

	<p style="text-align: center;">London Borough of Hammersmith & Fulham</p> <p style="text-align: center;">Cabinet</p> <p style="text-align: center;">6 JULY 2015</p>
<p>LEASE AGREEMENT – REQUEST FOR DELEGATED AUTHORITY</p>	
<p>Report of the Cabinet Member for Housing : Councillor Lisa Homan</p>	
<p>Open</p> <p>A separate report on the exempt Cabinet agenda provides exempt information in connection with the financial aspects of this lease agreement.</p>	
<p>Classification - For Decision</p> <p>Key Decision: Yes</p>	
<p>Wards Affected: College Park and Old Oak</p>	
<p>Accountable Executive Director: Mike England, Lead Director, Housing Department</p>	
<p>Report Author: Glendine Shepherd, Interim Head of Housing Options</p>	<p>Contact Details: Tel: 020 8753 5813 E-mail: glendine.shepherd@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

The purpose of this report is to seek Cabinet's approval to enter into a lease agreement with a local housing association for continued use of 24 three bedroom homes for temporary accommodation for the homeless. A lease which was previously in place with a third party is coming to an end due to the sale of the freehold to a local housing association. Agreement of the recommendations of this report will enable 24 households currently resident to remain in their homes for a further three years, ending on 9 April 2018.

2. RECOMMENDATIONS

- 2.1 That the Cabinet Member for Housing in conjunction with the Director of Law and the Lead Director for Housing be authorised to agree expenditure identified in the exempt report on the exempt Cabinet agenda to provide temporary accommodation for the homeless in the borough.

3. REASONS FOR DECISION

- 3.1. To continue the provision of temporary accommodation for the homeless in Hammersmith & Fulham to avoid moving 24 families to alternative temporary accommodation which may not be in the borough.

4. INTRODUCTION AND BACKGROUND

- 4.1. The Council, as part of its approach set out in its housing strategy *Delivering the change we need in housing* is committed to improving its approach to preventing and reducing homelessness. It is a priority because homelessness and lack of access to good quality accommodation has a major impact on many aspects of the quality of life for residents of the borough, including physical and mental health well-being; educational attainment; and the prospect of accessing and sustaining employment.
- 4.2. The Council aims to accommodate all households seeking assistance with housing, within Hammersmith & Fulham. However, this is becoming increasingly challenging with temporary accommodation (TA) subsidies unable to meet current market rents.
- 4.3. Local Housing Allowance (LHA) has impacted negatively on TA provision in the borough. The LHA are the rates used by the Government's Valuation Office to calculate the amount and maximum housing benefit that can be claimed. Hammersmith & Fulham house prices are the third highest of all London boroughs and this is reflected in the rental market (See section 5.3 for more detail).
- 4.4. Landlords are frequently requesting the return of in-borough accommodation currently leased to the Council on rents within LHA rates and subsidy levels as they are able to realise higher rates in the private market.

5. Value for Money Test

- 5.1. This section sets out why officers consider the proposed approach to meet value for money criteria, over and above the non-financial, non-quantifiable benefits of 24 families continuing to be temporarily accommodated in their current locality.
- 5.2. During 2014/15, there were 1,530 homelessness approaches for housing assistance and 444 acceptances. Of that number, 74 required three

bedroom accommodation. Therefore, the evidenced demand for this property type is strong. Officers do not expect this demand to diminish in the immediate future.

- 5.3. Current private rent levels in W12; in Hammersmith & Fulham; and in London are as follows:

W12 (median)	- £500 per week
Hammersmith & Fulham (median)	- £550 per week
London (Median)	- £390 per week

Source: GLA London Rents Map (data accessed in May 2015)

6. CONSULTATION

- 6.1. The Council in conjunction with (or through) a local housing association will write to residents informing them of the lease renewal and any associated changes that will arise from this joint working.

7. EQUALITY IMPLICATIONS

- 7.1 The objective of this report is to allow 24 homeless households to remain in their three bedroom temporary accommodation in Hammersmith & Fulham for a further three years. Historically, homeless applicants for family-sized accommodation are over-represented from equality groups such as women; black, Asian and minority ethnic communities; the disabled. The equality impacts arising from the adoption of this report on households currently in the temporary accommodation are expected to be positive. Officers would expect negative impacts to occur if the families were moved, probably out of the borough altogether. This would lead to family, friends and community networks being disrupted and the need for change of schools and health service providers, further disrupting family members' personal well-being. For these reasons, a full equalities impact assessment is not considered necessary.

8. LEGAL IMPLICATIONS

- 8.1. The Council has the power under section 17 of the Housing Act 1985 to acquire land and buildings for housing purposes. The proposed terms impose a continued obligation to repair, which will lead to cost in addition to the rent. The lease gives the Council the right to serve three months' notice to terminate the lease in respect of the property or individual blocks
- 8.2. Implications verified/completed by: David Walker, Principal Solicitor 020 7361 2211, Shared Legal Services.

9. FINANCIAL AND RESOURCES IMPLICATIONS

9.1 Financial and resources implications are in the exempt report on the exempt Cabinet agenda.

10. RISK MANAGEMENT

10.1 Provision of temporary housing accommodation within the borough is a key risk noted on the Council Shared Services Risk Register, risk number 8 managing statutory duty and meeting the needs and expectations of service users. Failure to enter into a new lease agreement may significantly impact on the management of the risk and to individuals affected in the properties. Significant risks to individuals are to be noted in the Housing Department’s risk register that is reviewed on a quarterly basis by the Management team.

10.2 Implications verified by: Michael Sloniowski, Shared Services Risk Manager, telephone 020 8753 2587

11. PROCUREMENT AND IT STRATEGY IMPLICATIONS

11.1 There are no procurement related implications contained in the report.

11.2 Implications verified/completed by: Robert Hillman, Procurement Consultant, x1538.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	None		