

**OFFICER DECISION NOTICE**

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| <b>DECISION REFERENCE</b>   |   |
| <b>SUBJECT</b>              | Property Acquisitions for Local Authority Housing Fund (LAHF) 2   |
| <b>DECISION</b>             | The acquisition of the properties listed in the exempt appendix including the additional expenditure on HM Land Registry Fees, Stamp Duty Land Tax and associated costs are approved.   |
| <b>DECISION MAKER</b>       | Director of Regeneration and Place  |
| <b>OFFICER DETAILS</b>      | Sarah Duncan sarahduncan@wirral.gov.uk  |
| <b>DATE OF DECISION</b>     |   |
| <b>REASONS FOR DECISION</b> | <p>The Department for Levelling Up, Housing and Communities (DLUHC) has recognised that Local authorities such as Wirral, who have welcomed Ukrainian and Afghan arrivals are facing challenges in securing settled accommodation for these households, which unless alleviated will further impact on existing housing pressures.</p> <p>Local Authority Housing Fund 2 (LAHF2) provides an opportunity for Local Authorities such as Wirral to use this funding to support these immediate pressures, as well as build a sustainable stock of affordable housing for the future.</p> <p>Wirral Council has been allocated a total of £2,412,500 LAHF2 from DLUHC (£1,912,500 grant plus £500,000 to account for other costs including the refurbishment of the properties purchased) for the rapid acquisition of 25 properties or up to the budget allocation (this funding includes the original allocation for the delivery of 20 units plus a further allocation to secure an additional 5 units). Decisions have already been made for the acquisition of 24 properties however the construction of 2 new build properties previously agreed did not progress and the vendor of another property has withdrawn, leaving 21 properties proceeding.</p> <p>2 additional properties have now been identified which will bring the total number up to 23 and total spend up to £4,091,240 (excluding associated costs which will also be met from this funding).</p> <p>Although 21 properties are progressing there are various risks regarding 3 of the properties which may result in them not proceeding to completion. Therefore, it is prudent given</p> |

the funding availability to have additional properties within the programme.

As with the delivery of affordable housing generally, there is a requirement for Local Authorities to part fund (60%) of the required capital to purchase these homes, recognising that they will receive an ongoing long term rental income from them.

Wirral Council is utilising £2,868,750 existing eligible ring fenced funding from a number of sources including:

- commuted sums for affordable housing secured through the planning system
- Better Care funding
- Income received in relation to refugee programmes already being delivered in the borough

to provide the 60% match funding required to deliver this programme of acquisition. There is therefore no additional requirement for any capital funding from the Council's own resources and no cost to the Council's capital borrowing or core budgets. (Total £4,781,250. 40% grant of £1,912,500. Council 60% match funding £2,868,750)

15 of these properties must be provided to Afghan nationals who have been given settlement status by the UK and have been living in bridging hotels but must now move to settled long-term accommodation. 10 properties must be used as temporary accommodation, helping to alleviate significant homelessness pressures in the borough.

Officers from Strategic Housing Services and the Asset Management Team are working collectively to identify suitable properties to purchase utilising this funding. Given the need to progress this scheme within DLUHC's very ambitious timescales, the Council had to enter into a Memorandum of Understanding (MOU) in August 2023 with DLUHC in recognition of its allocation and the target to progress the acquisition of an initial 20 homes plus a further 5 homes following an addendum to the MOU in March 2024, or up to the allocated budget to add to its existing small social housing stock base.

Costs associated with compliance checks and any essential repairs required to the properties will also be met from this funding.

Property acquisition details are set out in the attached exempt appendix. The Appendix is exempt from publication pursuant to paragraph 3 of the part 1 of Schedule 12 A of the Local Government Act 1972

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|                            | <p>(Information relating to the financial or business affairs of any particular person (including the authority holding that information) because it contains or refers to information relating to the financial and business affairs of the Council and the public interest in maintaining the exemption outweighs the public interest in disclosure.</p>  |
| <b>ALTERNATIVE OPTIONS</b> | <p>The Council could have given this grant funding to Registered Providers to acquire additional housing stock in the borough, but the preferred option is to acquire the properties for Council Ownership so that an income can be generated in the future from rental income and reduce the burden on housing subsidy loss for use of bed and breakfast.</p> <p>The Council already has an existing management agreement in place with a local Registered Provider of Affordable housing in relation to its small social housing stock base and these homes can be added to this agreement without the need to procure a further partner.</p> |
| <b>BACKGROUND PAPERS</b>   | <p><a href="https://www.gov.uk/government/news/new-support-for-afghans-in-uk-hotels-to-find-settled-housing">https://www.gov.uk/government/news/new-support-for-afghans-in-uk-hotels-to-find-settled-housing</a></p> <p><a href="https://www.gov.uk/government/publications/local-authority-housing-fund-round-2/local-authority-housing-fund-round-2-prospectus-and-guidance">https://www.gov.uk/government/publications/local-authority-housing-fund-round-2/local-authority-housing-fund-round-2-prospectus-and-guidance</a></p>   |
| <b>DELEGATED POWER</b>     | <p>Part 3 Section C – Overview and Scheme of Delegations of Authority to Officers</p> <p>The decision is not reserved to a Committee or Sub-Committee and the Director is satisfied that paragraphs 2(a) to 2(c) apply.</p>   |