1106 1122">36%</td> </tr> <tr> <td data-bbox="352 1122 541 1178">8.9.20</td> <td data-bbox="541 1122 729 1178">36</td> <td data-bbox="729 1122 917 1178">20</td> <td data-bbox="917 1122 1106 1178">56%</td> </tr> <tr> <td data-bbox="352 1178 541 1240">10.2.21</td> <td data-bbox="541 1178 729 1240">39</td> <td data-bbox="729 1178 917 1240">15</td> <td data-bbox="917 1178 1106 1240">38%</td> </tr> </tbody> </table> <p>This data shows that average car ownership amongst homeless households is around 43% of total households. It should be noted that a large proportion of the households in temporary accommodation are families where car ownership rates are more prevalent. This property will be occupied by single people/couples where lower levels of car ownership have been identified.</p> <p>The location of the property, close to services, amenities and public transport, means that residents would not necessarily need access to a car.</p>	Date	No. of households in TA	Number of households with a car	% of households with a car	6.4.20	42	15	36%	8.9.20	36	20	56%	10.2.21	39	15	38%	Low levels of car ownership amongst rough sleepers suggest that one off-road parking space will be sufficient.
Date	No. of households in TA	Number of households with a car	% of households with a car															
6.4.20	42	15	36%															
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10.2.21	39	15	38%															
Need to meet the spirit of the Local Plan in respect of parking attached to such properties	<p>Planning permission is not required for this property to be used to provide three units of non-self-contained accommodation.</p> <p>Alternative proposals which do require planning consent (i.e. a larger House in Multiple Occupation) would be considered in accordance with Policy 21 of the Local Plan. Point 5 of this policy indicates that proposals should not have a significant adverse impact on the surrounding area by way of increased on-street parking, impaired highway safety or by impeding proper access to the area.</p>	Planning requirements would be determined on a case by case basis. LCC Highways has indicated that there																

	<p>Paragraph 15.1.1 of the Local Plan specifies the minimum parking standards required for different types of development where planning consent <u>is</u> required. A HMO property would be classed within 'other residential accommodation'. Accordingly, planning requirements would be determined on a site by site basis and could potentially be impacted by the number of occupants in the property; the particular location of the property in relation to services; the existing situation with regard to any on-street parking or known parking issues; and anticipated car ownership rates.</p> <p>As part of the consultation process, ward members raised concerns about existing parking issues in the vicinity of the property.</p> <p>An informal opinion from Lincolnshire County Council Highways Department has been obtained as follows:</p> <p>Had formal Planning Consent been required, then the highway authority would normally be consulted.</p> <p>Every proposal is judged on its own merits and prevailing circumstances but the fundamental guiding highway principle, from paragraph 109 of the National Planning Policy Framework (NPPF) document, is that development should only be prevented or refused on highway grounds where there would be an unacceptable impact upon highway safety or where the residual cumulative impact upon the highway network would be severe. I do not believe it would be unreasonable to presume that rough sleepers would be unlikely to be car owners and therefore off-street car parking for use by residents of the facility would not be essential to make the proposed use acceptable in planning terms.</p> <p>In any event, the carriageway is particularly wide and therefore vehicles parked on the roadside would not be expected to unreasonably impede the passage of other road users or have an unacceptable impact upon highway safety per se.</p> <p>The property is within reasonable walking distance of the centre of Spalding where there is a wide range of shops, services and facilities as well as options for public transport and employment. In such circumstances. The highway authority would advise the inclusion of sheltered, secure storage for cycles.</p> <p>I do not consider there would be any justification for resisting the proposed change of use on highway grounds.</p>	<p>would not be any justification for resisting the proposed change of use on highway grounds. Therefore, it is considered that one parking space is sufficient and this proposal is within the spirit of the Local Plan.</p>
<p>Value for money.</p>	<p>MHCLG funding is providing approximately half of the total capital project costs relating to the acquisition and refurbishment of this property.</p> <p>The long term strategy is to retain this asset for 30 years. The financial evaluation at Appendix A indicates that taking account of the total scheme costs, rental income and ongoing management/maintenance costs, this property will provide a return on investment to the authority, as well as providing much</p>	<p>The scheme provides a return on investment.</p> <p>Many of the on-costs would be incurred</p>

	<p>needed housing for rough sleepers.</p> <p>PMP noted a high proportionate cost of on-costs compared to the acquisition cost. However, a number of the on-costs included within the assessment (such as SHDC project management fee, stamp duty, legal fees, contingency and professional fees) would be incurred for any property purchase no matter the age, condition or price of the property at acquisition.</p> <p>The report presented to PMP grouped the costs associated with HMO works, furnishings and property enhancements. In an attempt to provide further clarification within this report, the updated financial evaluation provided at Appendix A has split these indicative costs.</p> <p>The HMO and furnishing costs would also apply to any property purchased regardless of age or condition, unless it was already used to provide non-self-contained accommodation.</p> <p>The cost of property enhancement for this property is an assumed costs based on information known about the property at this point in time. Further surveys will be undertaken as part of the due diligence process and once the property has been purchased. Therefore, it is acknowledged that these costs could alter. However, the indicative costs have been informed by an initial assessment by SHDC's Property Surveyors and assume a worst case scenario in relation to the enhancements required. The cost set out in the financial evaluation also includes an enhanced level of contingency to reflect the age and current condition of the property which increases the assumed cost of property enhancement.</p> <p>The agreed property price reflects the age and condition of the property and the necessary enhancement work required. The acquisition price is less than the acquisition cost of the other two properties identified for this project.</p>	<p>regardless of the age or condition of the property as they relate to professional fees and HMO conversion costs.</p> <p>The higher refurbishment costs are offset by the lower acquisition price when compared to other property acquisitions.</p>
<p>Other more suitable properties are or have been available with no chain.</p> <p>The property is semi-detached as opposed to detached.</p>	<p>SHDC officers have considered 68 properties for this project. Of those, 29 properties have been viewed which appeared to meet the necessary property attributes which initially included properties being sold with 'No Chain'. However, individual property negotiations highlighted that the vendors of some of the properties which were advertised as 'No Chain' were not able/willing to act at pace and accordingly, viewing properties within a 'chain' was considered to also be suitable.</p> <p>From January 2021, officers viewed properties which were within a conveyancing 'chain'. This property was identified and whilst it is within a 'chain', the circumstances of the 'chain' indicate that a reasonable timeframe for completion can still be achieved.</p> <p>A number of the 29 properties which were viewed were deemed to be unsuitable for a variety of reasons including extensive refurbishment works being required; unsuitable shared areas and conversion options not feasible.</p>	<p>Whilst other properties are available, this property is considered to suitable in terms of timescale for delivery, price, property type and location.</p>

	<p>Additionally, a number of other suitable properties were sold subject to contract very quickly and ahead of obtaining the necessary approvals.</p> <p>The property attributes indicated that both semi-detached and detached houses would be considered suitable. This property is semi-detached and is considered to be suitable. Some detached properties were also viewed between October and January. However, there were a limited number of detached properties available which were within the appropriate price range; for sale with No Chain; and had appropriate sized gardens. Accordingly, a suitable detached property was not identified.</p>	
<p>We should not rush to acquire a property just because of the grant funding</p>	<p>The Council report approved in November 2020 recognised that the timeline for the delivery of the new homes is very tight, and that if the delivery date of 31st March 2021 could not be met, officers would have to renegotiate the position with MHCLG/Homes England.</p> <p>PMP commented that any decision to purchase this property should not be rushed just to accommodate the terms of the grant agreement. This report indicates at paragraph 7.7.1 that officers are seeking to renegotiate the terms of the grant agreement to extend the practical completion date from 31st March to 30th June. For this third property acquisition, officers will also have to seek an extension of the start on site date to enable a sufficient period for conveyancing. This extension will be at Homes England's discretion.</p> <p>This third property has been identified because it predominantly meets the preferred property attributes and is considered to be in an appropriate location close to services and within an appropriate price range in accordance with the project mandate. Whilst the decision to hold a pre-scrutiny meeting of PMP was to reflect the need to act at pace on this project, the decision to acquire this property is not, it is based on the property attributes.</p>	<p>The decision is being made to proceed with this acquisition because the property is considered to be suitable for the intended use, not because of the deadline for the grant funding.</p>
<p>The size of the garden</p>	<p>The preferred property attributes indicated a preference for any garden to be an appropriate size and not too large. This was to limit the ongoing maintenance costs as the gardens will be maintained by SHDC.</p> <p>PMP commented on the size of the garden at this property. The property is marketed as having a large enclosed rear garden.</p> <p>Given the nature of the rear garden, mostly laid to lawn and with some hedging to one side, whilst the rear garden is a generous size, the garden is not considered to have excessive ongoing maintenance costs.</p>	<p>The garden is considered to be reasonable from a management perspective.</p>
<p>Views of Ward Members do not appear to</p>	<p>Officers viewed this property on 8th January. On 12th January, the property particulars were reviewed by Portfolio Holders for Assets & Planning, in consultation with the Portfolio Holder for HRA & Private Sector Housing and the Portfolio Holder for</p>	<p>Ward members have been consulted</p>

<p>have been adequately reflected in the report</p>	<p>Finance, Strategy & Partnerships. Officers were guided to seek to negotiate a purchase price and delivery timeframe with the vendor. Following a successful negotiation with the vendor, officers paused further viewings and commenced preparation of a business case and commenced consultation with Ward members.</p> <p>On 20th January, SHDC's Strategic Housing Manager met with Ward Members to provide details of the identified property, the refurbishment proposal, alternative options considered and the next steps if the acquisition was to proceed.</p> <p>During that meeting, members expressed concerns around parking, the garden and the size of the property. The feedback was provided to Portfolio Holder for Assets and Planning and has been considered as part of the decision making process.</p> <p>Following that meeting, ward members provided details of other suitable properties, both within this Ward and in other Wards. However, no further property viewings were undertaken whilst a decision was awaited on whether to progress with the acquisition of this property. Officers continued to review the sales market and liaise with estate agents and continued to collate a list of potentially suitable alternative properties in case a decision was made not to proceed with this acquisition.</p> <p>Following the meeting on 20th January, officers also responded to Ward Members' requests for information relating to the NSAP project overall, details of the property search, details of the legal process for this property acquisition (which had not commenced due to there not being a formal decision to acquire) and details of the legal process for the other NSAP acquisitions was provided.</p> <p>The views of Ward Members have been considered by Portfolio Holder for Assets and Planning and have been incorporated into this report.</p>	<p>prior to a decision being made and were also invited to attend PMP to provide further comments on the proposal. The feedback from ward members and PMP has been taken into account in making this decision.</p>
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4.0 OPTIONS

- 4.1 Utilise funding from the approved General Fund capital program budget 'capital acquisitions re Growth and Commercialisation' and a similar amount from the MHCLG capital grant allocation, to enable the purchase and acquisition of a property in Spalding Monkshouse ward and delegate authority to Executive Director – Commercialisation (S.151 Officer) to agree a purchase price, oversee due diligence, sign any necessary contract and complete the transfer, and undertake any other actions necessary to secure the purchase of this property within the agreed budget.
- 4.2 Do not utilise the General Fund capital program budget 'capital acquisitions re Growth and Commercialisation' to acquire this property.
- 4.3 Do nothing, in which case the identified property would not be purchased and alternative properties may be pursued.

5.0 REASONS FOR RECOMMENDATION(S)

- 5.1 Acquisition of this property will assist in the delivery of much needed accommodation for those who would otherwise be forced to sleep rough.
- 5.2 The Council has made a decision to accept the grant allocation and to provide accommodation for rough sleepers and those threatened with rough sleeping. This property acquisition meets the approved project mandate.
- 5.3 The property acquisition will be subsidised by grant funding from MHCLG. The proposed match funding will be taken from the approved General Fund capital program budget 'capital acquisitions re Growth and Commercialisation' in accordance with the Council and Leader decision. Whilst the acquisition would still provide a financial return to the authority without the grant funding, as set out in Appendix A, it will provide a better return if the grant is utilised.
- 5.4 The feedback from ward members and the recommendation of PMP have been taken into account in reaching this decision. However, this property is considered to be in an appropriate location, close to relevant services and amenities. The property is an appropriate size for the intended purpose. The property is in reasonable condition but some property adaptations are required before it can be occupied.

6.0 EXPECTED BENEFITS

- 6.1 The acquisition of this property will provide a number of benefits, including
- i. It will provide accommodation for rough sleepers and those threatened with rough sleeping by taking them off the streets and providing them with accommodation and wraparound services to enable them to sustain their tenancy and prepare for longer term accommodation options.
 - ii. It will increase the range of supported housing available in the district.
 - iii. It will enable the authority to utilise capital funding allocated to SHDC by MHCLG, to address a local issue.
 - iv. The delivery of this property will provide a long term Return on Investment as set out in Appendix A.
 - v. The acquisition of this property will increase the SHDC asset base.

7.0 IMPLICATIONS

In preparing this report, the report author has considered the likely implications of the decision - particularly in terms of Carbon Footprint / Environmental Issues; Constitutional & Legal; Contracts; Corporate Priorities; Crime & Disorder; Data Protection; Equality & Diversity/Human Rights; Financial; Health & Wellbeing; Reputation; Risk Management; Safeguarding; Staffing; Stakeholders/Consultation/Timescales; Transformation Programme; Other. Where the report author considers that there may be implications under one or more of these headings, these are identified below.

7.1 Constitution & Legal

- 7.1.1 There are various statutory powers that allow the Council to acquire land, including a specific power under section 9 of the Housing Act 1985, a general power to acquire land under s120 Local Government Act 1972, and a general power of competence under section 1 of the Localism Act 2011. In view of the proposed funding arrangements, legal advice has been commissioned on the most suitable power to rely upon which has indicated that these properties can be acquired using the general competence power in Section 1 of the Localism Act 2011.

7.1.1 On 25th November, Council agreed to accept this grant allocation and provide appropriate capital match funding.

7.1.2 On 2nd December, a decision by the Leader of SHDC became effective which provided a project mandate for the acquisition of existing properties to provide 9 units of non-self-contained accommodation for rough sleepers and those threatened with rough sleeping.

7.2 Contracts

7.2.1 This decision delegates authority to the Executive Director – Commercialisation (S.151 Officer) to agree a purchase price, oversee due diligence, sign any necessary contract and complete the transfer, and undertake any other actions necessary to secure the purchase of this property within the agreed budget

7.2.2 The Leader decision of 2nd December delegated authority to the Executive Director – Commercialisation (S.151 Officer) to approve, enter into and sign the grant agreement with Homes England and/or MHCLG.

7.2.3 SHDC has received the grant agreement which has been reviewed by the Executive Manager – Governance, with support from external lawyers, prior to signature. The grant agreement is in a similar format to the Homes England contract signed by SHDC to secure grant for the Small Drove scheme. The contract includes a number of clauses and requirements which SHDC will have to comply with which seek to ensure that the scheme is delivered in accordance with the agreed project and timescales.

7.2.4 Some of the key conditions of the agreement are detailed below:

- **Timescales for delivery** - The grant has been offered to the authority on the assumption that SHDC will deliver the scheme as detailed in the approved funding application and to the timeframe agreed. The bid was submitted committing to the delivery of 9 units which will be occupiable by 31st March 2021. The grant agreement requires that any deviation to this must be agreed by Homes England.
- **Reporting** – The grant offer is subject to the authority maintaining regular and on-going communication with Homes England. Homes England require strict monitoring and reporting and all data relating to the project must be kept for a minimum of 10 years. Homes England require regular updates on progress and the submission of an ‘Officers Certificate’ confirming compliance at intervals through the life of the project.
- **Penalties** - The grant agreement lists a series of potential ‘grant withholding events’, which are instances whereby Homes England may choose to withhold payment of the grant. These include a material breach of an obligation under the agreement or through not delivering the scheme within timescales.

7.2.5 On 19th February, SHDC received correspondence from Homes England that they had received some additional flexibility in relation to the NSAP programme from the Secretary of State. This allows all project milestones to be extended into Q1 2021/22 (including acquisition and start-on-site). However, the advice indicated that project completion must also be before end Q1 (30th June) and where possible Homes England needs to maximise delivery within this financial year, ie. starts and completions by 31 March 2021. Accordingly, the risk associated with entering into the contract and delivering this property in accordance with the timescales stated in the grant agreement have reduced.

- 7.2.5 The S151 Officer is satisfied with the terms of the contract and that the project can reasonably be delivered in accordance with the requirements and accordingly the grant agreement has been signed.
- 7.2.6 This will be the second Homes England grant funded project that has been managed by officers who utilise project management tools to ensure that projects are successfully delivered; maintaining appropriate data monitoring systems and excellent communication with Homes England. SHDC's performance was recognised in 2019 when the authority successfully received a green rated compliance audit, with no major or minor breaches. Additionally, SHDC has recently qualified for continued partnership status with Homes England for the upcoming 2021 -2026 grant funding programme based on performance to date.

7.3 Corporate Priorities

- 7.3.1 The SHDC Corporate Plan 2019-23 sets out the Council's vision for the district and its priorities for this period.
- 7.3.2 This project supports the agreed vision and priorities of the Plan, including:
- Providing good-quality housing that everyone in our community can call their home.
 - Delivering cost-effective core services by reducing costs or raising money by being more commercially-minded in how we work.
 - Applying for national and regional funding to help with local projects.
 - Work to prevent and mitigate homelessness.
 - Enable effective planning and delivery of housing solutions to meet local needs and aspirations to ensure that our residents have access to a range of housing options in the district.
 - Ensure that our residents are enabled to live in high quality housing no matter the tenure.
 - Ensure that national policies relating to modern slavery and the safeguarding of vulnerable children and adults are embedded effectively throughout all aspects of our services.

7.4 Financial

- 7.4.1 This property acquisition will enable the authority to utilise part of the capital grant allocation from MHCLG. The financial evaluation assumes that the MHCLG capital grant allocation will be distributed equally across three property acquisitions, irrespective of the purchase prices.
- 7.4.2 The approved General Fund capital program budget 'capital acquisitions re Growth and Commercialisation' was established to enable the authority to act commercially and rapidly in its endeavours relating to property acquisitions. It has been agreed that this is the appropriate budget to provide match funding for this project and there are resources available from this budget to meet the property acquisition and adaptation costs.
- 7.4.3 The total indicative scheme costs for this property includes the purchase costs, on-costs, furnishings and costs associated with necessary property modifications/adaptations; and will provide a long-term return on investment to the authority, as set out in Appendix A.
- 7.4.4 It should be noted that the overall return on investment for this project will not be known until all of the properties have been purchased and the improvement works programme for the properties has been completed. Each property acquisition will have a different return on

investment so some will appear to perform better than others. However, investment decisions regarding each property acquisition take account of the available resources, in accordance with the parameters of the project mandate.

7.5 Health & Wellbeing

- 7.5.1 By taking rough sleepers off the streets and providing them with accommodation, there is an opportunity to address the health and social needs of individuals and to stop them going back to the streets.

7.6 Reputation

- 7.6.1 Addressing the needs of rough sleepers and those at risk of rough sleeping should create a positive impact on the authority's reputation. It will demonstrate the authority's commitment to safeguarding vulnerable people and create a positive impact on the environmental impact of rough sleeping in the district.
- 7.6.2 The risks associated with this project will be carefully managed, with mitigation plans in place to support the delivery of the acquisitions project and uphold the Council's reputation.

7.7 Risk Management

- 7.7.1 SHDC will be entering into a contract with Homes England. SHDC must adhere to the terms of the grant agreement to safeguard the grant award. The timeline for the delivery of the new homes, as per the grant agreement, requires the properties to be in ownership by 31st March 2021. However, on 19th February, SHDC received confirmation from Homes England that all project milestone set out in the contract have been extended to 30th June. Accordingly, it will not be necessary for officers to formally renegotiate grant conditions with Homes England/MHCLG. Officers will continue to work closely with Homes England/MHCLG throughout the next period.
- 7.7.3 Whilst there is still risk around the timescales for delivery of each acquisition, proceeding with the project gives the authority the best opportunity to secure the funding for the district and provide this much needed accommodation.
- 7.7.4 The authority's Housing Development Team will project manage the acquisitions process and endeavour to meet the grant conditions and maintain robust records which will satisfy any subsequent Homes England audit.
- 7.7.5 Any offer which is made to the vendor will be subject to the necessary funding being available alongside relevant property due diligence, such as surveys and report on title. SHDC will exchange and complete on the purchase of this property with full awareness of the obligations contained in the grant agreement. Accordingly, making an offer to purchase the property does not legally oblige the authority to acquire this property.
- 7.7.6 Once the property has been purchased, the time limited MHCLG revenue funding which has been made available as part of the NSAP alongside the capital funding, will be used to establish the management approach for this accommodation and support rough sleepers to sustain their tenancies and seek to avoid ongoing management issues. The Housing Management team is experienced at managing interim accommodation and the allocation of revenue funding from MHCLG will enable appropriate processes and procedures to be put in place for managing this accommodation to ensure it is sustainable.

7.8 Staffing

7.8.1 Appropriate staffing resources will be identified as part of the management strategy for this accommodation. This is likely to include the appointment of a fixed-term officer to lead on the overall management of the NSAP accommodation and to implement appropriate processes and procedures for managing this accommodation into the long term, to ensure it is sustainable.

7.8 Stakeholders / Consultation / Timescales

7.8.1 MHCLG and Homes England are funding and administering NSAP. Housing Development officers and the Housing Landlord Services Manager will maintain close contact with both parties to ensure they are informed about SHDC's project through the delivery phases and that all activity is in accordance with the grant conditions.

8.0 WARDS/COMMUNITIES AFFECTED

8.1 Spalding Monkshouse ward

9.0 ACRONYMS

SHDC – South Holland District Council

NSAP – Next Steps Accommodation Programme

MHCLG – Ministry of Housing, Communities and Local Government

PMP – Performance Monitoring Panel

HMO – House in Multiple Occupation

Background papers:-

Lead Contact Officer

Name and Post: Caroline Hannon, Strategic Housing Manager
Telephone Number: 01775 764539
Email: caroline.hannon@breckland-sholland.gov.uk

Key Decision: Yes

Exempt Decision: Part-exempt

This report refers to a Mandatory Service

Appendices attached to this report:

Confidential Appendix A - Financial Evaluation