

East Herts Council Report

Council

Date of meeting: 28th July 2021

Report by: Councillor Peter Boylan, Executive Member for Neighbourhoods

Report title: Acquisition of 34 Queens Road, Ware

Ward(s) affected: Ware Trinity

Summary – This report covers the proposed acquisition of a house in Ware for the purpose of conversion into two self-contained flats for the council to let as temporary accommodation for homeless households instead of placement in bed and breakfast hotels.

RECOMMENDATIONS FOR COUNCIL:

- a) That the residential property known as 34 Queens Road, Ware be acquired by the council and converted to two self-contained units for use by East Herts Council as temporary accommodation for homeless households by means of an addition the council's capital programme and utilisation of commuted sums held by the council for affordable housing as detailed in the EXEMPT Appendix A.

1.0 Proposal(s)

- 1.1 In order to provide a more suitable alternative to bed and breakfast accommodation when the council's existing temporary accommodation for homeless households is full, it is proposed to acquire and convert a house at 34 Queens

Road, Ware into two self-contained units. The two flats would be suitable for the short-term housing of homeless people, principally those with children, while the council helps them secure longer term accommodation. The council would have exclusive control over who is placed in the newly created units.

- 1.2 The funding required would be supported by the rental income net of the costs to manage and maintain the units, with the shortfall in the funding needed being met from s106 commuted sums held by the council solely for the alleviation of housing need experienced by those unable to meet their needs in the open housing market.

2.0 Background

- 2.1 East Herts Council has, over the last 18 months, extended its provision of temporary accommodation for homeless households quite considerably such that the council now owns or manages the following temporary accommodation:

- Hillcrest House, Spellbrook – 11 units
- The Rectory, Stanstead Abbots – 11 units
- Cedar Lodge, Stanstead Abbots – 6 units
- Birch Green bungalows (leased from Network Homes, managed by the council) – 3 units.
- **total – 31 units.**

- 2.2 Given high house prices and private rents in the district, coupled with efforts to help longer term rough sleepers during the Covid pandemic and the current economic uncertainty resulting from the pandemic, the Housing

service has experienced a significant increase in households turning to the council for help as they are facing or already experiencing homelessness. Of note, in the final quarter of 2020/21, some 235 households turned to the council for help because they were facing homelessness. This was a third higher than in the first quarter of the year when 178 households approached the council due to homelessness.

- 2.3 When the Housing service is unable to work with a household, their landlord and/or their family to avoid the loss of their home, temporary accommodation often needs to be provided in line with national legislation. If the council's temporary accommodation is full there is no alternative to the use of bed of breakfast accommodation.
- 2.5 While the council minimises the placement of households, at the end of June 2021, some 17 households were in bed and breakfast accommodation.
- 2.6 As well as clearly being an unsuitable housing option for anything other than a few days, bed and breakfast accommodation represents a direct and significant cost to the council because housing benefit is unable to cover the full costs of the rooms used and the homeless households are not in a position to make up the shortfall. The latest budget estimate is that the council will need to find £100,000 in costs for bed and breakfast for 2021/22.
- 2.7 At this time, the council is able to utilise grants from the government for homeless prevention to meet these bed and breakfast costs, however, (a) the resources are finite and left unchecked, these costs would represent an additional burden on council's revenue funds which are already under significant pressure and (b) simply paying over

homelessness prevention grant monies to hotels takes the resources away from much needed preventative and support work.

- 2.8 It is within this context that officers are proposing the acquisition of the property in Ware. The capital costs falling to the council can be met from the net rent, with additional capital needed being met from s106 commuted sums held. In addition, a saving of around £26,000 per year would arise from the resultant reduction in bed and breakfast hotel use.

3.0 Reason(s)

- 3.1 It is proposed to acquire the property and convert it into two much needed units of temporary accommodation so as to provide a far better alternative to bed and breakfast use while at the same time delivering a saving to the council arising from a commensurate reduction in the use of bed and breakfast rooms.
- 3.2 The proposal means the council could provide temporary accommodation in Ware, a part of the district in which the council does not currently have such options.
- 3.3 The council granted planning permission in July 2020 for 34 Queens Road covering *'Demolition of outbuilding. Erection of single storey rear extension and dormer window to rear. Conversion of dwelling to create 1, two bedroomed and 1, one bedroom dwelling together with parking, vehicle entrance and crossovers'*. The council may wish to follow this planning permission or, alternatively, seek a slight variation to 2no one bedroom units in line with service requirements and accessibility needs. Officers do not foresee any significant

difficulties inherent with seeking permission for such changes should they be deemed necessary.

- 3.4 The adjoining property and adjacent small garage block are in the ownership of a local housing association. While the idea has not been raised with the housing association, officers feel that at some future point it might be worthwhile exploring the possibility of a wider joint use / redevelopment of site. Officers are of the opinion that any possible future reuse does not diminish the case for conversion of the house made in this report.

4.0 Options

- 4.1 Not approve the acquisition and conversion of 34 Queens Road, Ware and not approve the acquisition of any alternative property – NOT RECOMMENDED as this would not enable the council to develop its portfolio of temporary accommodation and in doing so deliver the dual benefits of more directly managed high quality temporary accommodation and reduced bed and breakfast costs to the council. It should be noted that just because the council's offer on the property has been accepted, this does not oblige Council to approve the report's recommendation.
- 4.2 Not approve the acquisition and conversion of 34 Queens Road, Ware but ask officers to find an alternative property – NOT RECOMMENDED. The property in question appears particularly suited to conversion, not least because it is vacant and the current owner has already secured planning permission for conversion thus 'de-risking' this element of the proposal. The property has been stripped back and is ready for conversion. Officers feel it is unlikely that an

alternative property in a similar state of readiness would be readily available.

5.0 Risks

5.1 As with any capital works project, there is a risk of cost increases whether due to unforeseen issues arising during the works phase or general cost inflation. To mitigate this:

- the council's Property team has modelled costs based on recent projects such as the conversion works at Cedar Cottage
- the financial modelling presented in the EXEMPT appendix includes a 20% contingency on the modelled conversion costs
- officers have confirmed that sufficient s106 commuted sums are available should unavoidable cost over-runs arise. Use of these s106 resources would not place any additional burden on the council's own capital resources and/or present a further need to borrow.

5.2 Officers appreciate that conversion of a semi-detached property into two units of temporary accommodation may raise questions among the property's neighbours or other residents in the locality. That said, however:

- the adjoining semi-detached property is in the ownership of a local housing association. Officers have raised the council's proposed use of the property with a representative of the housing association who is supportive
- the current owner of 34 Queens Road has been able to secure planning permission, with local people thus able

to raise any issues when the application was lodged. Neither the housing association which owns the adjoining property, nor the tenant of that property, made any comments on the planning application. Residents at two addresses on the opposite side of the road made objections that conversion to flats was not in keeping with an estate consisting of houses and that additional properties could add to parking pressures. It is worth noting that the planning permission granted allows off-street parking to be formed in the grounds of the property thus, arguably, reducing any pressure on on-street parking.

- 5.3 Officers feel the likelihood of nuisance to neighbours during both works and occupation is minimal given that:
- the council has a track record of considerate capital works to residential properties, for example the extensive refurbishment of the terraced property at 6 Water Lane, Hertford in 2019 and the conversion of Cedar Lodge earlier this year. Neither projects caused any notable nuisance to neighbours
 - the council currently manages 31 units of temporary accommodation at three separate locations without neighbour nuisance occurring
 - as at the council's existing temporary accommodation locations, officers will engage with local members, partners and residents to ensure the temporary accommodation is seen as part of the local community.
- 5.4 Continuing to add to the council's operational asset portfolio could place additional pressure on officers managing the

portfolio; adding properties for which the council is responsible risks a situation where there are inadequate resources to deal with multiple issues especially as residential properties require a 24/7 response capability. To address this risk:

- Property and Housing officers are looking at how best to provide arrangements for out-of-hours property management and works. This work has already been necessitated by the acquisition of The Rectory and Cedar Lodge
- estimated costs have been included in the financial model for management and maintenance. It is thus felt that sufficient provision has been made for these, however, this will be kept under review with options put to members through the annual budget setting process in the unlikely event that uncontrollable pressures arise at a future date.

6.0 Implications/Consultations

Community Safety

Yes – by its very nature, temporary accommodation can accommodate those fleeing difficult situations such as domestic abuse and so it is felt that the accommodation, professionally managed directly by the Housing team’s specialist homelessness officers, would make a positive contribution to alleviating community safety issues in the district.

Data Protection

No.

Equalities

Yes – the development of the homelessness strategy, which this proposal supports, has been subject to an equalities impact assessment. Services are, as a result, provided in person and by telephone and e-mail, with translation available. For some people with protected characteristics, there may be a need to be accommodated in certain parts of the district, for example to retain health, support or education networks. Thus, additional provision in a part of the district currently without council-owned temporary accommodation, in this case Ware, would be extremely helpful in overcoming any disadvantage.

Environmental Sustainability

Yes – the conversion works would maximise the energy efficiency of the units and thus contribute to the council's environmental sustainability aspirations.

Financial

Yes – see the EXEMPT appendix for further details.

Health and Safety

Yes – the capital works contract would specify adherence to health and safety in construction.

Human Resources

No – management of the additional two units can be accommodated by existing staff managing the council's temporary accommodation and supporting homeless households.

Human Rights

Yes – the availability of self-contained units assists in ensuring households' rights to family life can be maintained while homeless.

Legal

No – the proposals are being made within the existing homelessness legislation.

Specific Wards

Yes – Ware Trinity.

7.0 Background papers, appendices and other relevant material

7.1 EXEMPT Appendix A – the commercially sensitive business case supporting the proposal.

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