

COUNCIL HOMES ACQUISITION PROGRAMME (CHAP)

The new Council Homes Acquisition Programme (CHAP) is a government initiative aimed at increasing the supply of affordable housing for low-income families. Funding has been made available to local councils to purchase and refurbish properties that can be used as social housing. It forms part of the Affordable Homes Programme (AHP) 2021-26 and bids must align with this documentation as well as the parameters within the Capital Funding Guide (CFG).

In this bulletin, we have provided a detailed overview of the programme, including information on how to apply for funding and how Baily Garner can help, drawing upon our wealth of experience built by delivering similar schemes and projects.



Programme Overview

The council house acquisition programme is part of the government's commitment to addressing the housing crisis in the UK. Through this programme, local councils are provided with funding to acquire properties that can be used to bolster the current housing stock. These properties may be purchased from the private sector or through other means, such as compulsory purchase orders.

Once acquired, the properties must be refurbished to meet the standards required for social housing (i.e. purchase and repair). This may include repairs, upgrades, and improvements to ensure that the properties are safe, secure, meet Decent Homes Standards and provide comfortable living for residents. The properties can then be allocated to families on council house waiting lists, helping to meet the national need for affordable housing.

The programme aims to increase the supply of social housing in areas where there is high demand, helping to reduce homelessness and providing stability for vulnerable families. By acquiring properties that are already built, the programme is able to quickly increase the supply of affordable housing without the need for new construction, making it an efficient and cost-effective solution to the housing crisis.

Tenures funded through the scheme include social rent homes and accommodation for homeless households (including temporary accommodation). CHAP funding provides capital funding for acquisitions costs, although there is no revenue funding available through this programme. The GLA expects to fund homes at the following grant rates:

- For social rent, up to £200,000 per home
- For accommodation for homeless households, up to £85,000 per home.

How to Apply for Funding

Local councils can apply for CHAP funding by submitting a proposal to the government. The proposal should outline the council's plans for acquiring and

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refurbishing properties, as well as how the properties will be allocated to residents in need of social housing, including those currently on waiting lists. Bidding opened on the 17th November 2023 and will conclude in December 2025.

To be eligible for funding, councils must demonstrate a clear need for additional social housing in their area, as well as a plan for how the funding will be used to address this need. This may include identifying specific properties that are available for acquisition, as well as outlining the costs involved in purchasing and refurbishing them. This is an area Baily Garner can assist with by bolstering the business case through the provision of accurate repair and improvement costs that align with current market rates.



Councils are also required to provide information on how the properties will be managed once they are acquired, including details on how they will be allocated to residents and how they will be maintained over time. This includes plans for tenant selection, rent collection and maintenance of the properties to ensure that they remain in good condition for years to come.

Again, Baily Garner can assist by suggesting options for reduced future maintenance costs, as well as future proofing the properties and taking a fabric first approach to improving energy efficiency through the most basic and cost-effective interventions.

Once a proposal has been submitted, the government will review the application and determine whether funding will be granted. Successful councils will be provided with the necessary funding to acquire and refurbish properties, helping to increase the supply of social housing in their area.

Benefits of the Programme

For councils, the programme offers a cost-effective solution to the housing crisis, allowing them to quickly increase the supply of affordable housing without the need for new construction. By acquiring properties that are already built, councils can provide much-needed social housing in a timely manner, assessed via fair methodology and helping to address the urgent need for affordable housing in their area.

For residents in need of affordable housing, the programme offers the opportunity to access safe, secure, and comfortable housing at an affordable price. By allocating properties to families on the council house waiting list, the programme helps provide stability and security for those in need, improving their quality of life and reducing the risk of homelessness. It may also help boost the sales of properties across boroughs, which have been slow in recent times.

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How Baily Garner can Help

Since 2017, Baily Garner have played a pivotal role in the mission for additional social housing and have worked with numerous clients on various purchase and repair programmes. These programmes have included initiatives assisting rough sleepers to obtain long-term accommodation, as well as a Homes for Heroes initiatives, which assisted key workers during the COVID-19 pandemic.

To date, we have been involved in renovating over 330 properties purchased on the open market to create essential new homes for social rent. We have undertaken pre-acquisition surveys to enable our clients to safely invest over £90m on purchasing the right properties, and overseen £16m of refurbishment works carried out to create Decent Homes for social rent.



We are familiar with the specific requirements of managing P&R programmes and have established managing and reporting techniques with key delivery partners to ensure our work is of the highest standard and quality. This includes the production of condition reports and budget costs, which our

clients rely on to inform their decision making.

We are also able to apply our extensive knowledge to retrofitting existing buildings, where the scope requires it. Regular client communication and development of strong relationships is critical to the success of the programme. We work closely with our client's delivery teams, promoting a collaborative working environment and ensuring early identification of issues and solution proposals. We also provide an aftercare service using our defects database, which acts as a platform to record and monitor all defects. This process allows us to record and identify specific trends, which we use to implement improved aftercare measures for future properties.

By taking a comprehensive approach that encompasses building surveying and cost analysis, our streamlined and bespoke template documents ensure that once approved, the transition to full renovation is not only swift, but also seamless. Through our years of carrying out similar transformations, we have grown our expertise and perfected the process required to deliver high quality social housing.

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