Record of officer decision

Decision title:	Purchase of a city centre property in Hereford
Date of decision:	09/09/2024
Decision maker:	Hilary Hall, Director for Community Wellbeing
Authority for delegated decision:	Directorate scheme of delegation Community Wellbeing, Strategic Housing row 47 Approval for the allocation of grant monies. Council function. The delegation formally sat in Economy & Environment, but has subsequently moved to Community Wellbeing
	Cabinet Member housing, regulatory services, and community safety approval of the Empty Property and Development Capital Budget
	Decision - Empty Property and Development Capital Budget (herefordshire.gov.uk)
Ward:	Widemarsh
Consultation:	 Consultation has taken place through Herefordshire Homeless Forum with a wide range of statutory agencies and Community Voluntary Faith Sector groups. Cllr Gandy – Cabinet member for Adults, Health & Wellbeing Cllr Andrew - Widemarsh Ward Cllr Gandy - Cabinet member for Adults, Health & Wellbeing Property Services Finance, S151 Officer
Decision made:	To purchase and refurbish a property in central Hereford within a budget of up to £625,000 to be used as transitional accommodation for males with priority given to Looked after Children and Care Leavers.
Reasons for decision:	 To approve the purchase of this property at £275,000 to provide a minimum 5 self- contained units for temporary accommodation and to approve refurbishment and legal works/surveys of up to £350,000 utilising Strategic Housing Empty Property and Development Capital Budget As a Corporate Parent the Council has a joint housing and care leavers protocol, it is recognised that self-contained accommodation is the most suitable accommodation for Looked after Children and Care Leavers. The property will form part of the homeless pathway and will be transitional for up to 2 years whilst the individual receives light touch support to become tenancy ready and supported to source permanent accommodation. Accommodating clients in temporary accommodation such as Bed & Breakfast has a revenue implication to the council

	 as not all costs are able to be reclaimed from central government. The acquisition could make a revenue saving. To date we have spent £800k since April 24 on temporary accommodation. It supports the People and Growth commitments in the Council Plan 2024 – 28, to work with partners to provide high quality housing to meet all needs. The properties will be refurbished to a high environmentally sustainability criteria. Having empty properties in the City Centre does not comply with the Empty Property Strategy
Highlight any associated risks/finance/legal/equality considerations: Details of any alternative options considered and rejected:	 The total allocated budget to purchase and refurbish this property will be £625,000. This will include the legal fees/surveys, this will not go over budget as we have Project Management support and the works will be tendered to that value. A RICS Homebuyers report has been received for this property which highlights the areas of requiring improvement. This has been reflected in the purchase price of the property and the allocated sum for refurbishment works. The report demonstrates that the property is being purchased under market value therefore this purchased is considered to be good value for money the procurement of the buildings/adaptations will be in accordance with the councils contract procedure rules We will have to carry out extensive work to the house to provide the self-contained units. This is obviously a financial commitment but will pay for itself within a short amount of time The current practice of using chain hotels/B&Bs etc, is costly and the accommodation is not appropriate for this client group. A capital budget has been identified to purchase and refurbish the property Demand is out stripping supply, there is not an alternative option. If we do not purchase additional accommodation, then chain hotels/B&B's will continue to be used at a huge expense to the council.
Details of any declarations of interest made:	