

# WEST NORTHAMPTONSHIRE COUNCIL CABINET

10 OCTOBER 2023

**CABINET MEMBER FOR HOUSING, CULTURE AND LEISURE: COUNCILLOR  
ADAM BROWN**

Report Title	Acquisition of Broadmead Court
Report Author	Henry Gregory, Housing Partnership Manager Robert Saunders, Major Projects Manager

## List of Approvers

Monitoring Officer	Sarah Hall	20/09/2023
Chief Finance Officer (S.151)	Martin Henry	20/09/2023
Other Director	Stuart Timmiss	20/09/2023
Communications Lead/Head of Communications	Becky Hutson	20/09/2023

## List of Appendices

**Appendix A – Broadmead Court Exempt Paper (*Not for publication by virtue of paragraph 3 of Schedule 12A to the Local Government Act 1972*)**

### 1. Purpose of Report

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- 1.1. The purpose of this report is to seek Cabinet approval in principle to acquire Broadmead Court, to support the Council's Single Homelessness Pathway in discharging its homelessness duties under Part VII Housing Act 1996.

### 2. Executive Summary

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- 2.1 Broadmead Court is a three storey, detached building containing 21 units of accommodation used to house single people with low level support needs who have a history of homelessness.

- 2.2 The property's current freehold owner, have advised the Council that they wish to dispose of the building and wish to move forward with a disposal as soon as practical.
- 2.3 The availability of the property coincides with the availability of Government funding available through the Single Homelessness Accommodation Programme (SHAP), and the authority has been encouraged by Homes England to apply to this fund for refurbishment and remodelling costs associated with delivering SHAP outcomes.
- 2.4 Two development options are proposed. The first and preferred option is that the property is acquired and developed within the SHAP programme. The second option is recommended if a SHAP grant application were unsuccessful that the property be acquired outside SHAP to enable the Council to discharge its homelessness duties under Part VII Housing Act 1996.
- 2.5 Two costed feasibility workstreams are underway, one delivering proposals for the SHAP funding application, the deadline for which is 10 November 2023, the other providing budget costs for a light touch refurbishment to suit the second option.
- 2.6 Due diligence has also been carried out to support the recommendation below, which is to delegate the authority to complete an acquisition of the property as detailed.
- 2.7 Please refer to Exempt Paper Appendix A.

### **3. Recommendations**

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- 3.1 It is recommended that the Cabinet:
  - a) Approve the proposal to acquire Broadmead Court as outlined within exempt Appendix A subject to a red book valuation, satisfactory due diligence having been undertaken and approval by the S151 Officer of a fully costed business case to develop the property using either SHAP or Housing Revenue Account funding.
  - b) Delegates authority to the Assistant Director of Assets and Environment in consultation with the S151 Officer, the Portfolio Holder for Housing, Culture and Leisure and the Portfolio Holder for Finance to negotiate and acquire Broadmead Court including completion of the legal requirements.
  - c) Delegates authority to the Director of Communities and Opportunities to undertake a compliant procurement process and to enter into construction contracts, and any related bonds to develop Broadmead Court into self-contained flats to accommodate people with immediate housing and support needs.

### **4. Reason for Recommendations**

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- 4.1 Broadmead Court will offer the Council an opportunity to increase the supply of affordable supported housing for individuals with additional support needs, as identified in the West

## Northamptonshire Council Housing Strategy.

- 4.2 The Council has identified need for an additional 66 units to support the Single Homeless Pathway and has been named as a target authority for the SHAP, a three year programme to support single homeless households. Should the SHAP bid be unsuccessful Broadmead Court could alternatively be used to provide temporary accommodation, as required under Part VII Housing Act 1996. Currently, there are over 600 households placed into temporary accommodation, only 151 of which are properties owned by the Council. The acquisition of Broadmead Court would reduce the reliance on nightly purchase temporary accommodation, which incurs higher costs than Council owned accommodation.
- 4.3 The acquisition of Broadmead Court would provide positive community impact and help the Council meet its strategic aims by reducing the number of potential rough sleepers by increasing the provision of accommodation available through the single homeless pathway, or by providing more suitable temporary accommodation to support those who are currently homeless.

## **5. Report Background**

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- 5.1 The current owner of Broadmead Court have advised the Council that they wish to sell the building. They wish to move forward with the disposal as soon as practical due to business reasons. They have advised the Council of their plans and offered the building to the Council in an off-market sale if we can provide them a greater degree of confidence in our intentions, and assurance that we will be able to make an offer in a timely manner.
- 5.2 The proposed use of Broadmead Court would be to convert the building into self-contained flats and to accommodate people with immediate housing and support needs.
- 5.3 Housing and Public Health jointly commissioned research to investigate the needs of people who are sleeping rough or at risk of sleeping rough, to review the existing accommodation and support provision across West Northamptonshire, identifying gaps with a recommendation to maximise service provision.
- 5.4 The research identified that there were 106 long-term and / or repeat rough sleepers needing extensive support through supported accommodation with high-level on-site support. The current provision for this cohort is 40 units, leaving a gap of 66 units.
- 5.6 There is currently government funding available through SHAP. This is a three-year programme that provides funding to schemes which will support adults with a long history of rough sleeping, with the most complex needs. Bids to this scheme can be for capital funding for long-term accommodation property costs and the associated revenue costs to support people in their new tenancies. Positive discussions have been had with Homes England and DLUHC on our early proposals and we have been encouraged to submit a funding bid, as West Northamptonshire Council have been named as a target Local Authority for this element of the funding programme

- 5.7 It is proposed that if the Council were to purchase Broadmead Court, the building will be used for the provisions set out in the Council's SHAP funding application, with the management function of the property retained by WNC and the support element delivered by a commissioned partner following a robust tendering exercise.
- 5.8 Should the SHAP bid be successful, the only capital costs incurred for the Council are those related to the acquisition and cyclical asset investment, with the building refurbishment and reconfiguration costs. Ongoing property management revenue requirements will be met from existing budgets and initial three years revenue for support services may be met through grant funding. The deadline for SHAP submission is 10 November 2023, with outcomes expected in December 2023.
- 5.9 Alternatively, should the SHAP bid prove to be unsuccessful, the Council would be able to use Broadmead Court to increase its Council owned temporary accommodation provision. Currently, there are over 600 households placed into temporary accommodation, only 151 of which are properties owned by the Council. The acquisition of Broadmead Court would reduce the reliance on nightly purchase temporary accommodation, which incurs higher costs than Council owned accommodation. Prior to acquiring the property, business cases for both eventualities will be fully considered.
- 5.10 Consultants Gleeds have been commissioned through the Scape framework to undertake feasibility for the options. There have been a number of concurrent activities commissioned to provide sufficient information to make a robust bid to SHAP based on a budget costed deliverable reconfiguration and refurbishment proposal. This work has happened at pace due to the deadlines for the SHAP grant application and have included (but are not limited to) Measured Survey; Mechanical Electrical and Plan Survey; Structural and co-ordinated concept designs. This work is being finalised and has been the result of collaborative engagement cross teams including Housing, Regeneration, Assets and Legal.
- 5.11 Once the designs and proposals are fully co-ordinated and concluded the Gleeds team will provide robust budget costs that fully support the delivery and implementation of the works the full costs will be included in the SHAP application, which, subject to approval can then be implemented in a planned manner.
- 5.12 Furthermore, a budget costs for a lighter touch refurbishment have been provided, for the purpose of advising the Council of costs associated with a quality refurbishment, only required in the event that the SHAP option is not able to be implemented.
- 5.13 To achieve efficient delivery timeframes, the recommendations include a delegation to the Director of Communities and Opportunities to undertake a compliant procurement process and to enter into all necessary construction contracts and associated bonds for the refurbishment of Broadmead Court to one bedroom self contained units.

## **6. Issues and Choices**

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6.1 Three options have been considered in terms of the Issues and Choices. The options are summarised as:-

- Option 1 - Acquire the property with vacant possession upon completion.
- Option 2 - Acquire the Property subject to the occupation of a third-party provider; and
- Option 3 – Do not acquire the property.

6.2 The details of each are set out in exempt Appendix A.

## **7. Implications (including financial implications)**

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### **7.1 Resources and Financial**

7.1.1 The acquisition cost of Broadmead Court would be funded from the 2023/24 Housing Revenue Account Acquisitions Programme, which was approved by full Council in February 2023, subject to a fully costed financial appraisal and business case which will be approved the Section 151 Officer in consultation with for the Cabinet Member for Finance and the Cabinet Member for Housing, Culture and Leisure.

### **7.2 Legal**

7.2.1 Full legal guidance in relation to the recommendations of and issues raised in this report is provided in exempt Appendix A.

7.2.2 If Cabinet approves the recommendations in this Report, Legal Services will progress the acquisition in accordance with its usual protocols.

### **7.3 Risk**

7.3.1 The main risk associated with the acquisition of Broadmead Court relates to the potential of the SHAP funding bid proving to be unsuccessful. This risk is mitigated as delegated authority to approve the acquisition will only be provided based on fully costed business cases for both the SHAP proposal and the use of the building as temporary accommodation, meaning if the SHAP bid is unsuccessful the Council will still have use for the building to support its strategic aims that falls within the financial hurdle rates of HRA property acquisitions.

7.3.2 Another element of risk associated with the acquisition is set out in exempt Appendix A of the report, this risk is mitigated by recommending the approach of only proceeding with the acquisition with vacant possession.

## **7.4 Consultation and Communications**

- 7.4.1 WNC Officers will work closely with colleagues at Northamptonshire Partnership Homes over the coming weeks to finalise the fully costed business case related to the development and management of Broadmead Court.
- 7.4.2 Should the Council proceed with the recommendations of the report, consultation will continue with the stakeholders named in Appendix A of the report..
- 7.4.3 Communications support will be provided around any necessary activities to ensure all relevant stakeholders are kept informed and engaged on the development and changes of the process.

## **7.5 Consideration by Overview and Scrutiny**

- 7.5.1 None

## **7.6 Climate Impact**

- 7.6.1 Feasibility work is underway to develop options for the refurbishment of the existing building and individual properties and depending on the options that are deliverable the outcomes may vary.
- 7.6.2 The preferred option to deliver a SHAP reconfiguration and refurbishment (an application for which would be subject to Grant funding approval) would see a greater degree of works that would provide improvements to the energy and performance of the building, and would include but not be limited to modern centralised heating systems, if possible, extra insulative cladding which will also improve the appearance of the property, and also measures and solar array.
- 7.6.3 From 2025, all new residential tenancies and renewals will be required to have an Energy Performance Certificate (EPC) of Band C and above. We plan to achieve this, and depending upon the level of refurbishment, it will be desirable to improve upon this.

## **7.7 Community Impact**

- 7.7.1 West Northamptonshire Council's Housing Strategy, approved by Cabinet in September 2022 sets our four key strategic themes, one of which being 'Supporting residents to live safe, healthy, independent, and active lives'.
- 7.7.2 The acquisition of Broadmead Court would provide positive community impact and help the Council meet its strategic aims by reducing the number of potential rough sleepers by increasing the provision of accommodation available through the single homeless pathway, or by providing more suitable temporary accommodation to support those who are currently homeless.

## **8. Background Papers**

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- 8.1 [Housing Revenue Account Final Budget 2022-23 and Medium Term Financial Plan](#)
- 8.2 [West Northamptonshire Council Housing Strategy](#)