

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

|                              |   |
|------------------------------|---|
| <b>Reference Number:</b>     | <b>3024</b>   |
| <b>Author:</b>               | <b>Paul Wilkinson</b>   |
| <b>Department:</b>           | <b>Children and Adults</b>  |
| <b>Contact:</b>              | <b>Steve Comb</b><br><b>(Job Title: Head of Service, Email: <a href="mailto:steve.comb@nottinghamcity.gov.uk">steve.comb@nottinghamcity.gov.uk</a>, Phone: 01158764024)</b>   |
| <b>Subject:</b>              | <b>Proposal to support in-house foster carers with property extension</b>   |
| <b>Total Value:</b>          | <b>£34,040 expenditure (Type: Capital)</b>  |
| <b>Decision Being Taken:</b> | <b>To approve the expenditure of £20,000 towards construction costs to combine 2 properties into 1 property to increase the fostering accommodation available.</b><br><b>To approve rent support of £14,040 for the second property over a 3 year period to facilitate the family into the new arrangement.</b> |

**Reasons for the Decision(s)**

In February/March 2017, a request was made by established foster carers living at the address detailed in the exempt appendix, to the City Council for a short-term loan/mortgage to assist them to buy the neighbouring property. They wanted to purchase the attached Property so that they could knock through and create an extended larger dwelling to live in.

The family would like to be able to offer additional fostering placements in the future but need a larger home to be able to do so.

Their home is a 3 bedrooomed semi-detached. They want to buy the property next door and undertake building works to knock through the two properties to create one extended property. The properties are well placed right next to the local School. Proximity to the School is a significant factor in wanting to stay in their current home especially when their plan is to become long-term foster carers. The couple approached their current mortgage lender for a loan to purchase the neighbouring property. This application was declined by the lender because the value of two properties knocked through does not hold the value of two separate properties. Therefore there was a risk to the security of the loan.

The family have stated that moving was not an option and neither was an extension to the current property.

Nottingham City Council on receiving the request has looked at a number of potential options to assist the couple. The progress of the options has been supported by Councillor Chapman, Councillor Mellen, Alison Michalska and Helen Blackman and subject to an appropriate business case is supported by the Chief Financial Officer and Director of Legal and Governance Services.

The reason for looking into the request was that they are regarded well as Foster Carers and if they had a bigger property were willing and want to foster additional children long term. This is a major potential benefit to corporate children looked after and also a potential financial saving to the Council. Foster Carers are regarded as a very valuable resource and as Corporate Parents, Officers and Lead Members want to do what they can to assist them.

**Briefing notes documents:**

Briefing note NOT FOR PUBLICATION FC property extension Nov 17.docx

**Other Options Considered:**

- (1) Loan/ Mortgage to purchase the neighbouring property. This is not possible as the Council is not a regulated body for loans.
- (2) Grant fund an extension to their existing property. This is not viable.
- (3) To assist in finding an alternative property. However, the family wants to remain in their current home.
- (4) Do nothing This option is not favoured and the Council as a Corporate Parent would wish to assist the family's to progress their requested.
- (5) NCC purchase the 2nd property for the family. This is not a viable option as the Fearn's current Mortgage Lender would not approve the proposal for physical works to create one house

**Background Papers:**

**Published Works:**

**Affected Wards:**

St Ann's

**Colleague / Councillor Interests:**

**Any Information Exempt from publication:**

Yes

**Exempt Information:**

**Description of what is exempt:**

Details of the family, and their address.

An appendix (or appendices) to this decision is exempt from publication under the following paragraph(s) of Schedule 12A of the Local Government Act 1972

**1 - Information relating to any individual**

The public interest in maintaining the exemption outweighs the public interest in disclosing the information because it is essential their details are not published to compromise the safeguarding of children in their care

**2 - Information which is likely to reveal the identity of an individual**

The public interest in maintaining the exemption outweighs the public interest in disclosing the information because the family are in-house foster families and their names and location need to be kept confidential for safeguarding of children in their care

**Documents exempt from publication:**

EXEMPT appendix 1.docx

**Consultations:**

Date: 01/03/2017

Other: Cllr Mellen, Cllr Chapman Alison Michalska Helen Blackman

Consultation with named party has been during the period of the proposal which commenced March 2017 following receipt of the proposal.  
All supported the proposal.

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

This decision would have no impact on crime and disorder

Equality:

EIA not required. Reasons: The decision does not affect individuals or services provided by the authority

Decision Type:

Officer

Executive Decision?

Yes

Scheme of Delegation Reference Number or Other Source of Delegation:

1

Subject to Call In:

No  
The call-in procedure does not apply to the decision because the value of the decision is below the call in threshold.

Advice Sought:

Legal, Finance, Property

Legal Advice:

The proposals set out within this decision are unique and have been progressed because of the Council's commitment to its Corporate Parent role because it could facilitate foster placements in the future. It also offers the potential for considerable savings over a 5 year period if the family do become a long term foster care family.

A number of options have been pursued and discounted for various reasons which have been set out in the background information. The risks associated with the favoured option have all been noted and where possible mitigated. An exit strategy for all Parties has been considered and included within the Heads of Terms for the Lease and offer to the Family.

The Council has insisted that the Family take independent legal advice on the Lease Agreement and the wider proposals generally. It should be noted that this decision facilitates the family to be in a bigger premises, it does not affect or influence any Panel decisions which are required for the placement of further foster children. Decisions to place children are entirely independent of this process.

Advice provided by Connie Green (Solicitor) on 10/11/2017. Advice provided by Andrew James (Team Leader Contracts and Commercial) on 24/11/2017.

**Finance Advice:**

The proposal aims to increase the capacity of internal foster carers and reduce our external provision (IFA). The basic cost for Nottingham City Fostering ranges from £231 p/week (£12,012 p/annum) to £331 p/week (£17,212 p/annum), depending on the age of the child. The basic cost for an IFA is £777.70 per week (£40,440 p/annum).

The Assured Shorthold Tenancy (AST) is initially for 5 Years. Rent is £650 per month (£7,800 p/annum). A discounted rent is proposed for the first 3 years and any shortfall will be met by the Children's directorate. The shortfall to be met in years 1 & 2 is £5,200 p/annum and year 3 £3,900 p/annum.

Assuming the above, the following range would be realised:

- . Year 1 - pressure of £1,972 to a saving of £3,228
- . Year 2 - savings from £18,028 - £23,228
- . Year 3 - savings from £19,328 - £24,528
- . Year 4&5 - savings from £23,228 - £28,428

Should the tenants fail to pay the rent, the maximum risk would result in a pressure of £4,572 to savings of £628, depending on the age of the child.

The above assumes the capital works is funded from the Children Directorate and is deducted from savings in Year 1.

The above assumes a full year placement.

The above excludes any costs associated with returning the properties to their original state, should the agreement come to an end.

Christine Green  
Snr Commercial BP  
Advice provided by Christine Green (Senior Commercial Business Partner) on 30/11/2017.

**Property Advice:**

Property have provided advice to Children & Families as to the best way to accommodate these proposals. Eventually NCH (Private Rented) Ltd acquired the subject property in order to mitigate any issues arising from the Local Authority buying these premises and the inherent risk of the proposed tenants gaining right to buy under the Housing Act. Advice provided by Jeremy Bryce (Surveyor) on 13/11/2017.

**Signatures:**

Alison Michalska (Corporate Director - Children and Adults)  
SIGNED and Dated: 07/12/2017