

Record of Decisions

Acquisition of four properties to deliver Local Authority Housing Fund Round 3

Decision Taker

Cabinet on 14 July 2025.

Decision

1. that the acquisition of four residential properties in Torbay, supported by £551,500 of Local Authority Housing Fund Round 3 (LAHF3) grant awarded by the Ministry of Housing, Communities and Local Government (MHCLG) be approved;
2. that the specific acquisition of the first three identified units, being three 3-bedroom houses as outlined in Exempt Appendix 1 (subject to the satisfactory conclusion of all necessary due diligence). Such properties to be used as either Temporary Accommodation, or for families that would otherwise be living in Temporary Accommodation that have a local connection to Torbay and require this type of assistance, be approved;
3. that authority be delegated to the Director of Finance, in consultation with the Cabinet Member for Housing and Finance, to identify a suitable 4-bedroom home, and to approve the purchase of such a property (subject to the satisfactory conclusion of all necessary due diligence) to support the Afghan Resettlement Programme (ARP), as outlined in Exempt Appendix 1 (and as a condition of the LAHF3 grant);
4. that authority be delegated to the Head of Strategic Housing and Delivery, in consultation with the Cabinet Member for Housing and Finance to agree and finalise the terms to acquire all of the homes and procure all necessary support services to facilitate the acquisitions, including any necessary legal and financial arrangements; and
5. that Council be recommended that:

The Capital Programme be uplifted by a maximum of £1,301,500 to acquire the four properties, part-funded by a grant of £551,500 from the Ministry of Housing, Communities and Local Government. The remaining balance of £750,000 to be funded by a combination of: prudential borrowing; revenue savings from existing Temporary Accommodation budgets; or any other relevant internal subsidy or receipts that may be appropriate. With delegated authority to the Director of Finance, in consultation with the Cabinet Member for Housing and Finance to agree the precise balance of funding sources to be deployed.

Reason for the Decision

The acquisition of additional homes would directly contribute to achieving the Council's goal of increasing emergency housing placements within the Bay, reducing reliance on costly and less suitable out-of-area or hotel accommodation. It would also help reduce the occurrence of families with children being forced to live in unsuitable bed and breakfast style accommodation, which was not suitable for long-term occupation. The first three homes proposed for purchase were modern, well-insulated and efficient – providing a stepping stone for vulnerable families on a pathway towards settled housing.

Implementation

The decision in respect of 1. to 4. will come into force and may be implemented on 28 July 2025 unless the call-in procedure is triggered (as set out in the Standing Orders in relation to Overview and Scrutiny). The decision in respect of 5. will be considered at the Council meeting on 24 July 2025.

Information

The Council has secured grant funding from the Ministry of Housing, Communities and Local Government (MHCLG) Local Authority Housing Fund Three (LAHF3) for the acquisition of four residential properties.

Of these, three homes must be used to support families that require (or would otherwise require) temporary accommodation, that have a local connection to Torbay.

A condition of the grant was that the Council must also purchase a single-family home for a household accepted on to the government's Afghan Resettlement Programme. In order to provide support for families that assisted the UK's Armed Forces in Afghanistan prior to military withdrawal in 2021.

The proposed acquisitions would directly support the Council's strategic aims to increase the supply of social housing in Torbay. Torbay continued to experience acute pressures on its housing system, including:

- a notable increase in homelessness presentations;
- consistently high numbers of households in temporary accommodation;
- a growing need for more social housing in Torbay by local families, through Devon Home Choice;
- ongoing need to support Afghan families under the government's resettlement programme, with Torbay having committed to helping a family in need of secure and stable accommodation.

At the meeting Councillor Tyerman proposed and Councillor Billings seconded a motion that was agreed unanimously by the Cabinet, as set out above.

Alternative Options considered and rejected at the time of the decision

In developing the proposal, the Council had considered two principal options:

Option 1 - proceed with the purchase of four homes, including the first three identified in Exempt Appendix 1, prioritising new build homes where possible. In the longer term, these homes would be retained as part of the social housing stock and let through Devon Home Choice to eligible local households. It would also meet LAHF3 grant conditions and secure £551,500 of external investment that would otherwise be lost. This option would also provide immediate and long-term benefits, with permanent use as social rented homes once temporary accommodation need subsided.

Option 2 - not to proceed with the purchase. This option would involve returning the LAHF3 grant and continuing to manage housing need through existing arrangements, including temporary accommodation placements in hotels and bed and breakfast. Whilst this option would avoid capital outlay and associated financial risk. It would not support additional households, and no revenue savings would be derived. As such, the Council would continue to

rely upon high-cost, often inappropriate nightly lets, leading to worsening budget pressures. It would also be reputationally damaging for the authority and mean Torbay misses an opportunity to increase its temporary accommodation provision and social housing stock, through a significant subsidy allocation.

On the balance of considerations, the preferred option was Option 1.

Is this a Key Decision?

No

Does the call-in procedure apply?

Yes

Declarations of interest (including details of any relevant dispensations issued by the Standards Committee)

None

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18 July 2025

Signed: _____ Date: _____
Leader of Torbay Council on behalf of the Cabinet