

## CABINET

<b>Date of Meeting</b>	Tuesday, 18 <sup>th</sup> June 2024
<b>Report Subject</b>	Purchase of 'buy backs' using the Welsh Government (WG) Transitional Accommodation Capital Programme (TACP)
<b>Cabinet Member</b>	Cabinet Member for Housing
<b>Report Author</b>	Chief Officer (Housing and Communities)
<b>Type of Report</b>	Operational

### EXECUTIVE SUMMARY

The properties at 93 and 95 Hawarden Road in Hope were previously commercially let as part a takeaway / restaurant. The properties have been vacant for many years and become derelict. The legal process of ending this type of commercial lease was very protracted.

Last year the properties were removed from the lease and returned to FCC. They have been secured and made safe. As former Housing Revenue Account (HRA) homes they are ideally suited to meet the criterion set by Welsh Government under the Transitional Accommodation Capital Programme (TACP). This is 'top sliced' funding from the Social Housing Programme (SHG) to bring back into use derelict or 'moth balled' properties quickly to tackle the burgeoning homeless crisis across the UK.

Authority is sought to complete the internal transfer of 93 and 95 Hawarden Road Hope from the Council fund to the Housing Revenue Account (HRA) including a transfer cost of £0.150m from the HRA to the Council Fund (£0.075m per dwelling). Also, to note the refurbishment and project costs for the properties which were approved using delegated powers subject to the grant of TACP from Welsh Government as outlined in the report below.

### RECOMMENDATIONS

1	To approve the internal transfer of the properties from the Council fund to the HRA for a transfer cost of £0.150m
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## **REPORT DETAILS**

<b>1.00</b>	<b>Background</b>
1.01	Welsh Government have, for the second year, invited bids from Local Authorities (LAs) and Registered Social Landlords (RSLs) to bid for funds from the TACP (Transitional Accommodation Capital Programme). The purpose of the TACP fund is to help tackle the growing numbers of households in temporary accommodation through homelessness and the refugee programmes for Syrians, Afghans and Ukrainians.
1.02	This year we have again bid for resources to bring back long-term voids. We have also bid for properties to acquire. A small number of acquisitions are built into the Planned Development Programme (PDP) to be funded by SHG. The bids were massively oversubscribed and LAs were invited to prioritise their bids, which we did. WG initially allocated funding of circa £1.6m. Following further discussions additional TACP funding was allocated, taking our allocation to circa £3.5m. This has enabled us, in partnership with our RSL partners to both acquire 14 additional homes and to assist in bringing over 100 void properties back into use.
1.03	<p>The TACP must be used to house those in temporary housing / homelessness situations. Unlike SHG, the funding can be for temporary use (3-5 years), or (5-10 years) and then resold. Minimum standards still apply, but these are not as rigorous as the WHQS / DQR.</p> <p>TACP can also be used to acquire a property where there is a sitting tenant under threat of homelessness, where the local authority would have a duty to secure and where the tenant household fully occupy the dwelling ('a homeless rescue as it were').</p>

<b>2.00</b>	<b>93 and 95 Hawarden Road Hope</b>
2.01	The properties at 93 and 95 Hawarden Road are two three-bedroom properties. They are former HRA homes that were let as part of a commercial lease for a restaurant / take away business over 20 years ago. They were subject to enforcement action by environmental health around 8 years ago. The legal issues surrounding the lease were complex and steps to bring the residential element back to FCC were very protracted. Eventually they were returned to FCC last year. They were vacant and in a very poor state of repair. They have been secured, fully refurbished, and made safe. The intention is to return them to the HRA and bring back into long term use.
2.02	The properties met all the criterion set by WG for access to the TACP funding stream. A bid was developed and submitted to WG. This included a valuation of the vacant dwellings by an independent RICS surveyor. Wingetts undertook the survey and estimated the value of £75,000 per dwelling. This valuation has recently been updated and confirmed the

	valuation still at £75,000. WG accepted the principle that an internal charge between the Council Fund and the HRA could be met from TACP funds.
2.03	<p>The buy-back was supported by the Capital Assets Programme Board (CAPB) on the 29<sup>th</sup> February 2024 and although the scheme did not meet the financial hurdle rates, the property acquisition was supported to go ahead for strategic reasons, to bring empty homes back into use, and for £0.076m of HRA s106 monies to be used to fund the funding shortfall. We currently have £1.6m available.</p> <p>Following CAPB the final grant claim has now been approved and FCC have been awarded £0.313m from TACP grant funds and therefore the scheme now meets the financial hurdle rates set by FCC.</p>

<b>3.00</b>	<b>RESOURCE IMPLICATIONS</b>
3.01	The Standard Viability Model (SVM) demonstrates that the scheme as outlined above is within the agreed parameters set by FCC for development schemes. Funds exist within the Council's SHARP budget and within the TACP allocation for FCC.

<b>4.00</b>	<b>IMPACT ASSESSMENT AND RISK MANAGEMENT</b>	
4.01	<b>Ways of Working (Sustainable Development) Principles Impact</b>	
	Long-term	Positive – There is a commitment to increase supply to provide the right types of homes in the right location.
	Prevention	Positive – It is our aim to provide support to ensure people live and remain in the right type of home.
	Integration	Positive - Achieving WHQS for all existing council houses and delivering new social housing will contribute to the integration within communities.
	Collaboration	Positive - To deliver in partnership with stakeholders to support positive impacts for all our tenants.
	Involvement	Positive - Communication with tenants, Members and other stakeholders.
	<b>Well-being Goals Impact</b>	
	Prosperous Wales	Positive – Ensuring social homes are WHQS compliant and meet the changing housing needs. Maximising local employment and training opportunities for local people.

	Resilient Wales	Positive – Increasing the supply of social housing
	Healthier Wales	Positive – Ensuring all existing homes and new homes are fit for purpose and meet the needs of all people.
	More equal Wales	Positive - Provide good quality homes for the most vulnerable people in society.
	Cohesive Wales	Positive – Contributing to attractive, viable and safe communities
	Vibrant Wales	Positive – Ensuring all communities housing needs are supported
	Globally responsible Wales	Positive – The HRA will contribute to the improvement of the economic, social, environmental and cultural wellbeing of Wales.

<b>5.00</b>	<b>CONSULTATIONS REQUIRED/CARRIED OUT</b>
5.01	No formal consultations have taken place.

<b>6.00</b>	<b>APPENDICES</b>
6.01	N/A.

<b>7.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
7.01	N/A.

<b>8.00</b>	<b>CONTACT OFFICER DETAILS</b>
8.01	<b>Contact Officer:</b> Paul Calland Strategic Housing and Development Programme Manager <b>Telephone:</b> 07825 377623 <b>E-mail:</b> <a href="mailto:paul.calland@flintshire.gov.uk">paul.calland@flintshire.gov.uk</a>

<b>9.00</b>	<b>GLOSSARY OF TERMS</b>
9.01	<b>Standard viability model (SVM)</b> – a model to financially assess social housing purchases  <b>Transitional Accommodation Capital Programme - TACP</b> provides grant funding to local authorities and registered social landlords (RSLs) to bring forward good quality longer term accommodation at pace to support everyone in housing need (those in temporary accommodation and initial accommodation for resettlement).