

**Purchase & Repair, Temporary Accommodation Acquisition
(phase 5)**

Final Decision-Maker	Policy & Resources Committee
Lead Head of Service	John Foster, Head of Regeneration and Place
Lead Officer and Report Author	Alison Elliott, Economic Development Officer
Classification	Public
Wards affected	All

Executive Summary

There is £2,526,000 allocated within this year's capital programme for a further (5th) phase of investment in purchase and repair properties for use as Temporary Accommodation to help alleviate homelessness.

This paper sets out the number and type of accommodation to be acquired. It also proposes to supplement the existing allocation with the slippage / underspend from previous phases of the programme, totalling £481,570, to provide a total for investment of £3,007,570, to be spent during the remainder of this financial year, and possibly into 2022/23.

A report regarding this phase of the programme was taken to the last Communities, Housing and Environment Committee, where it was endorsed, but the Council's governance arrangements require that final approval is given by Policy & Resources Committee.

Purpose of Report

Decision.

This report makes the following recommendations to this Committee:

1. That the Committee note that the £481,570 underspend from previous phases of the project has been carried forward to the capital programme allocation, giving a total of £3,007,570 for investment in further properties for use as temporary accommodation
2. The Policy and Resources Committee be recommended to give delegated authority to the Director of Finance and Business Improvement, in consultation with the Chair of Policy and Resources, to purchase properties for use as temporary accommodation up to the total value of £3,007,570.
3. That the Head of Mid Kent Legal Partnership is delegated authority to negotiate and complete all necessary agreements, deeds and documents arising from or

ancillary to the purchases of such properties on terms negotiated and agreed by the Director of Finance & Business Improvement.

Timetable	
<i>Meeting</i>	<i>Date</i>
Policy & Resources Committee	24 November 2021

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1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	Accepting the recommendations will materially improve the Council's ability to achieve the corporate objectives around Homes & Communities. We set out the reasons other choices will be less effective in section 3.	Head of Regeneration and Economic Development
Cross Cutting Objectives	By supporting those who are homeless and vulnerable to have access to appropriate accommodation, which is of a decent standard the report addresses the issues of deprivation and social mobility.	Head of Regeneration and Economic Development
Risk Management	Already covered in the risk.	Head of Regeneration and Economic Development
Financial	The proposals set out in the recommendation are all within already approved budgetary headings within the capital programme and so there is no need for new/additional funding for implementation of this project. The financial saving from investment in acquiring properties, in terms of reduced spend on nightly paid accommodation, means that borrowing for this purpose is sustainable.	Section 151 Officer & Finance Team
Staffing	The work towards completing any property purchases will be established using existing staff resources within the Economic Development & Regeneration Team and Mid-Kent Legal. An appointed external Surveyor and Contractor will assist with the project.	Head of Regeneration and Economic Development
Legal	Section 1 of the Localism Act 2011 gives local authorities a general power of competence to do anything that individuals may do. The Local Government Act 1972, section 111(1) empowers a local authority to do	Claudette Valmond, – Interim Head of Legal Partnership

	<p>anything (whether or not involving the expenditure, borrowing, or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.</p> <p>In particular, section 120(1)(2) of the 1972 Act enables the Council to acquire land to be used for the benefit, improvement or development of their area; or for the purpose of discharging the Council's functions.</p> <p>Acting on the recommendations is within the Council's powers as set out in the above statutory provisions.</p>	
Privacy and Data Protection	No implications identified.	Policy and Information Team
Equalities	The recommendations do not propose a change in service therefore will not require an equalities impact assessment. Impact assessments may be required for individual projects.	Equalities and Communities Officer
Public Health	We recognise that the recommendations will have a positive impact on population health or that of individuals.	Public Health Officer
Crime and Disorder	The recommendation will have no impact on Crime and Disorder. The Community Protection Team have been consulted and mitigation has been proposed	Head of Regeneration and Economic Development
Procurement	Officers have waivers in place for a Contractor for works and Surveyor to continue to work on this project.	Head of Service & Section 151 Officer
Biodiversity and Climate Change	<p>The implications of this report on biodiversity and climate change have been considered.</p> <p>Additional properties as part of MBC's portfolio will increase the energy consumption and therefore CO2e produced by the additional properties purchased. The additional properties will be added to the decarbonisation plans currently being</p>	Biodiversity and Climate Change Officer

	<p>formulated to ensure they, along with all MBC assets, are in line with our Net Zero commitments by 2030.</p> <p>Any repairs made to the temporary accommodation, will include improvements to the buildings EPC rating and consideration to upgrade heating systems and insulation needed to reduce carbon emissions and energy bills.</p>	
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2. INTRODUCTION AND BACKGROUND

2.1 The Temporary Accommodation Strategy, introduced in December 2016 and reviewed in December 2017, recommended that the council purchase properties on the open market to use as Temporary Accommodation. The Purchase & Repair Programme was established to implement the Strategy.

2.2 The success achieved in providing Council owned temporary accommodation has been reported previously to the Committee since starting the programme in 2017. The success of phases 1, 2, 3 and 4 has increased the Council's portfolio by 46 units. These properties are used to provide temporary accommodation for homeless households and rough sleepers.

2.3 Properties purchased so far are:

No of Properties	No. of Beds	%
1	1	2
21	2	47
19	3	40
4	4	9
1	4 bed - HMO	2
Total 46		100

2.4 The Purchase & Repair programme provides a more cost-effective solution for the Council than nightly paid accommodation. The average cost of nightly paid accommodation is:

No. of beds	Cost per night (£)
1	35
2	40-45
3	45+
4	50+

2.5 If the Council is unable to source accommodation on the nightly paid market it is forced to use hotels, costing around £55-£120 a night depending on the family size. The number in need of housing has increased due to the removal of COVID-19 restrictions on evictions, the widening of those owed

a duty to be housed brought about by the Domestic Abuse Act, and an increase in the number of care leavers formerly accommodated by Kent County Council.

- 2.6 Purchasing and maintaining the asset is more favourable to the Council to be able to sustain control over the stock, with the net rents chargeable largely covering the cost of financing the portfolio. It also provides better accommodation for applicants, as our temporary accommodation is of good quality, self-contained and located within our Borough boundary.
 - 2.7 This report makes recommendations to source further properties for temporary accommodation to meet the additional demand, using the approved budget of £3,007,570.
 - 2.8 In November 2021 the Communities, Housing and Environment Committee approved delegated authority to be given to the Director of Regeneration and Place to determine the size and type of temporary accommodation required.
 - 2.9 Data suggests that accommodation ranging from 1 to 4-bedroom properties would best suit the Council's needs. It is therefore proposed that the budget of £3,007,570 is used to purchase approximately 10 more properties with a similar unit mix to that set out at 2.1.
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3. AVAILABLE OPTIONS

- 3.1 Option 1: Continue with the Purchase & Repair Program into phase 5, to increase the Council's portfolio of Temporary Accommodation properties with additional 1 – 4-bedroom units within the agreed budget of £3,007,570.
 - 3.2 Option 2: Do nothing. Officers do not purchase any further properties, with an increased financial risk to the Council in providing nightly paid accommodation.
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4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 Option 1, as stated in paragraph 3.1 above, is recommended. This will ensure that further properties are sourced increasing the Council's portfolio of Temporary Accommodation in the most cost-effective manner.
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5. RISK

- 5.1 The risks associated with this proposal, including the risks if the Council does not act as recommended, have been considered in line with the Council's Risk Management Framework. We are satisfied that the risks associated are within the Council's risk appetite and will be managed as per the Policy.
- 5.2 If ultimately the need for the properties were to diminish in time for their intended use, they could be converted to PRS housing within Maidstone Property Holdings Limited or sold.

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 To date the project has been very successful and well received by Members.
- 6.2 On 2nd November 2021 officers took a report to the Communities, Housing and Environment Committee regarding this programme. The Committee fully supported and approved the delivery of a further phase 5 of this programme and the recommendations within the report.
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7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 the Council will proceed with the investment and the completion of property purchases for temporary accommodation. Each property being considered for purchase will continue to be approved on a case-by-case basis (in consultation with the Chair of the Committee) and be in accordance with the relevant temporary accommodation standards and acceptance criteria. Ward Councillors will also continue to be notified of the Council's intention to purchase any property that falls within their ward
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8. REPORT APPENDICES

None.

9. BACKGROUND PAPERS

Purchase & Repair, Temporary Accommodation Acquisition (phase 5) – CHE Committee, 2nd November 2021