



Mayor and Cabinet

Housing acquisition programme for homeless households

Date: 08 March 2023

Key decision: Yes

Class: Part 1

Ward(s) affected: All

Contributors: Fenella Beckman, Director of Housing Services / Patrick Dubeck, Director of Inclusive Regeneration.

Outline and recommendations

It is recommended that Mayor and Cabinet:-

- Delegate authority to the Executive Director of Housing Regeneration and Public Realm to purchase up to 300 homes from the open market for the benefit of homeless households, up to a maximum of £600,000 per property, provided that the total acquisition costs do not exceed the total budget envelope for the scheme as set out in the Part 2 Report.
- Approve the use and acceptance of GLA and other grant funding that facilitates the programme's successful delivery. and delegate authority to Executive Director of Housing Regeneration and Public Realm in consultation with the Director of Law and Corporate Governance to approve and enter into such agreements and ancillary documentation as may be required to utilise such grant funding.
- Approve the procurement of an external partner(s) to provide refurbishment, maintenance and housing management services for the 300 properties, and to approve the award of such contract provided it is in within the financial limits set out in the Part 2 Report, noting that the Executive Director for Housing, Regeneration and Public Realm will be responsible for selecting the preferred contractor in accordance with the selection criteria published in the tender documentation and agree the final form contract. Delegate to the Executive Director for Housing, Regeneration and Public Realm the authority to extend the term of the contract beyond its initial term, provided such extension is in accordance with the provisions of the contract.

Timeline of engagement and decision-making

17 November 2022	Housing Select Committee review of Accommodation Procurement Strategy
7 December 2022	Mayor & Cabinet approve Accommodation Procurement Strategy

1. Summary

- 1.1. This report seeks to gain authority Mayor and Cabinet to bulk-purchase 300 properties of accommodation. This accommodation will be used to house homeless households. The properties will provide much needed, good quality accommodation in and close to the borough, which will be owned by the Council and will benefit from the income received as well as from the saving on expensive nightly paid temporary accommodation.
- 1.2. The report outlines four options, where option 3 is preferred. Option 3 details purchasing the buildings using the councils existing Right to Buyback programme resources. All financial parameters are set out in the Part 2 report.
- 1.3. The report also seeks approval for the council to that the council procure an external partner to provide refurbishment, maintenance, management and responsive repairs services for the 300 properties.

2. Recommendations

- 2.1. Delegate authority to the Executive Director of Housing Regeneration and Public Realm to purchase up to 300 homes from the open market for the benefit of homeless households, up to a maximum of £600,000 per property, provided that the total acquisition costs do not exceed the total budget envelope for the scheme as set out in the Part 2 Report.
- 2.2. Approve the use and acceptance of GLA and other grant funding that facilitates the programme's successful delivery. and delegate authority to Executive Director of Housing Regeneration and Public Realm in consultation with the Director of Law and Corporate Governance to approve and enter into such agreements and ancillary documentation as may be required to utilise such grant funding.
- 2.3. Approve the procurement of an external partner(s) to provide refurbishment, maintenance and housing management services for the 300 properties, and to approve the award of such contract provided it is in within the financial limits set out in the Part 2 Report, noting that the Executive Director for Housing, Regeneration and Public Realm will be responsible for selecting the preferred contractor in accordance with the selection criteria published in the tender documentation and agree the final form contract. Delegate to the Executive Director for Housing, Regeneration and Public Realm the authority to extend the term of the contract beyond its initial term, provided such extension is in accordance with the provisions of the contract.

3. Policy Context

- 3.1. The contents of this report supports the aims and objectives the councils Corporate Strategy 2022-26: Quality Housing - to provide as many people as possible with safe, comfortable accommodation that they can be proud of and happy living in, and holding landlords to account.

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- 3.2. The contents of this report support the achievement of the following Housing Strategy 2020-26 objectives: *Preventing Homelessness and meeting housing need*
- 3.3. This proposal is also consistent with the ambitions set out in Lewisham’s Homelessness Strategy, including: *Increasing the supply of high quality temporary accommodation.*
- 3.4. This proposal is also consistent with the ambitions set out in Lewisham’s Accommodation Procurement Strategy.

4. Background

- 4.1. In December 2022 Mayor and Cabinet approved the councils new Accommodation Procurement Strategy, which sets out an action plan for meeting demand procurement activities that will be followed to sourcing properties, both for temporary accommodation and/or for discharge of duty.
- 4.2. There has been a substantial change in demand for homelessness assistance. In September 2015 the council was accommodating 1,741 households in temporary accommodation. As at January 2023 the council was accommodating approximately 2,780 households in temporary accommodation.
- 4.3. As part of the wider strategy on how to increase the Council’s temporary accommodation and Discharge of Duty stock to meet demand from homeless households, and reduce overall costs to the general fund, it is proposed that the council bulk-purchase 300 properties of accommodation using existing Right to Buyback programme resources.
- 4.4. Together, these will provide much needed, good quality accommodation, which will be owned by the Council and will benefit from the income received as well as from the saving on expensive subsidies currently paid for households in temporary accommodation.

5. Housing Context

- 5.1. There has been a substantial change in demand for homelessness assistance in Lewisham over the last 10 years, with 3,649 households approaching the council for homelessness assistance in 2021/22.
- 5.2. Since April 2011 there has been a circa 300% increase in the number of households in temporary accommodation arranged by Lewisham, with 2,780 households in temporary accommodation at January 2023. Based on the net number of people entering and leaving temporary accommodation per year, we estimate an additional 200-240 households will require temporary accommodation during 2023/24.
- 5.3. Lewisham has seen a significant increase in the number of people in housing need. Table 1 sets out the most common reasons for applicants’ loss of their last settled home:

Table 1 – Most common reasons for loss of settled home by year

Most common reasons for loss of settled home	18-19	19-20	20-21	21-22	22-23 (YTD)
Family no longer willing or able to accommodate	645	699	1055	934	526
End of private rented tenancy – assured shorthold tenancy	681	463	315	555	466
Domestic abuse	118	154	229	291	218

5.4. These are primarily:

- **Family / Friends Eviction** – People approaching the Council for assistance due to exclusion from ‘family and friends’ continues to constitute the major cause of homelessness, rising from 32% of all acceptances in 2019/20 to 37% in 2021/22. Generally, family exclusions occur when adult children remain in the family home and as a result the household becomes overcrowded. The Council’s means to prevent this cause of homelessness are generally limited to an offer of private rented accommodation or rehousing through the Allocations Scheme.
- **Private sector evictions** – Both the economic downturn in the last year and changing housing market are resulting in an increasing percentage of private landlords choosing to increase their rent in line with market prices or choosing to no longer rent out their properties, resulting in them disposing of the properties. Many landlords report that they intend to sell their properties due to reduced cash flow caused by higher interest rates. Additionally, many landlords took the opportunity of the strong sales market during 2021, supported by the Stamp Duty holidays, to sell their properties. In 2019/20, eviction from a private rented AST accounted for 19% of all acceptances. This has since grown to 26% in 2022/23 (year to date).
- **Fleeing violence / harassment** – There has been a national increase in the number of domestic violence and harassment cases reported leading to significantly higher levels of those fleeing their homes and seeking alternative secure accommodation. This accounted for 7% of all acceptances in 2019/20 which has increased to 18% in 2022/23 (year to date).

5.5. The table below provides an overview of the scale of the need, where 2 and 3 bed properties are most in demand.

Table 2 – Number of households on register and in TA by bedroom tape (April 2022)

Bedroom need	Housing Register (Apr 2022)	Of those, no. in TA (Apr 2022)
1 bed need	1863	182
2 bed need	3532	1261
3 bed need	3321	632
4 bed need	1033	163
5 beds+ need	532	49
Total	10,281	2,287

5.6. Wider market changes have significantly impacted council’s ability to find affordable temporary and private sector accommodation, as procuring properties within LHA rates locally has become increasingly difficult. As can be observed in table 3, the average Local Housing Allowance (LHA) level compared with rents in Lewisham can mean that there is very little that would provide affordable accommodation, or accommodation that would not leave households with very little additional money once housing costs are considered. In the one year to Q1 2022 only 8.8% of all properties listed for rent across London were affordable on LHA. Properties are therefore judged to be not affordable and consequently cannot be used to discharge duty by the local authority. This is resulting in more households remaining in temporary accommodation for longer.

5.7. The Council's Accommodation Supply Team procured 162 PRS properties for move-on between April 22 – January 2023, down from 239 over the same period in 2021/22. Across London, the number of properties listed to rent in the first quarter of 2022 was 35% lower than the pre-COVID quarterly average.

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Table 3 – Average weekly rent and applicable Local Housing Allowance (LHA) rates

Bedrooms	Inner Southeast London		Outer Southeast London	
	Average rent	LHA	Average rent	LHA
1 room (shared facilities)	£178.85	£118.87	£129.81	£140.19
1 room (self-contained)	£242.31	£264.66	£183.64	£140.19
2 rooms	£370.20	£310.68	£245.20	£171.34
3 rooms	£447.50	£385.48	£300.00	£206.66
4 rooms	£571.15	£506.30	£346.16	£270.00
5 rooms	£622.50	£506.30	£415.39	£353.08

- 5.8. The housing market is also becoming increasingly competitive between local authorities in London. Lewisham is currently the most affordable London borough based on the proportion of 2 and 3 bed listings at or below LHA rate within the last 2 years. This is attracting procurement activity from other boroughs and organisations such as the Home Office and Ministry of Justice and provider/third sector organisations, who are able to access housing without being subject to pan-London local authority rent cap agreements.
- 5.9. The Councils house building programme is targeted to deliver a total of 2,000 new social homes between 2018 and 2026. Despite this, the supply of social housing in Lewisham cannot keep pace with demand for it. The number of social housing properties available for letting has been steadily decreasing, with the number of social lets made by the council decreasing by 51% since 2015. In the 21/22 financial year we achieved 1,017 social housing lets, compared to 10,281 households on the housing register. Of these, just 196 were allocated to homeless households. It is therefore likely that many of those currently in temporary accommodation or on the housing register will never move into social housing. The council has become heavily reliant on the private rented sector to move households out of temporary accommodation. The table below shows the number of social lets made to homeless households since 2015.

Table 4 - Social lets made to homeless households by year

Year	Social lets to homeless households
2015	408
2016	594
2017	387
2018	404
2019	528
2020	426
2021	204
2022	196

- 5.10. The number of households successfully prevented from becoming homeless peaked in 2020, however we have observed a decrease in successful negotiation or mediation to prevent an eviction. This is likely a knock-on effect of the market changes. This fall in supply also means that of the households that do enter temporary accommodation, we are not moving households out of temporary accommodation at an equal rate. This has caused the overall number of people in TA to increase, which has risen to 2,780 currently compared to around 2,000 in 2020. Without enhanced access to move-on accommodation, we cannot support households to move out of TA and to reduce our overall pressures.

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- 5.11. The result is more households staying longer in TA to await move on, to an increasingly limited supply of settled accommodation. The average length of stay in TA has almost tripled since 2015; this is driving up the cost of temporary accommodation. As a result, we are faced with a need for longer-term, LHA affordable temporary accommodation by a growing number of people.

Table 5 - Average number of days in temporary accommodation by year

Year	Average Days in TA
2015	272
2016	276
2017	301
2018	359
2019	379
2020	381
2021	472
2022	611
2023	718

- 5.12. Households with specific needs are often accommodated for long periods of time in insecure, expensive accommodation whilst the council sources a property that is suitable for the household. As of November 2022, there were 77 households on the housing register who require a home that is wheelchair accessible and 186 households who require an adapted property to meet their needs. The council is also facing a growing need for properties that accept pets. Whilst temporary accommodation meets the needs of the household in the short-term, the length of time that households have to remain in such accommodation can often have a detrimental impact.

Increasing cost to LBL

- 5.13. The provision of the temporary accommodation is currently the highest spending area of the Housing Services directorate. Based on the net number of people entering and leaving temporary accommodation per year, we estimate that with no change in current practices the number of households in temporary accommodation will continue to grow.
- 5.14. Housing Benefit rules require that the Council can only charge a rent equal to 90% of the Local Housing Allowance rate for 2011 to the tenants. This means that there is a shortfall between the rent that will be paid to landlords and the rent the Council receives from the tenant, with the balance being borne by the General Fund. This is the biggest net expenditure of the service and is forecast at £10.2m in 2022/23.
- 5.15. Furthermore, in all London boroughs average rents are now higher than their pre-pandemic levels, with fewer landlords are willing to rent properties at LHA rates. This creates a funding gap that will only increase the limitation recharge unless new ways of funding and delivering services are put in place.
- 5.16. Acquiring our own stock will enable us to reduce costs by having greater control over setting rents at the current Local Housing Allowance, and acquiring property in areas where the Local Housing Allowance makes up a greater proportion of clients income. This will increase the supply of properties that can be used to move people out of costly temporary accommodation thereby avoiding the limitation recharge. This could save an average of £8,854 per household per year depending on the size of the property.

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6. Options for acquisition going forward

- 6.1. As part of the wider strategy how to increase the Council's supply of accommodation for homeless households, and reduce overall costs to the general fund, it is proposed that the council bulk-purchase 300 properties for accommodation.
- 6.2. The provision of growing the councils asset base of affordable properties in and close to Lewisham is an ambition that we will be seeking to deliver through our new Accommodation Procurement Strategy. This report supports one of the commitments – *"We will work in partnership with the council's acquisitions team to identify opportunities for purchasing properties on the open market, to be prioritised for accommodation for homeless households"*.
- 6.3. There are three options that have been considered. They include:-
- I. Option 1 - Do nothing - The Council's will continue to deliver its homelessness services using its existing stock of temporary accommodation, consisting of a combination of hostels, which are owned and managed by the Local Authority, Private Sector Leased (PSL) and Private Managed Accommodation (PMA) properties which are procured from private individuals or companies on long leases, and nightly-paid emergency accommodation. Discharge of duty properties will continue to be sourced through work with local landlords and social lets.
 - II. Option 2 - Procure an external partner - This option would be to procure an external partner to bulk-purchase properties on the open market and manage these on the council's behalf. A provider would mobilise having been selected after a compliant competitive tender process in compliance with the Public Contracts Regulations 2015. Under this option, the council would enter a partnership with an external partner to increase the purchasing power and ability to purchase the scale of affordable homes needed, with the Council owning the properties at the end of the contract term. There are a number of examples of successful large scale partnerships within Local Governments that have informed the financial modelling and assumptions within this option. However, this option would require a significantly higher level of general fund borrowing, and the interest rates assumed result in significantly higher costs to the council that mean this option is not considered financially viable at present.
 - III. Option 3 - In-house delivery - This option would be to bulk-purchase properties on the open market through the existing in-house buy-back programme. This option will utilise the knowledge built up through the current Buyback Programme 1 (RTBB1) as well as the staff and infrastructure. Under this option, it is recommended that the council procure an external partner to provide refurbishment, repairs and maintenance services for the 300 properties. **This is the recommended option.**
 - IV. Option 4 – Shared delivery with a commercial partner and other boroughs - In 2018 the council agreed to join Capital Letters, a partnership of member authorities aimed at procuring private rented sector homes for discharge of duty across London to reduce competition for procurement between London boroughs. Capital Letters have been exploring new business opportunities which included a similar acquisition and leasing model described under option 2. However, this option does not provide the council with the flexibility and benefits of an in-house option to use or dispose of an asset base as the business requires, and this option was not considered financially viable.

7. Key deliverables

Acquisition

- 7.1. The initial findings of an accommodation review have identified the need for 300 properties for accommodation for homeless households. The programme will purchase a balance of one, two and three and larger properties subject to market availability and

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sales values.

- 7.2. This programme would be to bulk-purchase properties on the open market through the existing in-house buy-back programme (Option 3), with a focus on buying private on street properties where the size, location and service charge are acceptable.
- 7.3. This option proposes using a combination of GLA RTB receipts and General Fund borrowing be utilised to fund this programme. The Programme will use the GLA RTB Receipts which will ensure they are allocated and drawn down prior to September 2023, when the GLA ringfence expires. In parallel, the Strategic Development team will look at GLA and other government funding streams to reduce General Fund borrowing allocated to this programme.
- 7.4. The programme will utilise the knowledge built up through the current Buyback Programme 1 (RTBB1) as well as the staff and infrastructure. This option includes a proposal of funds for the purchases, as well as funding for the Senior Project Manager and Acquisitions Manager, to source, process and administer the acquisitions. The programme shall be overseen by the Strategic Development Team for the purchase and refurbishment component of the programme. The ongoing maintenance and management of the properties shall be carried out by the Housing Directorate.
- 7.5. The programme will deliver a mixture of one two, three and bedroom homes. Officers will balance the housing need for larger properties, against the programme's overall viability.
- 7.6. The programme will acquire a profile of stock in accordance with an agreed list of suitable criteria, as approved by the Director of Housing Services.
- 7.7. Given the challenges described in this report it will be necessary to develop an property acquisition strategy that can adapt to localised affordability problems. Therefore, whilst the Council strives to make all placements in borough or as close to borough as possible and properties acquired will primarily target South London boroughs, a portion of properties may be acquired outside of London. This will enable the council to acquire properties where LHA rates are more in line with households' income and avoid incurring a limitation recharge. The Council's Location Priority Policy sets out how it will prioritise the allocation of the temporary accommodation that is available, and the council will undergo a comprehensive assessment of each households income and circumstances to ensure the property and rent is sustainable for the applicant.
- 7.8. Of the 300 properties to be acquired, around 50 of the properties will be acquired specifically in North Lewisham to meet the needs of residents who are not constrained by the central government Benefit Cap. In addition, around 90 of the acquired properties will be let at a discount to LHA rents to ensure that residents allocated these properties still have sufficient funds remaining, if constrained by the central government Benefit Cap.
- 7.9. The Properties will be sourced and purchased by the existing Right to Buyback Team and all offers/acquisitions will be subject to a Royal Institute of Chartered Surveyors(RICS) "red book valuation" to ensure value for money.
- 7.10. The acquisition and refurbishment process will follow the process map developed as part of the Right to buyback programme.
- 7.11. The Strategic development Team shall employ a building surveyor and a clerk of works to ensure a prompt and high quality refurbishment of the purchased properties is carried out and that acquired properties meet all lettable standards.
- 7.12. The properties will be refurbished and maintained via a high quality contractor specifically procured to meet the needs of this programme.

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Table 6 - Housing Acquisitions Programme timetable:

Key milestones	Date
1 st completion within the three months of programme (assuming programme starts 3rd April 2023)	31/07/2023
Property first occupied 6 weeks from completion date	w/c 11/09/2023
First 3 months to complete 10 properties	31/07/2023
Subsequently to complete 26-27 properties every 3 months for 3 years up to 300 properties in total.	Ongoing
Programme completion	31/03/2026

Housing Management

- 7.13. A quality housing management service is essential to facilitate the successful delivery of this programme. A quality service will ensure resident satisfaction, low levels of rent arrears, minimal property damage and disrepair whilst ensuring tenancy problems are dealt with swiftly.
- 7.14. There is a need to procure Works and Housing Management services to achieve the aims of this programme. There is a challenging strategic context in which we are proposing to procure these services. Properties purchased under the Right-to-buy-back 1 programme were handed to Lewisham Homes to bring to lettable standard and then to be added to properties let through the housing register as general needs stock. As the properties being bought under this programme will be used for homeless households, there is a need for a very fast turnaround of void work in order to move households out of costly nightly paid properties as soon as possible. Furthermore, the higher turnover of using properties that are used as temporary accommodation means there is a need for high responsive refreshing and housing management services. Therefore, it is considered more efficient for the programme to work with an external partner.
- 7.15. In practice, the Council will purchase the three hundred properties and the refurbishment, maintenance and housing management would pass to an external contractor. The contractor would be responsible for:
- Key to key void maintenance service including carrying out initial property refurbishments following property acquisition;
 - Responsive repair and cyclical maintenance to ensure properties are compliant with standards required;
 - Refreshing properties between tenancies;
 - Supporting clients with the moving in and tenancy start up process;
 - To be the key point of contact for any tenancy and property management enquiry from tenants;
 - Ensure that rent is collected and any arrears are minimised by advising and helping tenants.
 - Manage tenants vacating properties and “moving on” by completing tenancy termination.
- 7.16. It is proposed that the council procure an external contractor for an initial 3 year period over which the properties will be purchased. The extension of the contract will be determined by the capacity of in-house housing management services and whether the management of the 300 properties are able to be transitioned into council services without disruption.

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- 7.17. The council will continue to manage tenant nominations into the properties. As set out in the councils new Accommodation Procurement Strategy, the challenging housing context means that we are having to look for opportunities to realise cost reductions to current spend on temporary accommodation. As part of looking at ways to achieve this, these properties will be allocated in such a way as to mitigate against our forecast overspend, whilst ensuring the new properties are utilised for those most in need.
- 7.18. All properties will be let to homeless households which the Council has a long-term duty to support. To help realise cost reductions, we are proposing to offer properties to households in the following circumstances (please note, this is not an exhaustive list):
- *Applicants in nightly paid temporary accommodation incurring the highest levels of limitation recharge;*
 - *Applicants who are in unsuitable temporary accommodation and waiting on our transfer list to be moved;*
 - *Applicants who are affected by the benefit cap who are in unaffordable temporary accommodation;*
 - *Households newly approaching who are owed the prevention/relief duty who are likely to result in a long-term temporary accommodation placement under the main housing duty.*

8. Options for procurement of refurbishment, repairs, maintenance, and management contract

- 8.1. A procurement exercise will take place to choose and award a contract for the refurbishment, maintenance and management of the 300 homes acquired. A number of options have been considered, including:
- 8.2. **Procure the management and maintenance services separately:** There are some related services such as refurbishment and maintenance services which are available by separate frameworks. Under this option, these may be utilised rather than an open tender to speed procurement and delivery, with the council separately procuring a partner to deliver the tenancy management functions.
- 8.3. However, this option will heighten the risk to the council as one or more failures of each of the service providers will have a 'domino effect' on the overall service delivery. This in turn, depending on the level of severity, could impact the councils voids rate, rent collection and affect the consistency of service offered to residents. This approach will also demand a larger structure on the client-side to manage each service area.
- 8.4. **Procure the management and maintenance service in its entirety (recommended option):** Delivering a joint housing management and maintenance service will ensure a comprehensive end-to-end service for residents and the council. There are a number of examples of successful large scale partnerships within Local Governments that have informed the assumptions within this option. Under this option, it is proposed that the council would run an open competitive tender managed through the ProContract portal. This proposed procurement route is an open / restricted tender following public advertisement. This will include a shortlisting stage so only 5 suppliers with the technical experience & capability are invited to make a full tender submission
- 8.5. The benefits of this option include:
- a simpler streamlined contract process and service for residents
 - lower procurement costs and resources spent against multiple contracts
 - a direct service provider relationship focussed on delivery
 - better economies of scale and bargaining power to choose the provider with the most competitive rate and service expertise

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9. Financial implications

- 9.1. See Part 2 Report

10. Legal implications

- 10.1. The Council has the ability to acquire property for the purposes of its statutory functions. Property can be acquired in or out of borough using Housing Act 1985 powers or into the General Fund using Local Government Act 1972 powers, depending on the proposed use.
- 10.2. Part 7 of the Housing Act 1996 provides the statutory under-pinning for action to prevent homelessness and provide assistance to people threatened with or actually homeless. The Homelessness Reduction Act 2017 significantly reformed England's homelessness legislation by placing duties on local authorities to intervene at earlier stages to prevent homelessness in their areas. It requires local housing authorities to take reasonable steps to prevent homelessness (when anyone is threatened with it within 56 days) and to "relieve" homelessness (through maintaining or securing accommodation) for eligible applicants who are homeless or threatened with homelessness. The recommendations in this report will assist the Council in the discharge of this statutory duty by making additional housing available to accommodate the homeless.
- 10.3. All properties sold under Right to Buy legislation since 18 January 2005 contain a covenant which requires any owner intending to sell their property within 10 years of purchase to offer the property back to the Council. The Council has 8 weeks to accept or reject the offer. If the Council serves an acceptance notice, the Council must enter into a binding contract for the purchase of the property within 12 weeks of accepting the offer, or within 4 weeks of receipt of a written notice from the owner saying that they are ready to complete the transaction, whichever is the longer. If the time limit is not complied with then the owner is free to dispose of the property as they see fit. The delegations in this report will enable officers to comply with these time frames.
- 10.4. The Council must comply with any conditions of grant funding used for the purposes of funding the proposals set out in this report.
- 10.5. Any procurement exercise carried pursuant to the recommendations in this report must comply with the Council's constitution and procurement legislation then in force. This report authorises the commencement of a procurement process and subsequent award of contract and delegates to the Executive Director for Housing, Regeneration and Public Realm authority to select the preferred contractor in accordance with the selection criteria published in the tender documentation and agree the final form contract, provided such award is within the financial limits set out in the Part 2 Report. The resulting contract will be for an initial term that may be extended. This report delegates to Executive Director for Housing, Regeneration and Public Realm the authority to extend the contract in accordance with its terms.
- 10.6. Any agreements entered into in consequence of the approvals in this report must be approved in advance of commencement by Legal Services on behalf of the Director of Law and Corporate Governance.
- 10.7. In taking the decisions in this report, the Council's public sector equality duty must be taken into account.

11. Equalities implications

- 11.1. The Council's Single Equality Framework for 2020-24 will provide an overarching framework and focus for the Council's work on equalities and help ensure compliance

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with the Equality Act 2010.

- 11.2. The Council's Equalities objectives are addressed in the contract documentation and will form part of the criteria used in the pre-tender evaluation.

12. Climate change and environmental implications

- 12.1. The Council has made a commitment to making the borough carbon neutral by 2030. The attainment of lettable standards includes measures to improve energy performance to EPC D or equivalent.

13. Crime and disorder implications

- 13.1. There are no crime and disorder implications arising specifically from this report.

14. Health and wellbeing implications

- 14.1. The attainment of properties of lettable and decent homes standards will have direct, positive health and wellbeing implications through the availability of homes for the Council's residents. The Council will be able to provide more good quality, secure affordable homes creating a peace of mind for families who have become homeless or are currently in over-crowded accommodation.

15. Social Value implications

- 15.1. The tenderers will be asked a method statement question to demonstrate what social value they can deliver through the contract.
- 15.2. The council is an officially accredited London Living Wage (LLW) Employer and is committed to ensuring that, where appropriate, contractors and subcontractors engaged by the council to provide works or services within Lewisham pay their staff at a minimum rate equivalent to the LLW rate. The successful provider will be expected to meet LLW requirements and contract conditions requiring the payment of LLW will be included in the service specification and contract documents.
- 15.3. The incorporation of Social Value into Lewisham contracts will significantly help the Council to deliver on its strategic corporate and Mayoral priorities and deliver added value for the borough as a whole.

16. Background papers

- 16.1. [M&C Report – Introduction of the new Accommodation Procurement Strategy 2022-25](#)

17. Glossary

Term	Definition
Right to buy receipt (RtB)	The money raised from the sale of Council homes under right to buy
Right to buy	A Council tenant's right to purchase their home at a discounted rate
BfL	Building for Lewisham (Lewisham's housing delivery programme)
Buying back ex-council homes	Lewisham's purchase of ex-council housing from the market

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Term	Definition
Limitation recharge	The subsidy paid by the council for temporary accommodation, where rents exceed residents housing benefit entitlement.
Local Housing Allowance (LHA)	The maximum amount of housing benefit available for properties of different sizes in different areas.
NPV	Net Present Value (the overall cost of the purchase, additional works, and all associated costs, against the income received over 40 years)

18. Report author(s) and contact

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