



## Action Taken Under Delegated Powers

<b>Title</b>	<b>The acquisition of 5 Hawker, Everglades Strand, NW9 5QJ</b>
<b>Date of Decision</b>	<b>05/03/2024</b>
<b>Report of</b>	Deputy Chief Executive
<b>Wards</b>	None
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Officer Contact Details</b>	Susan Curran, Head of Housing and Regeneration, 020 8359 3608, susan.curran@barnet.gov.uk  Merve Karabulat, Acquisitions Supply Manager, Barnet Homes, 0208 359 2057, merve.karabulat@barnethomes.org
<b>Summary</b>	
This report provides the Council with the authority for the direct purchase of 5 Hawker, Everglades Strand, NW9 5QJ for use as part of the Housing Revenue Acquisition programme.	
<b>Decisions</b>	
<b>To authorise the private treaty acquisition at a purchase price of £464,000 for 5 Hawker, Everglades Strand, NW9 5QJ in accordance with associated costs as mentioned in this report, and Heads of Terms to be agreed in respect of this property.</b>	
<b>1. Reasons for the Recommendations</b>	
1.1	Acquiring additional affordable accommodation will provide the opportunity to increase affordable housing supply relatively quickly at a lower long-term cost than other temporary accommodation alternatives.
1.2	The accommodation will be used as affordable accommodation held on flexible tenancies or other non-secure tenancies.

1.3 The cost of providing temporary accommodation for homeless applicants in London currently stands at approximately £4,500 net per annum. For larger households, this cost increases to an average of over £6,000 net per annum.

1.4 Delivery of a programme of acquisitions from the open market has a number of benefits, not least the ability to deliver revenue benefits against alternative temporary accommodation options, eradicating exposure to inflationary increases in the cost of providing temporary accommodation and providing greater opportunity to reduce long-term General Fund costs.

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## 2. Alternative Options Considered and Not Recommended

2.1 None

## 3. Post Decision Implementation

3.1 This accommodation will be used as affordable housing, let on flexible tenancies or other types of tenancies to residents on eligible humanitarian schemes in line with the terms of the Local Authority Housing Fund which is providing a grant to support this acquisition.

3.2 Barnet Homes will provide a full management service the property purchased and will be used to provide affordable accommodation, let at London Affordable Rent.

## 4. Corporate Priorities, Performance and Other Considerations

### Corporate Plan

4.1 This approach aligns with The London Borough of Barnet's corporate plan (Barnet Plan 2023-2026) which was approved at the Policy and Resources Committee on the 22nd February 2023. The plan prioritises delivering quality affordable homes.

4.2 It also aligns with the Council's Housing Strategy 2023-2028 that aims to:

- Prevent homelessness and support rough sleepers off the streets.
- Deliver the right homes in the right places.
- Ensure safe, sustainable council housing priority.
- Support Living well by promoting healthy homes and wellbeing.

### Corporate Parenting

4.3 In line with the Children and Social Work Act 2017, the council has a duty to consider Corporate Parenting Principles in decision-making across the council. It is not anticipated that this acquisition has any implications for the council's corporate parenting duties.

### Risk Management

4.4 There are several key risks:

- There is a risk that there will be an insufficient volume of units available for purchase at the projected average purchase price that meet the grant requirements. To mitigate against this risk Barnet Homes will actively promote the scheme to Barnet leaseholders. Where there are no properties available for purchase that meet the modelled conditions, no additional units will be acquired.
- There is a risk that there is insufficient resource to deliver the project within planned timescales and to meet the grant and scale requirements. To mitigate against the

risk Project plans and resource planning to be developed to identify the capacity required to deliver.

- There is a risk that the assumptions made are not realised and that the programme would fail to deliver the projected revenue savings over the life of the scheme. This risk will be monitored closely to track financial benefits.

#### **Insight**

4.5 A reduction in the supply of affordable housing, coupled with sustained levels of increased demand provides the rationale for this programme:

- There has been a 12% increase in new Part VII homelessness applications between 2015/16 and 2020/21
- At the end of July 2021 there were 131 households in 4-bedroomed temporary accommodation that cost the council approximately £433,000 per annum over and above rents collected
- There has been an increase (10.5%) in the number of households in temporary accommodation (numbers have increased from 2,172 in April 2012 to their current level of 2,399 at the end of March 2021). Barnet remains one of the highest users of temporary accommodation in the UK

#### **Social Value**

4.6 Having consideration to the Public Services (Social Value) Act 2012, there are no specific social value considerations arising from properties acquired as part of the Housing Revenue Account Acquisitions Programme

### **5. Resource Implications (Finance and Value for Money, Procurement, Staffing, IT and Property)**

**5.1 The cost and additional payments will not exceed £257,388 (£464,000 cost, £0 stamp duty land tax and £97,028 other costs minus a grant of £303,640). The purchase price reflects valuation provided by an independent valuer. All future costs and income will be allocated to the Housing Revenue Account budgets. The Capital Programme includes a £35.2m budget for Direct Acquisitions to be funded from HRA borrowing.**

5.2 The grant that will be used to fund this acquisition is part of an allocation from the Department for Levelling Up, Housing & Communities from Round 1 of the Local Authority Housing Fund

### **6. Legal Implications and Constitution References**

6.1 Housing and Growth Committee on 16th November 2021 authorised the acquisition of up to 120 properties purchased from Q3 2021/22 onwards funded through HRA borrowing and grant funding subject to approval of funding by Policy & Resources Committee, which approved it on 9th December 2021, and delegated authority to the Deputy Chief Executive to approve the purchase of individual properties as part of the acquisition programme.

6.2 Sections 120 of the Local Government Act 1972 enables a local authority to acquire land by agreement for the purposes for any of their functions.

### **7. Consultation**

7.1 As part of the communications plan for the delivery of the acquisitions programme, Barnet Homes engages with Local Authorities, informing them of the Council's intention to purchase properties in their districts.

## **8. Equalities and Diversity**

8.1 The 2010 Equality Act outlines the provisions of the Public Sector Equality Duty which requires Public Bodies to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and other conduct prohibited by or under the Equality Act 2010
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it

8.2 A full equalities impact assessment was completed for The Housing Strategy 2023-2028 which identified that the Strategy would have a positive impact on all sections of Barnet's Community

8.3 Analysis of data has shown that women and members of Barnet's black and minority ethnic communities are overrepresented among those living in temporary accommodation. Over 70% of households in temporary accommodation are from non-white households, compared to around 40% of the Borough's population. Of those in temporary accommodation the main applicant is female in 65% of households.

8.4 It is not expected that these groups will be adversely affected by implementing the policies set out in this report. However, the impact will be monitored to ensure that these groups are not adversely affected.

8.5 All units of accommodation that are procured will meet minimum standards and in placing households into accommodation out of the borough the Council will consider the needs of protected groups.

## **9. Background Papers**

9.1 [The Housing Strategy 2023 - 2028](#)

9.2 [Housing Revenue Account \(HRA\) Acquisitions- 16 November 2021](#)

9.3 [Decisions of the Housing and Growth Committee - meeting minutes – 16 November 2021](#)

9.4 [Decisions of the Policy and Resources Committee - Meeting minutes 9 December 2021](#)

**Chief Officer: Cath Shaw**

**Signed: Cath Shaw**

**Dated: 05/03/2024**

