

 Brent	Cabinet 8 September 2025
	Report from the Corporate Director, Neighbourhoods and Regeneration
	Lead Member - Cabinet Member for Regeneration, Planning and Property (Councillor Teo Benea)
Council Homes Acquisition Programme (CHAP) Delivery	

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Part Exempt – Appendix 1 is exempt as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: “Information relating to the financial or business affairs of any particular person (including the authority holding that information)”
List of Appendices:	One Appendix 1: Property Acquisition Price Caps
Background Papers:	None
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1.0 Executive Summary

- 1.1 As part of the Greater London Authority’s Affordable Homes Programme 2021 – 2026, the Council proposes to acquire 15 homes for temporary accommodation under the Council Homes Acquisition Programme (CHAP).
- 1.2 The purpose of this report is to seek Cabinet approval to proceed with the Council Homes Acquisition Programme (CHAP) for which a Greater London Authority (GLA) grant of up to £1.8m has been secured, including authority to

complete the contracts for the acquisition of up to 15 properties by 31 March 2026 or thereafter, subject to agreement from the GLA and Cabinet approval.

2.0 Recommendation(s)

That Cabinet:

- 2.1 Agree to the delivery of the Council's Council Homes Acquisition Programme (CHAP) to acquire 15 homes for temporary accommodation, subject to Cabinet approval.
- 2.2 Approve the total capital budget of £11,733,750 required to complete the acquisition and refurbishment of 15 properties.
- 2.3 Delegate authority to the Director, Property & Assets, in consultation with the Lead Member for Regeneration, Planning and Property to complete the acquisition of purchases above £1m.

3.0 Detail

3.1 Cabinet Member Foreword

- 3.1.1 The borough plan sets out the Council's ambition to provide safe, affordable housing for residents and under the strategic priority 'Prosperity and Stability' reaffirms the pledge: to deliver 5,000 affordable homes across the borough of which 1,700 will be delivered by the Council by 2028.
- 3.1.2 Other strategies relevant to achieving this strategic priority include:
 - Local Plan
 - Procurement Strategy
 - Social value delivery plan
 - The Poverty Commission
 - Housing Allocations Policy
 - Local Housing Strategy
 - Climate and Ecological Emergency Strategy
 - Homelessness and Rough Sleeper Strategy
 - Equality Strategy
 - Health and Well-being Strategy
 - Inclusive Growth Strategy
- 3.1.3 London is undergoing an unprecedented homelessness crisis. In 2023, one in 50 Londoners is currently homeless and living in temporary accommodation – that means at least 170,000 Londoners, and over 83,000 children, are without a secure place to call home.
- 3.1.4 The acquisition of a further 15 properties will allow the Council to place 15 families in good quality temporary accommodation and reduce the impact of living in hotels on these families as well as reduce the cost pressures.

3.2 Background

- 3.2.1 In July 2025 Cabinet agreed to delegate authority to the Corporate Director, Neighbourhoods and Regeneration in consultation with the Lead Member for Regeneration, Planning & Property to enter into a Deed of Variation (DoV) for the GLA 2021 – 2026 Affordable Housing Programme.
- 3.2.2 Part of this DoV was the proposal to acquire 15 homes through the Council Homes Acquisition Programme (CHAP) with total grant funding of £1.8 million.
- 3.2.3 The CHAP programme helps Councils to acquire homes to turn them into genuinely affordable homes. The programme enables Councils to purchase properties and convert these homes into social rented housing or temporary accommodation for homeless households.
- 3.2.4 The GLA's initial CHAP offer for temporary accommodation (TA) acquisitions was too low to make it viable. Following some financial modelling work, the GLA agreed an uplifted grant rate of £120,000 per unit for TA. TA rent is paid at the Local Housing Allowance (LHA), which is substantially higher than social rent, making this a more viable route for council housing.
- 3.2.5 Finance and Property teams have agreed a series of price caps for acquisitions of 2-4 beds in the North West area of the borough, and the Inner North area, as laid out in Appendix 1.
- 3.2.6 Based on the financial modelling and market research, the Property Team anticipates acquiring up to 15 properties from the open market, with focus on larger properties. All properties must adhere to the CHAP standards and requirements, with an anticipated exchange by March 2026 and completion thereafter.

4.0 Stakeholder and ward member consultation and engagement

- 4.1 Ward members will be kept up to date on any completed acquisitions in their wards as well as updates on any remedial works required prior to placing families in these new homes.
- 4.2 Officers meet with the GLA regularly to update on progress of projects and any forthcoming opportunities for funding and homes delivery.

5.0 Financial Considerations

- 5.1 The total capital budget required for the programme is £11,733,750, as set out in the table below:

Property Acquisition Costs (at Inner North price cap)	£10,425,000
Refurbishment Costs	£750,000
Oncost Contingency and Staff Capitalisation (5% of above costs)	£558,750
Total Budget Requirement	£11,733,750

The capital budget will be financed by the GLA grant up to £1.8 million, and the remaining c.£9.9m by prudential borrowing. The budget requirements assume that all 15 properties are purchased from Inner North London, where property prices and the agreed price cap are higher. If any properties are purchased from North West London, the total borrowing required can be reduced but then LHA rents will be lower.

- 5.2 The financial viability of the scheme is dependent on several assumptions, most significantly that the homes are occupied soon after they are purchased without lengthy delays for refurbishment or identifying suitable tenants. Any departure from these assumptions may cause the scheme to be unviable. In this case, viability is defined as the 15 properties having a positive net present value by year 40 based on the Council's standard assumptions about interest rates.
- 5.3 Temporary accommodation is held within the general fund. Temporary accommodation is likely to make revenue savings for the Council, as it will reduce the need for costly placements. These savings, averaging about £15k per property per year, have not been included in the financial viability modelling.
- 5.4 There is a risk that the Council will need to return all or part of the grant funding if the 15 properties are not exchanged by 31st March 2026. Returning the grant funding would reduce the financial viability of the overall scheme, especially if additional borrowing was required.

6.0 Legal Considerations

- 6.1 A significant grant allocation has been secured from the GLA. The Council has entered into grant agreements with the GLA governing the award of such funding to include the requirement to deliver specified numbers of new homes with start on site dates specified. Failure to observe grant conditions or achieve specified delivery numbers may lead to the Council being unable to access the grant funding and therefore efficient and timely delivery approaches are essential to mitigate the risk.
- 6.2 Under Part 3, paragraph 11 Acquiring, managing and disposing of land and buildings of the Council's Constitution, only the Corporate Director, Neighbourhoods and Regeneration or the Director of Property and Assets may acquire or dispose of an interest in land or buildings. The Corporate Director, Neighbourhoods and Regeneration may dispose of or acquire freehold land or buildings up to a value, in his or her view, of £1m.
- 6.3 Although it is expected that properties will be within this value, should any property been in excess of £1m then it is recommended that Cabinet delegate

authority to the Director, Property & Assets, in consultation with the Lead Member for Regeneration, Planning and Property to complete the acquisition of any properties at or above the asking price of £1m.

7.0 Equity, Diversity and Inclusion Considerations

7.1 Pursuant to s149 Equality Act 2010 (the “Public Sector Equality Duty”), the Council must, in the exercise of its functions, have due regard to the need to:

- (a) eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it,

7.2 The Public Sector Equality Duty covers the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

7.3 Having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.

7.4 There is no prescribed manner in which the council must exercise its public sector equality duty but having an adequate evidence base for its decision is necessary.

7.5 Any scheme funded through the GLA is required to meet specified equality, diversity, and inclusion requirements. The Council has received confirmation that all requirements have been met, these are as follows:

- All investment partners must offer equality, diversity, and inclusion training for all employees.
- All investment partners must implement a zero-tolerance approach to all forms of discrimination, harassment and bullying.
- All investment partners must broaden recruitment channels and encourage applications from diverse and underrepresented backgrounds.
- All investment partners must collect and monitor workforce data to benchmark the diversity of their workforce against the local area of their organisation.
- All investment partners must publish their gender and ethnicity pay gaps.

8.0 Climate Change and Environmental Considerations

- 8.1 The Climate Change Strategy commits the New Council Homes Programme (NCHP) to ensuring Employers Requirements set standards that support the Council's Zero Carbon ambitions. The CHAP programme relates to acquiring existing properties so there is minimal scope to incorporate climate change and environmental considerations into this programme.

9.0 Human Resources/Property Considerations (if appropriate)

- 9.1 None.

10.0 Communication Considerations

- 10.1 The NCHP is supported by a Communications Plan. This includes engagement with stakeholders throughout the delivery of the schemes.
- 10.2 Housing is a high-profile topic among media outlets both from a homelessness perspective and quality of homes. The development and provision of new homes to meet the growing demand is essential and is likely to be of interest to media outlets and local residents and groups.

Report sign off:

Alice Lester

Corporate Director, Neighbourhoods and
Regeneration