

**1. Were we 'allowed' to buy these properties – citing the rules and regulations.**

A paper was presented to Full Council on 1<sup>st</sup> March 2023 providing an update on the Local Authority Housing Fund (LAHF) ([south kesteven district council - Agenda item - Local Authority Housing Fund \(LAHF\) Update](#)). Following debate, Full Council approved the receipt of the LAHF funding and the memorandum of understanding with the Department for Levelling Up, Housing and Communities (DLUHC). It was made clear in the Full Council report that the purpose of the LAHF was to support local authorities in providing accommodation to Ukraine and Afgan families, settled in the UK legally under various government schemes.

The agreement with DLUHC is that the Council would provide a total of 21 homes over a two-year period. The Council is required to report all information to DLUHC on fund allocations and delivery until the Council's programme has been completed; these returns are to be signed off by the Council's S151 Officer or deputy.

July Cabinet subsequently delegated authority to the Council's S151 officer, in consultation with the Portfolio Holder for Housing and Planning to acquire properties using the LAHF grant funding in accordance with the grant agreement arrangements.

The conditions of the LAHF grant funding are outlined in the following document; [Local Authority Housing Fund Prospectus and Guidance \(publishing.service.gov.uk\)](#). It is clear (page 4) that the basic model assumes stock acquisition and that this can mean acquiring new build properties.

In accordance with the delegation given by Cabinet, the S151 Officer, Richard Wyles, made an Officer Delegated Decision on 26<sup>th</sup> July to purchase the properties at Langtoft. The report is exempt from publication because it contains commercially sensitive information ([south kesteven district council - Decision - Purchase of Properties Langtoft](#)).

The planning permission for the Langtoft development (S17/1900) required 35% of the dwellings to be affordable. The purchase of these properties does not contravene the requirements of the planning permission.

**2. What were the exact terms of the Government grant on what we could purchase.**

The Council has signed a memorandum of understanding with DHLUC regarding the requirements spending the grant funding. This was set out and agreed by Full Council (March 2023) and is monitored by DHLUC and the Council's S151 Officer. The conditions of the LAHF grant funding are also outlined in the following document; [Local Authority Housing Fund Prospectus and Guidance \(publishing.service.gov.uk\)](#).

**3. On what date and where did we give the responsibility for negotiations to the Acting Director of Housing?**

Delegation was given by Cabinet in July 2023 to the S151 Officer in consultation with the portfolio Holder for Housing and Planning. The decision to purchase the properties at the price paid was approved in accordance with that delegation on 26 July 2023.

**4. Who approached who regarding the possible purchase and when.**

The planning team monitors the provision of affordable housing to ensure that it complies with the requirements of the planning permissions. Ashwood Homes contacted the Planning Policy team on 18 May 2023 to confirm that the registered provider (RP) that they had been working with no longer wished to purchase the properties. A list of alternative RPs was provided to Ashwood Homes at the time. On 14 June, a list of developments was provided to Officers where it was known that the developers were struggling to find RPs deliver affordable housing; the Langtoft site was on that list. Officers subsequently contacted Ashwood Homes.

It should be noted that the planning obligation for this site has a cascade meaning that the developer was required to find an RP to deliver the affordable units in the first instance. If, for whatever reason, an RP could not be secured, then the developer could offer the units to the Council. If the Council was not in a position to purchase the units, then they would revert to open market housing.

**5. Over what period did negotiations take place?**

A site visit took place by Officers on 23<sup>rd</sup> June 2023. The planning obligation required the developer to offer the units to the Council on the same terms that they were offered to an RP. The Council commissioned an independent valuation of the units prior to exchange of the contracts for sale. The negotiations took place between 14<sup>th</sup> June (initial contact) and 25<sup>th</sup> August (final completion).

**6. On what date was the deal finalised and how? Eg. Contracts signed?**

Contracts were exchanged on 4<sup>th</sup> August with completion taking place on 11<sup>th</sup> August for the first six properties and on 25<sup>th</sup> August for the remaining six units.

**7. On what date did the commercial sensitivity cease, if different from 4.**

Commercial confidentiality ceased on 4<sup>th</sup> August 2023.

**8. Were we in any way bound to consult residents at any point in the negotiations?**

There wasn't any requirement to consult with residents, they were always intended to be affordable units in accordance with the planning permission.

**9. On what date did Craig inform the Cabinet member that he could inform Ward Councillors.**

Councillors were advised on 4<sup>th</sup> August once commercial confidentiality ceased.

**10. On what date did we issue the press release.**

The press release was issued on Monday 7<sup>th</sup> August at 11:44am.

**Any other info**

The requirement was to ensure good value for money. It can be confirmed that the properties have been valued and the price paid is below the market value.

A letter was issued to all residents of Langtoft on Wednesday 6<sup>th</sup> September; this was a joint letter by the then Acting Director for Housing and Cabinet Member for Housing and Planning. This letter provided details about the process of acquisition.