

# Cabinet

17 December 2024

## Refurbishment of Hardy House Portland

### For Decision

**Cabinet Member and Portfolio:**

Cllr G Taylor, Health and Housing

**Local Councillor(s):**

Cllr Paul Kimber

Cllr Rob Hughes

Cllr Peter Roper

**Executive Director:**

J Price, Executive Director of People - Adults

Report Author: Paul Derrien/Vikki Jeffrey

Job Title: Housing Enabling and Delivery Team Leader/Senior Housing Funding and Delivery Officer

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**Report Status:** Part Exempt Para 3

**Brief Summary:**

This is an award of contract to a contractor (A Hammond and Sons Ltd) for the refurbishment of Hardy House on Portland. The Council has carried out a procurement exercise and this company provided the best submission and the best value for money. The property will be refurbished to provide five units of family accommodation for those who are homeless or threatened with homelessness.

**Recommendation:**

1. Cabinet approves the award of contract for refurbishment of Hardy House to A Hammond and Sons Ltd. (see Appendix1)

## **Reason for Recommendation:**

Dorset Council has a statutory duty under the Housing Act 1996 as amended by the Homelessness Reduction Act 2018 to provide a number of principle duties to those threatened with or who are homeless, including providing emergency and temporary accommodation. By increasing the number of properties owned and managed by the Council there will be a reduction of the Council's use of Bed and Breakfast (B&B) accommodation. This will lead to a direct revenue saving to the Council and an opportunity to generate income – whilst also providing a better service to our residents who find themselves homeless. Hardy House will be refurbished to provide accommodation for those threatened with homelessness or who are homeless.

### **1. Report**

- 1.1 Hardy House was used by Dorset Council to help provide accommodation to homeless people after the Government announced its Everyone In Initiative during Covid. The Council already owned the freehold of this property and in February 2021 the lease of the property was acquired from the Youth Hostel organisation at the cost of £402,962.
- 1.2 The property has been used to house a number of single homeless people with support needs. This saved money against bed and breakfast costs and worked well for a period of time, but the layout and location of the property means that this is not a suitable long-term use. The original plan was to convert the property so more single people could live in this accommodation. However, this location is not ideal for this use. This client group would prefer to be nearer Weymouth and support services can be better provided in this location.
- 1.3 It is now the intention to convert Hardy House into five units of self-contained accommodation. This will be used as move on accommodation for households that have recently been made homeless while they wait for secure long-term accommodation. The average length of stay will be around 3 – 9 months. These will be social rented homes which is the cheapest type of affordable housing.
- 1.4 Planning permission has been granted to convert the building into five self-contained flats, there will be three 2-bedroom flats and two 1-bedroom flats. One of the flats will be suitable for a wheelchair user. The use of these properties will save the Council funds as it will reduce the use of bed and breakfast accommodation. Bed and Breakfast costs the Council

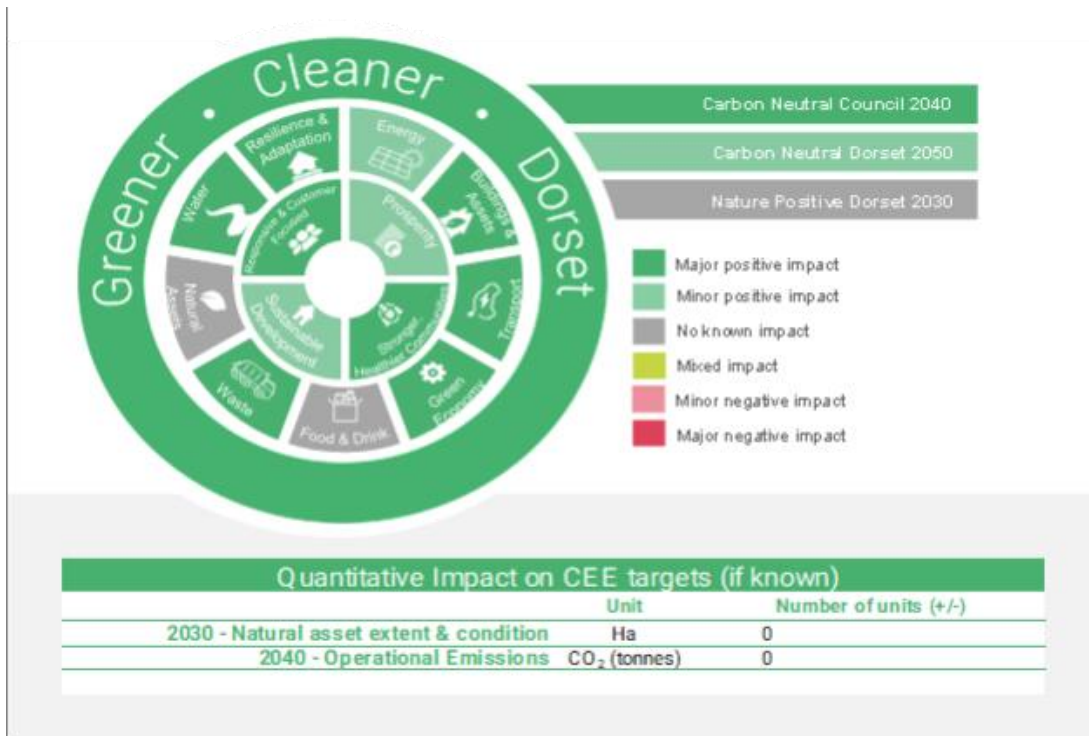
around £292 per week for a single person, this figure can be much higher when housing families. The Council can only claim the Local Housing Allowance (LHA) back from the Government.

- 1.5 Homes England have awarded grant through the Affordable Homes Programme of £361,700 to support this project. One of the grant requirements is that these are delivered as social rented homes.
- 1.6 In April 2024 the gross development value of the site was valued by Lambert Smith Hampton at £1.46m. After the cost of the works this results in a residual value of £150,000 for the site. If the site was valued based on existing use, it may be possible that the value would be higher. The external grant from Homes England is sufficient to make up the notional difference in purchase price and residual value.

## 2. **Financial Implications**

see Appendix 1

## 3. **Natural Environment, Climate & Ecology Implications**



- 3.1 Dorset Council is committed to tackling climate change and supporting our natural environment as a core priority.
- 3.2 The physical impacts of this project are largely restricted to the original footprint of the property and as such introduce no new threats to the surrounding natural environment and ecology. The only exceptions to this are during the contract phase with mildly increased traffic flows and an active welfare area to support the works.
- 3.3 From a sustainability aspect the repurposing of this building allows Dorset council to reap the benefits of the embedded energy inherent in the original construction at a fraction of the environmental cost of a new build project.
- 3.4 Refurbishment will also improve energy efficiency on various elements throughout the building helping to reduce the long-term environmental footprint of the building.
- 4. **Well-being and Health Implications**
  - 4.1 There is extensive evidence proving that living in bed and breakfast accommodation affects people's health. This accommodation will provide

self-contained accommodation for families with their own kitchen and bathroom facilities. The accommodation will also be insulated to the highest levels leading to lower heating costs for the occupants.

## **5. Risk Assessment**

- 5.1 HAVING CONSIDERED: the risks associated with this decision; the level of risk has been identified as:

Current Risk: Low

Residual Risk: Low

## **6. Equalities Impact Assessment**

- 6.1 An EQIA on the CPO process for this project has been completed, we are waiting for comments back from the Council's Equality Diverison and Inclusion Officer. It is considered that there are no negative impacts associated with this proposal.

## **7. Appendices**

- 7.1 Appendix 1 Financial Background - Exempt

## **8. Background Papers**

- 8.1 None

## **9. Report Sign Off**

- 9.1 This report has been through the internal report clearance process and has been signed off by the Director for Legal and Democratic (Monitoring Officer), the Executive Director for Corporate Development (Section 151 Officer) and the appropriate Portfolio Holder(s)