

DECISION NO:	<i>For Member Services use only</i>
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Concurrence No:	066392
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Action under delegated authority of Chief Executive	
Action under delegated authority of Director of Finance and Cabinet Member for Finance	
Action taken by Chief Executive in consultation with Cabinet Member(s)	X

Subject: Supplementary lease to add one additional unit to the existing leasing of 32 'HUGG' units

Signature and designation of officer(s) taking action:

04/05/20 _____ Chief Executive Date	30/04/2020 _____ Director of Finance Date
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_____ Head of Financial Planning and Reporting	_____ Date
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Name of Cabinet Member(s) Consulted:

I have been consulted and concur with the proposals set out below:

Cllr s Monaghan

 Cabinet Member for Housing and Community Services

Signature: _____ Date: 06/05/2020

Cllr P Mason

 Cabinet Member for Finance and Business Services

Signature: _____ Date: 05/05/2020

Name of any member who has declared a conflict of interest in relation to this decision: _____

THIS DOCUMENT WILL BE PUBLISHED ON THE COUNCIL'S WEBSITE

The report overleaf sets out the decision to be taken, the reasons for the decision, and the details of alternative options, if any, considered and rejected.

Officer decisions are available for public inspection, both at the Borough Offices and on the Council's website, for a period of six years after the decision is made. Background papers are available for four years.

RECOMMENDED that approval is given to include one additional unit into the exiting lease with Inland Homes.

Purpose

To propose that the Council enters into a supplemental lease with Inland Homes for one additional two-bedroom 'modular home' (branded 'HUGG') at the site of the existing 32 leased units in Delamare Road, Cheshunt.

The Project

Inland Homes are in the process of securing planning permission to convert a modular unit, previously used as a 'show home', into an additional modular home for occupation. The unit is on the same site as the existing 32 modular units the Council already leases from Inland Homes. This unit will be added to the existing lease via a supplemental lease and will therefore mirror all the existing terms of the lease, including the lease period.

The cost of the unit will be same as those set out in the lease for the original 32 units in that it will be £922 a month and under the lease the Council will manage the units day to day, including repairs and maintenance, select who resides in them and be responsible for setting and collecting the licence charge. The charge the Council will levy to its customers is £1,200 per month.

The unit is already furnished and the furniture will be gifted to the Council once the arrangement has been agreed.

Financial, Legal and Risk Management Implications

Financial

These are set out in the body of the report. All costs can be retained within existing budgets

Legal

The accommodation would be used as temporary accommodation and would enable the Council to discharge its statutory obligations under the new Homeless Reduction Act as well as reduce the reliance on the nightly paid market.

The proposal would require the Council to sign a contract with the owners prior to the agreement going forward.

Risk

Homelessness is an area of high risk for the Council. However, this proposal is designed to mitigate financial risk by acquiring temporary accommodation that represents better value for money than the nightly paid alternative. It will also enable compliance with the enhanced levels of responsibility under the Homelessness Reduction Act 2017 to place homeless households in accommodation locally. The

initial scheme of 32 units which was introduced in 2018 on the same site provides some assurance as to the success of adding an additional unit.

The key is a downturn in demand for this type of accommodation. However, in the current climate this seems unlikely.

Alternative Options Considered and Rejected

The alternative is to place households in nightly paid accommodation. This is more expensive than the option set out in this proposal. Average monthly nightly paid accommodation costs in the region of £1,334. Therefore this unit is cheaper than the market average.

Equalities Implications

Households with a 'protected characteristic' (which includes age, disability, gender, race and religious affiliation) under the Equalities Act (2010) and who apply as homeless are disproportionately represented when compared to the general population.

Any proposal to improve the quality of accommodation offered to this group will have a positive impact on the broader equalities agenda.

Contribution to the Council's Objectives

This proposal contributes to the objective in help residents affected by homelessness and disadvantage.

Conclusion

This proposal represents an opportunity to obtain temporary accommodation of the right size, in the borough and at a lower cost than the nightly paid alternative and represents an extension of an already successful scheme on the same site. As such, it represents an opportunity to reduce costs and meet the Council's statutory obligations.

Contact Officer: Lee Anne Hill

Ext:

Date:

Action reported to the Cabinet on:
