

Supporting local authorities in tackling housing challenges

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Local authorities across the UK are facing unprecedented pressures to meet the growing demand for housing.

Rising homelessness, a lack of affordable homes, and increasing costs have created a challenging environment for councils seeking to fulfil their statutory duties.

Meeting the challenge with innovative approaches

Councils are employing a range of strategies to address the housing crisis to ensure they can meet their obligations. Many have adopted creative approaches to address homelessness in the face of limited budgets and rising costs.

Examples of the initiatives local authorities have recently adopted include:

- **Acquiring housing stock:** Purchasing new build turn-key developments, ensuring immediate availability for those in need.
- **Using wholly owned companies:** Acquiring land by council-owned entities who then manage the properties, offering flexibility in meeting housing demands.
- **Repurposing existing properties:** Acquiring converted office spaces into residential units as an effective way to make the most of available resources.
- **Securing mixed-use developments:** Purchasing entire blocks that combine residential and commercial spaces, which generates investment income.
- **Utilising Section 106 Agreements:** Councils are securing affordable housing units as part of larger private developments through the planning process.
- **Options over development sites:** When selling off land for development, councils are retaining options or rights of pre-emption over any affordable housing built, ensuring future control and access.
- **Looking beyond borough boundaries:** While often a last resort, acquiring properties outside of the local area is becoming more common as land and housing within boroughs become harder to find.

Delivering regeneration through partnership

One of the most significant examples of our work has been developing a secondment model that embeds a team of legal experts working with the instructing council to support the delivery of its long-term regeneration projects. This approach allows us to provide cost-effective, comprehensive advice across governance, real estate, planning, construction and litigation, as needed. By working closely with our local authority client, we gain a deep understanding of their broader objectives, beyond just the legal aspects.

Through this collaborative model, we have supported councils in acquiring thousands of units of residential accommodation and we have addressed complex legal, financial, and operational challenges, ensuring the client achieves its housing objectives in a pragmatic and efficient manner.

Responding to rising demand

Government data shows that out-of-area placements for temporary accommodation are at record highs. While councils strive to provide housing as close to home as possible, rising demand and limited local housing options have made this increasingly difficult.

Temporary accommodation solutions, including the use of hotels and B&Bs, are expensive and can often fall short of meeting residents' needs. To address this, many councils are turning to longer-term solutions, such as:

- **Developing hostel accommodation:** Councils are converting or constructing hostels to provide better-quality temporary housing while reducing costs.
- **Acquiring larger developments:** By purchasing blocks of flats or mixed-use developments, councils can meet immediate housing needs while investing in future capacity.
- **Innovating financial models:** Exploring joint ventures and partnerships with private developers to stretch limited resources further.

These approaches not only meet immediate obligations but also help to future-proof councils against ongoing demand.

Building towards a better future

The Labour government's commitment to enabling councils to build more homes is a promising development. However, planning and delivering new housing takes time. In the interim, councils are employing every available tool to meet the pressing need for secure and stable housing.

Our work with local authorities involves navigating the legal, regulatory, and financial complexities of housing projects. By ensuring that processes are robust, compliant, and efficient, councils can focus on what matters most - providing secure and stable homes for their communities.

A shared commitment

The work councils are doing to address homelessness and housing needs is challenging and often underappreciated. At Browne Jacobson we are proud to work closely with councils to deliver transformative housing and regeneration projects, supporting efforts to create solutions that benefit individuals, families, and entire communities. Working together, we help to address these pressing needs with a practical and sustainable approach.

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