

BARNSELY METROPOLITAN BOROUGH COUNCIL

REPORT OF: Executive Director of Growth & Sustainability

TITLE: New Build and Acquisitions Strategy

REPORT TO:	Cabinet
Date of Meeting	24th July 2024
Cabinet Member Portfolio	Regeneration and Culture
Key Decision	Yes
Public or Private	Public

Purpose of report

To present to Cabinet the Strategic Housing New Build and Acquisitions Strategy. The report also seeks approval from Cabinet to agree the recommendations set out in this report.

On 1st February 2024 Full Council approved the Housing Revenue Account Draft 2024/25 Budget and Capital Investment Proposals 2024-29 (Cab.24.1.2024/7). The report approved the investment of c£43M for a 5 Year Social Housing New Build and Acquisition Programme.

Council Plan priority

The Councils investment of c£43M contributes towards the delivery of Barnsley 2030, the Council's Housing Strategy 2024-2028, Homeless Prevention and Rough Sleeping Strategy, Private Sector Housing Plan, Children in Care Strategy, Integrated Care Strategy, Domestic Abuse Strategy, and wider housing indicators.

Healthy Barnsley – Housing is a wider determinant of health and affordable, well designed, spacious and secure homes can improve physical and mental health and wellbeing.

Growing Barnsley - The investment in new council housing stock will increase the provision of quality, affordable, warm and safe homes across the borough; contributing to housing growth aspirations and aiming to negate the losses of council stock via Right to Buy.

Sustainable Barnsley – Investment in highly energy efficient new build homes will contribute towards the delivery of the Councils Zero 40/45 ambition.

Learning Barnsley – Investment in new housing will deliver social value, jobs and learning opportunities confirmed through the tender evaluation process.

Recommendations

That Cabinet: -

1. Delegates authority to the Group Leader Estates to negotiate and agree terms for the acquisition of individual properties in line with the Acquisitions Policy and recommendation 2.
2. Delegates authority to the Head of Strategic Housing, in consultation with the S151 Officer, to authorise the acquisition of multiple properties up to the total value of £15.000M over the 5 financial years (2024-2028).
3. Delegates authority to the Executive Director of Core Services to negotiate, conclude and execute on behalf of the council any document or agreement required to conclude the property acquisitions.
4. Delegates authority to the Group Leader Estates to:
 - Enter into negotiations with any third-party landowner(s) or property owners to acquire any interests or enter into agreements to occupy land not in the ownership of the Council necessary to deliver the New Build and Acquisition Strategy, by agreement where possible. Also, to complete any variation to any existing leases on the occupation of land owned by the local authority and where necessary negotiate compensation payments following consultation with Strategic Property Board.
 - Negotiate the terms and conditions of any development agreements required with relevant parties, including private developer(s) and housing providers to deliver the New Build and Acquisition Strategy following consultation with Strategic Property Board.
5. Delegates authority to the Head of Property and Executive Director of Growth and Sustainability to approve the use of Council-owned land for affordable housing delivery noting any potential decrease in/or nil land receipt and the impact on management receipts subject to further Cabinet approval for individual schemes.
6. Authorises the Executive Director of Growth and Sustainability to undertake all necessary steps to secure development and delivery of the new build pipeline sites including but not limited to public consultation and engagement on individual sites, noting that each site will be subject to a further Cabinet report, and approve (insofar as Cabinet is able to do so) the preparation and progress any necessary statutory procedures (including planning permission) required to develop and deliver the proposed projects.
7. Delegate authority to submit any full business case(s) and conclude any funding process(es) (including the negotiation of the terms and conditions) to the Council's Section 151 Officer in consultation with the Executive Director of Growth and Sustainability and accept any available external grant funding to contribute towards the delivery of new build affordable homes.

8. In principle, authorises the Head of Strategic Housing, under the terms of the Barnsley Contract Procedure rules, to seek tenders and incur costs for any aspect of the delivery of the new build programme and appoint the successful tender on the basis of most economically advantageous bid; and to consider whether the works, services or goods can be provided in-house, subject to value for money considerations. (This could include but is not limited to the external appointment of a legal and other service providers, and costs associated with feasibility works and professional services up to RIBA Stage 3 to allow the preparation of detailed cost plans for Cabinet approval on individual new build schemes).
9. Delegates authority to the Executive Director of Core Services, to, where necessary, complete due process and documentation required to make and publish any Compulsory Purchase Order's (CPO) pursuant to relevant legislation, noting that specific details of any identified CPO's in relation to delivering the aims and objectives of the New Build and Acquisition Strategy will be subject to further Cabinet approval.
10. Approve of the appropriation of all new build stock and acquisitions into the Housing Revenue Account, which will be managed by Berneslai Homes.
11. note the opportunity to charge Affordable Rent instead of Social Rent on a site-by-site basis through future Cabinet reports for individual new build schemes.
12. Note the planned development of a longer-term strategic approach for the future of our Council Housing stock aligned to the 30-year HRA business plan.
13. Note £14.2M of £30.0M previously approved decarbonation programme has been deprioritised in the MTFS which was approved as part of the 2024/2025 HRA Business Plan budget cabinet report approval.

1. INTRODUCTION

- 1.1 The Barnsley Housing Strategy 2024-2028 sets out our strategic priorities, including the delivery of sustainable housing growth to meet affordable housing needs across the Borough. The delivery of a range of high-quality affordable homes will help to address access to housing for all, help young and older residents to live independent lives and support people with additional and/or bespoke housing needs. A collaborative approach to affordable housing delivery is fundamental to supporting the physical and mental health and wellbeing of our residents.
- 1.2 In recent years the Strategic Housing Team has delivered a range of highly energy efficient affordable housing schemes, including the provision of 2-bed bungalows and apartments and 2, 3 and 4-bed houses across the Borough. In addition, properties have been acquired from private developers and the open market. The Council has also built 47 homes for market sale.

- 1.3 A fundamental review of the Housing Revenue Account (HRA) resources has been undertaken by the Council's S151 Officer which has resulted in funding being allocated to finance a c200 property New Build and Acquisition Programme. The funding available includes time restricted Right to Buy (RTB) receipts which required 60% match funding from the HRA. Over a 5-year period, £17M RTB receipts are to be utilised or repaid to government. The programme is therefore funded £17M RTB receipts and £26M HRA match funding. The total level of resources therefore identified for investment purposes, totals £42.861M. It is anticipated that further match funding will be levered in to supplement the strategy via S106 monies for affordable homes, Homes England and South Yorkshire Mayoral Combined Authority (SYMCA).
- 1.4 Cabinet should note that there are government restrictions on the spend of RTB receipts. Currently local authorities are prohibited to use RTB receipts for more than 50% of RTB replacements with the first 20 acquisitions per financial year excluded. From April 2026, local authorities can spend a maximum of 30% of RTB receipts on acquisitions, with the first 20 acquisitions per financial year excluded. Therefore, the Council needs to explore alternative delivery mechanisms for RTB replacements over and above 20 acquisitions per annum.
- 1.5 The programme will provide a range of new properties, increasing the number of homes in the wider social and affordable housing system. The location, type and size of new HRA stock will be informed by the need requirements from a range of strategies and services across the Council including general affordable housing need, accommodation for children and young people (including leaving care), supported housing for those fleeing domestic abuse, those with learning disabilities and autism, refugees and asylum seekers, and those with bespoke and complex needs, and other cohorts with priority banding (Background Paper: Exempt Needs Assessment).

2. PROPOSAL

- 2.1 It is recommended that Cabinet approves the New Build and Acquisitions Strategy to enable delivery of the Housing Strategy and wider strategic priorities which will in turn create longer-term HRA revenue savings to the Council.
- 2.2 It is proposed that a New Build and Acquisition Working Group is established which enables collaborative working across service areas, allowing a strategic approach to meeting service needs through direct delivery and acquisitions. This group will report into the existing Housing Board.

New Build Programme

- 2.3 Strategic Housing are working closely with the Estates Team and internal stakeholders to develop a pipeline of new build sites utilising Council-owned assets across the borough. In support of the Asset Management Strategy and Medium-Term Financial Strategy, a schedule of Council owned land has been prepared to identify strategic housing sites allocated for development in the local plan, along with brownfield infill sites and surplus greenspace sites. The schedule of sites has been presented to the Strategic Property Board and earmarked for disposal in order to raise capital receipts. The sites included

within the schedule could potentially be used to deliver the pipeline of new build sites subject to results of site feasibility reviews in conjunction with Estates and presented to Strategic Property Board and Finance for further consideration and discussion.

- 2.4 Any Council owned sites identified to support new build housing will be subject to a full appraisal, technical surveys, a detailed design process following the Royal Institute of British Architects (RIBA) Plan of Works. Further Cabinet approval(s) will be sought along with planning permission and other statutory permissions for individual sites to be progressed beyond RIBA Stage 3 design.
- 2.5 Engagement with local Ward Members and community consultation will also take place where appropriate. Officers will identify priority sites to bring efficiencies of scale, minimise internal resource pressures and increase delivery of new affordable homes up to 2028/29. An options appraisal will be undertaken for each direct delivery site to explore the most cost effective and efficient delivery method (including but not limited to NPV calculations). Direct delivery will only be progressed where the market is unable to meet need requirements (including location and property types). Once a site has been appraised this will then be presented to the Strategic Property Board for consideration and to seek approval before presenting it to Cabinet as a full business case.
- 2.6 Officers will work with Legal, Estates, Finance and Procurement to explore opportunities to maximise the delivery of new build homes via a range of alternative delivery mechanisms which could include (but are not limited to);
 - Joint ventures with private developers/partners/registered housing providers.
 - Tailored sales particulars for Council owned land disposals which includes a Local Plan Policy H7 'plus' requirement for affordable homes which the Council can exercise an option to purchase. This approach is subject to consultation with Planning to ensure the delivery of sustainable communities as set out in the Affordable Housing SPD (2022) and First Homes Technical Note (2022).
 - Early agreement with developers to purchase units (off-plan/prior to delivery) on Council owned land disposals. Working in partnership with developers to create bespoke mixed tenure schemes delivering private sale housing and new build affordable units for Council retention.
- 2.7 The Council will seek to maximise the energy efficiency of new build homes, adhere to planning policy and guidance, and consider best practice design specifications via a review of the New Build Technical Specification which will be used as a benchmark for all direct delivery schemes. The specification review will be subject to extensive consultation with internal stakeholders and consider guidance around best practice design principles for accessibility, age friendly and dementia friendly homes/developments as set out in the Design of Housing Development SPD 2023.

Acquisitions Programme

- 2.8 In addition to building on the Council's own land, this report seeks approval to acquire properties into the HRA and/or strategic acquisitions linked to regeneration and other council priorities.
- 2.9 An evaluation and consultation process has been developed within the Acquisition Policy 2023 which has been refined to ensure that properties to be purchased align with the Council's strategic priorities, are value for money and would not present any lettings or management challenges and meet the need requirements of other service areas. In summary, officers will be looking to acquire a range of properties to meet service wide needs including:
- well maintained properties
 - energy efficient properties (EPC C minimum)
 - between 1 and 4 bedrooms, in suitable and sustainable locations such as Principal Towns
 - prioritising the purchase of ex-RTBs (wherever possible/suitable)
 - level access accommodation / adaptable properties
 - strategic acquisitions linked to regeneration and other council priorities
- 2.10 As a priority, the acquisition programme will focus on the purchase of:
- smaller (1-2 bed) accommodation to alleviate pressures on the care leavers pathway in Children's Services. This is a strategic priority for the Council and the agreed acquisitions programme forms part of the wider strengthened pathway to independent living and collaborative joined up approach to developing 16+ accommodation. The programme accompanies an updated housing protocol and agreements in place with Berneslai Homes to streamline the applications process for care leaver applicants.
 - The purchase of 1-4 bed accommodation for general needs to alleviate pressures in priority banding.
 - The acquisition of specifically adapted properties to address need.
- 2.11 A review of accommodation needs has been undertaken across internal services and officers are working closely with commissioners to understand current and future need requirements and where there is the opportunity for collaboration.
- 2.12 Consultation will be undertaken with Berneslai Homes Lettings and Repairs and Maintenance, the local neighbourhood teams, BMBC Strategic Housing, BMBC Finance and wider service area representatives (as appropriate). Joint property inspections are carried out by the acquisitions lead, technical officers at Berneslai Homes and other services where acquiring to meet a specific needs. The Council's Assets team will also undertake a property inspection and provide a valuation for each property acquisition to confirm the market value and to aid negotiations.
- 2.13 The Acquisitions Policy sets out a delegated approval route for ODR's to be

signed based on the proposed spend.

Table 1: Signatories as per Acquisition Policy 2023

Spend	Current authorised signatory of ODR
£0 - £0.100M	Head of Strategic Housing
£0.100M - £0.250M	Executive Director – Growth and Sustainability via DMT
£0.250M+	Cabinet Decision for sign off by the Portfolio Holder for Regeneration and Culture and/or Cabinet, as necessary

- 2.14 Recommendation 2 of this report seeks to delegate authority to the Head of Strategic Housing, in consultation with the S151 Officer, to authorise the acquisition of multiple properties up to the value of £15.000M over the 5 year budget period. Any additional acquisitions exceeding this threshold would require approval as per the current arrangement set out in Table 1. This will allow officers to be fleet of foot in negotiating and acquiring properties, particularly those for sale on the open market. This approach was successfully adopted in respect of acquisitions for the Local Authority Housing Fund (LAHF) project up to March 2024. The total spend per unit will include the agreed sale price, stamp duty and void work costs (undertaken by Construction Services or Wates).
- 2.15 Wherever possible, officers will seek to support investment with other match/grant funding pots. For example, 1-4-1 RTB receipts, S106 contributions (subject to S106 Panel approval) and/or Homes England/SYMCA funding.
- 2.16 The properties will be allocated in accordance with the Councils Lettings Policy 2023 and/or via any agreed Local Lettings/Direct Let Criteria (as authorised in line with the Lettings Policy).
- 2.17 This New Build and Acquisitions report provides the strategic approach to increasing housing stock (and seeking to mitigate against RTB losses) over the next 5 years. However, it is important to note that the Council is developing a longer-term strategic approach for the future of its Council Housing Stock. Whilst there is an aspiration to seek to maintain existing stock levels, the future of council housing strategy will need to consider how we can continue to invest in existing stock (from both a building safety, decency and retrofit perspective) alongside any investment in new provision. A full stock condition survey has recently been completed which is integral to informing the strategic position of the 30-year HRA business plan and medium to longer term investment/disinvestment plans.

3. IMPLICATIONS OF THE DECISION

3.1 Financial Implications

3.1.1 Consultations have taken place with representatives of the Director of Finance (S151 Officer).

3.1.2 The Councils new build and acquisition programme has been developed to ensure the long-term viability of the Councils HRA and Social Housing in Barnsley. The current HRA Business Plan assumes a stock reduction of 150 units p/a, which over the 30 Year Plan shows stock reducing to c13,000. The current stock level as of 31st March is 17,963 if no new stock is built or acquired. There is Central Government pressure to build new homes and it is a key part of the Government's mandate.

Nationally and locally, waiting lists, homelessness / temporary accommodation and 16+ care leavers numbers are all increasing, and this trend is expected to continue into the medium term. Due to these increasing numbers, new homes are required to help alleviate the demand.

Increasing numbers in areas such as 16+ care leavers are putting further significant unbudgeted financial pressures onto the Council's general fund to deal with demand and comply with statutory legislation. By increasing new homes into the HRA this will help assist alleviate some of these pressures if allocated solely to care leavers.

3.1.3 The Section 151 officer commissioned a review of the HRA funding model to allocate match funding resources to the RTB receipts held from sales of Council houses.

The rules surrounding the use of the 1-4-1 Receipts are restricted by government and also time limited. The HRA is at risk of repaying c£17m of RTB by March 2029 if nothing is done based on the 1-4-1 pay back term of 5 years. Therefore, the total match requirement from HRA reserves utilising RTB receipts @ 40% (£17.144m) and HRA match funding of 60% (£25.717m) have been combined to fund the £42.861m new build and acquisition programme over the next 5 years.

The match funding of £25.7M has been resourced by reallocating £14.2M previously earmarked to fund the EPC C programme and a further £11.5M from the Major Repairs Reserve (MRR). To note this has been funded with zero borrowing.

3.1.4 The indicative programme is anticipated to deliver c211 new units of stock to the HRA. The mixture of acquisitions and new build are indicative and based on the time required to acquire sites and build new stock. It is therefore envisaged that an annual 5 year acquisition programme of circa £3M per annum will deliver 100 units while the new build schemes are being developed. Budgets are subject to re-profiling as and when required.

3.1.5 Cabinet is to note that the phasing and number of units detailed in the table below are indicative at this present time and will change due to inevitable market forces. This means that unit numbers and costs are indicative, but the total scheme value is fixed.

3.1.6 Cabinet is also asked to note that due to the time limitations of the RTB receipts all of the £42.861M must have been spent by the 31st March 2029 to avoid any repayment to Government.

3.1.7 Cabinet is to note that the 30-year HRA business plan is reviewed every financial year and is subject to full approval as part of the HRA budget process. As part of the 2025/26 business planning process exploration of funding options are underway to finance a recurrent 5 year new build and acquisitions programme in perpetuity throughout the 30 year plan.

3.1.8 Any further funding that can be levered in to supplement the strategy via S106 monies for affordable homes, Homes England and South Yorkshire Mayoral Combined Authority (SYMCA) will be combined into the programme where possible to ensure the maximum number of additional of units into the HRA and will be reviewed annually as part of the HRA business planning process.

Table 2: Indicative Delivery of New Homes

	Indicative Unit Numbers					
	2024/25	2025/26	2026/27	2027/28	2028/29	Total
Acquisitions	20	20	20	20	20	100
New Build	0	0	17	17	77	111
Profiled Stock Increase	20	20	37	37	97	211

Indicative Investment & Funding Profile						
	2024/25	2025/26	2026/27	2027/28	2028/29	Total
Acquisitions (100 x £0.150M)	£3,000,000	£3,000,000	£3,000,000	£3,000,000	£3,000,000	£15,000,000
New Build (111 x £0.250M)	£0	£0	£4,250,000	£4,250,000	£19,250,000	£27,750,000
Capitalised Salaries	£0	£0	£0	£0	£111,000	£111,000
Investment Profile	£3,000,000	£3,000,000	£7,250,000	£7,250,000	£22,361,000	£42,861,000
Right To Buy Receipts @ 40%	£1,200,000	£1,200,000	£2,900,000	£2,900,000	£8,944,400	£17,144,400
HRA Match @ 60%	£1,800,000	£1,800,000	£4,350,000	£4,350,000	£13,416,600	£25,716,600
Funding Profile	£3,000,000	£3,000,000	£7,250,000	£7,250,000	£22,361,000	£42,861,000

3.1.9 The financial implications of these proposals are summarised in the attached Appendix A.

3.1.10 Final approval to proceed with each acquisition will require sign off from the Head of Strategic Housing and Director of Finance following a satisfactory performance assessment of each proposed acquisition within the Net Present Value (NPV) model.

3.1.11 Cabinet are asked to note that new properties added to the HRA as part of this scheme will initially be let at Affordable rent levels which is calculated at 80% of the local market rates, however each site/property will be reviewed accordingly to ensure the Affordable rent market levels are appropriate, if deemed not appropriate Social rent will be charged. The recommended approach will be set out in future Cabinet reports on a site-by-site basis. It is recommended to adopt this approach as Affordable rent can be changed to social rent at any point during ownership of the property but the Social rent cannot be changed to Affordable. It also must be noted that Homes England approval is required to charge Affordable rent in some cases.

3.1.12 All delivery staffing (inclusive of Core Services) required for this scheme will be contained within the £42.861m Capital set out above and will be modelled after approval of the New Build and Acquisition Cabinet report.

3.2 Legal

3.2.1 The Council has powers to acquire and provide housing accommodation in accordance with section 17 Part II of the Housing Act 1985.

3.2.2 As the recommendations in the report are progressed, any legal impacts will need to be considered and Services will need to liaise with the legal team as appropriate.

3.3 Risks

3.3.1 A Project Plan and Risk Log are in place for the New Build and Acquisition Programme. This will be developed and reviewed throughout the lifetime of the project. New build projects will each have bespoke risk management assessments. Key risks include:

Table 3: Risks and Mitigation

Risk	Mitigation
Failure to secure Cabinet approval for individual schemes	Develop RIBA Stage 3/fully costed proposals prior to seeking Cabinet approval of individual schemes
Failure to secure planning permission	Pre-application engagement and stakeholder/community engagement to gain support
Community opposition	Early and frequent engagement with Ward Members and community. Formal consultation via Planning process
Feasibility works/site	Undertake surveys and engage with statutory

Risk	Mitigation
investigations reveal issues	consultees at early stages
Failure to secure external match/grant funding	Early engagement with funding bodies and ensure that sites are promoted via Homes England/SYMCA Strategic Place Partnership (SPP)
Insufficient internal resource	Strategic Housing will seek to prioritise and manage delivery within the current resource envelope. However, delivery of strategic priorities may need to be phased and/or further support may be required through the capitalisation of salaries to create additional capacity as identified within the service's transformation review.
Failure to procurement contractor(s)/ fails to deliver new build housing to time/quality/budget	Early engagement with Procurement colleagues and undertake market engagement to ensure robust and quality tender submissions with clear delivery timescales
Cost uplifts	Incorporate a contingency within cost plans for individual schemes. Each scheme will be contained within the Cabinet approved funding envelope
Market conditions	Explore a range of delivery mechanisms

3.4 Equality

- 3.4.1 In preparing this report, due consideration has been given to the Councils' statutory Equality Duty to eliminate unlawful discrimination, advance equality of opportunity and foster good relations, as set out in Section 149(1) of the Equality Act 2010. A full Equality Impact Assessment will be undertaken against the New Build and Acquisition Programme.
- 3.4.2 The Programme is aimed at increasing the affordable housing supply over the long term. Therefore, no one group is negatively affected by the proposal.

3.5 Sustainability

- 3.5.1 The sustainability decision-making wheel has been used to assess this programme and the overall impacts are positive, particularly around reducing carbon emissions (acquiring new homes and utilising existing stock currently not in use), reducing poverty, and improving health and well-being of our residents.
- 3.5.2 Embedded carbon in the construction of new homes and the supply chain are highlighted as areas of negative impact. However, work is on-going with the Procurement team to address how we can build a more sustainable supply chain going forwards. The technical specification for new build homes will undergo review as part of the New Build and Acquisitions Strategy. This will include an update to the Barnsley Low Carbon Standard to make new build homes more energy efficient to align with the Council's Zero 40/45 ambitions.



Figure 1: Sustainability Decision-Making Wheel

3.6 Employee

- 3.6.1 Delivery will require significant resource from Strategic Housing in collaboration with wider services including Assets, Legal, Procurement, commissioners and Barnsley Property Services.
- 3.6.2 Strategic Housing will seek to prioritise and manage delivery within the current resource envelope. However, delivery of strategic priorities may need to be phased and further support may be required as identified within the service’s transformation review.
- 3.6.3 Pre-application advice will be sought from Planning and relevant statutory consultees on pipeline sites.
- 3.6.4 Once transferred into the HRA, properties will be managed by Berneslai Homes, however these units will effectively replace those lost through RTB.

Table 4: RTB Sales 2019-2024

Year	RTB Sales
2019/20	148
2020/21	98
2021/22	183

Year	RTB Sales
2022/23	123
2023/24	61
TOTAL	613

3.7 Communications

- 3.7.1 There will need to be robust management of the communication around this programme to ensure that Members and residents of Barnsley are clear of the opportunity to increase the provision of affordable housing in our borough.
- 3.7.2 Strategic Housing will work closely with Communication colleagues to identify and sensitively manage any objection, concerns and community tensions linked to property acquisitions and/or new build development.

4. CONSULTATION

- 4.1 Consultations have taken place with the Council's Senior Management Team, Portfolio Leads and Berneslai Homes. There is an evaluation and consultation process within the Acquisitions Policy to ensure that properties to be purchased align with the Council's strategic priorities, are value for money and would not present any lettings or management challenges for both existing and/or new tenants.
- 4.2 Residents will be consulted on new build schemes via the Planning process along with all statutory consultees. As individual schemes are progressed into design, local Ward Members will be consulted ahead of planning permission being sought.
- 4.3 Engagement will be undertaken with developers, housing associations and external funding bodies to lever in additional funding/support and maximise the funding available to deliver new affordable homes.
- 4.4 It is proposed that a New Build and Acquisition Working Group is established which enables collaborative working across service areas, allowing a strategic approach to meeting service needs through direct delivery and acquisitions. This group will report into the existing Housing Board.
- 4.5 Cabinet will be appraised of process on the New Build and Acquisitions Strategy on an annual basis.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 **Do not pre-delegate authority to officers to commence the negotiation and acquisition of properties.** This is not recommended as it would mean that officers would need to seek individual approvals for each property acquisition, preparing an ODR, in advance of being able to engage and agree property purchases. This will create significant delay in being fleet of foot in negotiating on properties and gaining required approvals. Dependent on purchase price, each property would require an officer decision record, signed by either the Head of Strategic Housing (on purchases up to £100k), the Executive Director

of Growth and Sustainability (on purchases up to £250k via a DMT) or the Portfolio Holder for Regeneration and Culture / Cabinet (on purchases over £250k).

- 5.2 **Do not approve the progression of new build pipeline sites.** This is not recommended as it would mean that no new build affordable homes would come forward other than via S106 properties on market led schemes, or via direct delivery by Registered Providers. The funding constraints on the utilisation of RTB 1-4-1 receipts mean that there is a significant risk of clawback should the Council's programme not include the direct delivery of new build affordable homes.

6. REASONS FOR RECOMMENDATIONS

- 6.1 It is recommended that Cabinet approve the recommendations set out in this report.
- 6.2 The timescales for completing the New Build and Acquisitions Programme are challenging, thus it is essential that there is pre-approval to allow officers to accelerate the negotiation of required acquisitions as they are identified and progress new build housing delivery.

7. LIST OF APPENDICES

Appendix A: Financial Implications
Appendix 1: Acquisitions Policy

BACKGROUND PAPER

Exempt – Needs Assessment

GLOSSARY

HRA – Housing Revenue Account
MTFS – Mid-Term Financial Strategy
NPV – Net Present Value
RTB – Right to Buy
SPD – Supplementary Planning Document

8. REPORT SIGN OFF

Financial consultation & sign off	Ashley Gray – Strategic Finance Business Partner 14/05/2024
Legal consultation & sign off	Joanne Toft 15/05/2024

Report Author: Alison Dalton
Post: Group Leader Strategic Housing
Date: 05/07/24