

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

3715

Author:

Fran Cropper

Department:

Development and Growth

Contact:

Fran Cropper

(Job Title: Regeneration Team Leader, Email: fran.cropper@nottinghamcity.gov.uk, Phone: 01158763956)

Subject:

Loan to Nottingham City Homes Registered Provider for Move on Accommodation

Total Value:

See exempt appendix. (Type: Capital)

Decision Being Taken:

1. To approve a loan to Nottingham City Homes Registered Provider (NCH RP) to enable the acquisition of properties to be used as 'Move on' Accommodation, to support the clients within the City's refuges for survivors of Domestic Sexual Violence and Abuse, on the terms set out in the exempt appendix.
2. To delegate authority to the Strategic Director of Finance to approve loan drawdown, subject to due diligence as detailed in the exempt finance comments.

Reasons for the Decision(s)

- 1. This project supports the published Housing Strategy 2018-2021 of Nottingham City Council by supporting survivors of Domestic Sexual Violence and Abuse (DSVA).
It also supports the Homelessness Prevention Strategy 2019-2024 by protecting people from harm and abuse, and one of the ways of achieving this is identified as provision of suitable specialist accommodation and support, whether refuge, or appropriate move on accommodation.**
- 2. Homes England announced a grant funding programme for 'Move on' accommodation in August 2018.**
- 3. The main aim of the Move on Fund was to free up hostel and refuge space by increasing the availability of affordable move-on housing for rent to support homeless and victims of DSVA with low to medium level needs.**
- 4. There are currently four refuges operating in the City for survivors of DSVA, which provide 31 bedspaces. All of these refuges are at full capacity and the purpose of this project is to free up bedspaces, ensure survivors of DSVA are getting the right support and to reduce the increasing homelessness issue. Nottingham City Council worked with Nottingham City Homes RP and the three other registered providers (RPs) to co-ordinate a bid to submit to Homes England for capital and revenue funding.**
- 5. NCH RP have successfully bid for £400,000 capital funding and up to £42,000 revenue funding from Homes England for the provision of eight properties to support 3 refuges. NCHA have been successful with their own bid for three properties to link to their refuge.**
- 6. The project aims to acquire eight family type properties within one mile of the target refuges. The properties will be brought up to a safe and secure standard using the 'Sanctuary' works programme, to ensure that survivors of DSVA are safe in their new, independent home. This home is to be a step towards independence for the survivor of DSVA, but is not a permanent tenancy.**
- 7. Whilst living in the Move on accommodation, the client will continue to receive support from the hostel support providers, to ensure the continuity of care and to provide support whilst preparing to secure a permanent tenancy in alternative accommodation.**
- 8. There is a significant demand for refuge space, however a lack of suitable accommodation for current service users to move into is preventing throughput within refuges. This means that survivors who cannot access refuge space but are in need of specialist emergency accommodation will be disadvantaged in terms of appropriate support (practical and emotional) and housing.**
- 9. The properties will all be let at an affordable rent level, up to a maximum of 80% market rent by NCH RP.**
- 10. The loan will be on market terms in compliance with State Aid regulations, at a rate equivalent to the Public Works Loan Board annuity rate borrowing plus a premium for the inherent risk taken by the City Council. Discussions have been held with Legal and Finance officers and the loan should be secured against the properties.**

Other Options Considered:

1. Not to provide a loan to Nottingham City Homes Registered Provider for Move On accommodation. This would mean that fewer survivors of DSVA were able to be suitably housed in the four refuges in the City, as they are at capacity. This would likely increase the need for emergency accommodation. It would also mean to opportunity of utilising grant funding from Homes England was lost, and for this reason this option was rejected.

Background Papers:

None

Published Works:	None
Affected Wards:	Citywide
Colleague / Councillor Interests:	None known.
Any Information Exempt from publication:	Yes
Exempt Information:	
Description of what is exempt:	Exempt appendix with financial information.
	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
3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).	The public interest in maintaining the exemption outweighs the public interest in disclosing the information because NCH RP are in the process of acquiring properties, and publication of available funding could prejudice commercial negotiations.
Documents exempt from publication:	Exempt Appendix v1.docx, 191024 - Finance Comments Move on Accommodation.docx
Consultations:	Those not consulted are not directly affected by the decision.
Crime and Disorder Implications:	This should have a positive impact on Crime and Disorder as it will mean there will be more suitable supported accommodation available for survivors of DSVAs, and less reliance on non-supported emergency accommodation. The new homes will also be subject to additional security works, in line with the Sanctuary scheme, to ensure the habitants are safe.
Equality:	EIA not required. Reasons: No changes to policy or functions.
Decision Type:	Portfolio Holder

Subject to Call In:	Yes
Call In Expiry date:	22/11/2019
Advice Sought:	Legal, Finance
Legal Advice:	The City Council has power to provide loans to NCH RP under the Localism act 2011 and the Local Government Act 2003. The City Council should put in place a loan agreement with NCH RP and should consider in discussion with Director of Legal and Governance and Strategic Director for Finance whether security is required for the loan. The provision of this accommodation is a public service which the City Council will entrust NCH RP to provide and on that basis the loan will not be unlawful state aid. Advice provided by Andrew James (Team Leader Contracts and Commercial) on 12/11/2019.
Finance Advice:	This advice is exempt from publication and is contained within an exempt appendix. Advice provided by Tom Straw (Senior Accountant - Capital Programmes) on 24/10/2019
Signatures	Linda Woodings as Portfolio Holder (PH Housing, Planning and Heritage)
	SIGNED and Dated: 15/11/2019
	Chris Henning (Corporate Director for Development and Growth)
	SIGNED and Dated: 14/11/2019