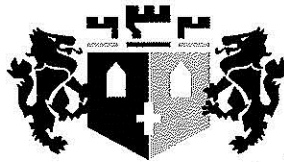


**Appendices:**

None



**NORTHAMPTON  
BOROUGH COUNCIL**

## **Cabinet Member Decision**

<b>Report Title</b>	<b>Private Sector Leasing</b>
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**STATUS: PUBLIC**

<b>Expected Date of Decision:</b>	24 July 2019
<b>Within Policy:</b>	Yes
<b>Policy Document:</b>	No
<b>Directorate:</b>	Housing and Wellbeing
<b>Cabinet Member:</b>	Councillor Stephen Hibbert
<b>Ward:</b>	Spencer

### **1. Purpose**

- 1.1 The purpose of this report is to seek the Cabinet Member's agreement to the Council entering into a three year private sector leasing arrangement, and charging homeless households a rent that is equivalent to the Local Housing Allowance, for a two-bedroom house in the Spencer Ward that the Council is proposing to manage and use as temporary accommodation.

### **2. Recommendations**

- 2.1 It is recommended that the Cabinet Member for Housing and Wellbeing:

- (a) Authorises the Head of Housing and Wellbeing to enter a 3 year lease of [REDACTED] at an initial rent of £600 per calendar month, commencing on 1 August 2019 on terms to be approved by the Borough Secretary; and

- (b) Agrees that the property is used to accommodate homeless households which should be charged a weekly rent based on the relevant Local Housing Allowance.

### **3. Report Background**

- 3.1 To encourage private landlords and the owners of empty homes to help meet the needs of homeless households – and to reduce the net cost of temporary accommodation – the Council is willing to lease their homes from them.
- 3.2 Details of the private sector leasing scheme were included in the Social Lettings Agency Business Case that was approved by Cabinet in January 2017. All of the homes that are leased under the scheme must meet the Council's 'Temporary Accommodation Standards and Conditions' (September 2017) and, for practical reasons, they will normally be situated within the Northampton Borough. The amount of rent that is paid to the lessor will be determined by the location of the property and the number of bedrooms.
- 3.3 This property – a two-bedroom, mid-terrace house – has a garden and is in an excellent state of repair. A rent of £600 per calendar month, equivalent to 85% of the market rent for similar properties in that area – has been negotiated between the Council's social lettings agency negotiator and the owner.
- 3.4 The monthly rent of £600 is less than half the monthly rent that the Council is currently paying to private housing suppliers for two-bedroom, nightly-purchased temporary accommodation.

### **4. Issues and Choices (Options)**

- 4.1 During the past four years, there has been a sharp rise in the number of homeless households in temporary accommodation.
- 4.2 Most of these households are spending a long time in temporary accommodation before they are rehoused and, in recent years, the Council has become increasingly reliant on the use of private sector housing suppliers.
- 4.3 On 3 April 2019, the Cabinet approved a comprehensive 14-point action plan for reducing the use and cost of temporary accommodation.
- 4.4 Private sector leasing represents one of the options available to the Council to reduce the net cost of temporary accommodation.
- 4.5 There are two options available to the Cabinet Member:
  - (a) Authorise the Head of Housing and Wellbeing to enter a 3 year lease on terms to be approved by the Borough Secretary, at an initial rent of £600 per calendar month, commencing on 1 August 2019; or
  - (b) Do not authorise the Council to enter the lease.

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

### **5.1 Policy**

- 5.1.1 The action that the Council is proposing to take is in line with Council policy and reflects the priorities in the Corporate Plan 2018-20.

### **5.2 Resources and Risk**

- 5.2.1 Private sector leasing is commonly used by local authorities as a means of providing lower cost temporary accommodation.
- 5.2.2 At present, the Council is using 147 units of two-bedroom, nightly-purchased temporary accommodation at a rate of £45 – £50 per night. The gross cost of each of these units is equivalent to £1,365 - £1,516 per calendar month.

### **5.3 Legal**

- 5.3.1 The Council has a power under the Local Government Act 1972 to acquire interests in land for any of its purposes. The Council has a duty to secure that accommodation is available for homeless persons in certain circumstances under the Housing Act 1996.
- 5.3.2 The Council is able to discharge its duties towards such homeless persons by securing that accommodation is available to them in a number of ways, including by placing them in temporary accommodation using properties such as this.
- 5.3.3 The Borough Secretary has delegated authority to seal documents which give effect to Council or Cabinet decisions. If the recommendations are approved, the Borough Council will ensure that all appropriate legal formalities are complied with and seal the lease under that authority.

### **5.4 Equality**

- 5.4.1 The action proposed in this report will have a positive impact on people with different protected characteristics and will help the Council to address and mitigate the problems caused by homelessness.
- 5.4.2 It will contribute to a reduction in the health inequalities and social and economic exclusion of people with any combination of protected characteristics who are disproportionately affected by homelessness.
- 5.4.3 This action is part of the Council's commitment to improving communities and our town as a place to live. In implementing them, the Council will have due regard to its Public Sector Duty and will continue to work to tackle discrimination and inequality.

### **5.5 Consultees (Internal and External)**

- 5.5.1 The private sector leasing arrangements have been developed in consultation with the Housing Options & Advice Service, Legal Services, the Revenues & Benefits Service and the Finance Team.

## 5.6 How the Proposals deliver Priority Outcomes

5.6.1 The action proposed in this report will help the Council to deliver the following priority outcomes in the Corporate Plan 2018 – 2020:

- Provide value for money services
- Reduce the overall cost of temporary accommodation
- Investigate potential benefits of increasing the council stock of lower-cost temporary accommodation
- Increase the number of council homes that are used as temporary accommodation

**Phil Harris**  
**Head of Housing and Wellbeing**

<b>Report Title:</b>	<b>Private Sector Leasing</b>
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### Cabinet Member:

I declare no conflict of interest applies

I agree the report's recommendations

I do not agree the report's recommendations

I agree the report's recommendations subject to the following amendments:

The reason for the decision is as follows:

*This supports the priority outcomes in the Corporate plan.*

Cabinet Member for Housing and Wellbeing

Signature: \_\_\_\_\_

*M. Hildbeck*

Date: \_\_\_\_\_

*24/7/19*