



Derby City Council

**URBAN RENEWAL CABINET MEMBER
MEETING
12 June 2015**

ITEM 5

Report of the Acting Strategic Director of Adults,
Health and Housing

Acquisition of a property for a foster family with complex care needs

SUMMARY

- 1.1 The X family are long term foster carers for five children and also have three birth children living with them. To meet all of the children's needs and ensure that the sibling groups are not separated, accommodation providing sufficient bedrooms and living space is required to ensure adequate private space for each child.
- 1.2 The Council has a statutory responsibility as the foster children's corporate parent to ensure provision of sufficient space for the children.
- 1.3 A property currently on the open market has been identified as suitable for purchase and can be altered to provide sufficient bedrooms and living space for the family. A purchase price of 175k, subject to approval of this report, has been accepted.

RECOMMENDATION

- 2.1 To authorise for the Council to proceed with the purchase of the property at the agreed price of £175k.
- 2.2 To provide the family with a secure tenancy of the property.

REASONS FOR RECOMMENDATION

- 3.1 To provide the family with suitable accommodation which the Council has a duty to provide under their role of corporate parent.
- 3.2 A secure tenancy offers the family the stability to maintain the family structure and continue in their role as long term carers.

SUPPORTING INFORMATION

- 4.1 The family currently comprises of two carers, three birth children under the age of 18 and two fostered sibling groups of 3 and 2 children all aged between three and ten with two of the children from one of the sibling groups having long term care needs (A and B).
- 4.2 A and B are female sisters aged eight and ten with a six year old brother. The elder sibling, A, has very high care needs and the family would like for her and her sister to remain with them into adulthood. Neither girl is expected to ever live a fully independent life.
- 4.3 Due to the long term placement of the foster children with the family (6 and 4 years) a new social sibling group has been formed and any separation could damage all of the children's attachment needs. An adoption application has been made for 2 of the children but cannot currently be progressed as they lack appropriate space in their current home. Providing them with suitably sized accommodation will enable them to continue fostering all of the children and to progress with the adoptions.
- 4.4 The council is the Corporate Parent in relation to the foster children and has to ensure it's legal responsibilities are discharged by improving the children's housing situation, especially in relation to A and B. The children's attachment needs, take priority over financial implications, when considered alongside the success of the current placements so separation of the family unit cannot be justified as the cheapest solution.
- 4.5 Although the family currently have a mortgage on their home they are not in a financial position to purchase a larger property and have limited equity in their current property. They have met the previous cost of the alteration work to their existing home themselves. When the children were younger the limited privacy was not the consideration that it is now so the property was adequate.
- 4.6 The family's current home was originally a 3 bedroom terraced property which has been altered to maximise usable space but it lacks privacy and practicality for the family. The constraints of the property are such that further extension and alteration is not feasible.
- 4.7 The identified house is a long term vacant property which has come onto the market. It currently has 5 bedrooms, 4 doubles and a single with one bedroom having an en suite. The integrated garage could be converted to provide a further bedroom and additional living area or 2 additional bedrooms. Although no formal costings have been produced the total cost for acquisition and alteration would not be expected to exceed £240k.

- 4.8 The acquisition of the property and any required alterations, can be funded from the existing Housing Revenue Account (HRA) new build and acquisition budget and RtB receipts.
- 4.9 The family are supportive and in agreement to the purchase of this property and their relocation. In addition there is further demand within the city for affordable properties of this size and it could be offered to another family if this ever became necessary.

OTHER OPTIONS CONSIDERED

- 5.1 Do nothing - as a corporate parent the Council has a legal responsibility to improve the housing situation of the foster children residing with the X family with a focus on A and B. Subsequently taking no action would be detrimental to the family unit as a whole so this option has been discounted.
- 5.2 To undertake further alterations and extend the existing family home – as previously detailed this is not possible so this option has been discounted.

This report has been approved by the following officers:

Legal officer	Olu Idowu Head of Legal
Financial officer	Toni Nash Head of Finance
Human Resources officer	Liz Moore Interim Head of Service, Strategic Human Resources
Estates/Property officer	Alistair Burg Interim Head of Asset Management and Estates
Service Director(s)	Perveez Sadiq Acting Strategic Director of Adults, Health and Housing
Other(s)	Ian Fullagar Head of Strategic Housing

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Background papers:	None
List of appendices:	Appendix 1 – Implications

IMPLICATIONS

Financial and Value for Money

- 1.1 The acquisition and adaptation of a property will require a capital investment from DCC. HRA funds and RtB receipts, or Empty Homes Grant, can be utilised as the tenure of the completed property will be affordable rent.
- 1.2 The scheme will break even on a cumulative revenue basis in year 47 presuming the current PWLB borrowing rate of 3.67% is utilised on a 50 year annuity basis and RTB receipts at 30%
- 1.3 DCC architects can undertake any design work necessary to adapt/alter the new property as the costs can be capitalised mitigating any negative effect on revenue budgets, alongside Derby Homes completing any works necessary ensuring value for money.
- 1.4 The cost floor is a protection afforded to the local authority investment, meaning that for 15 years following the initial grant of the tenancy the discount provided under a Right To Buy purchase cannot be less than the amount of monies invested by the council in the property. This protection falls away after 15 years.
- 1.5 The open market has been monitored for a period of time to identify a suitable property for the family and there has been nothing appropriate within this price range.

Legal

- 2.1 Derby Homes will be employed to undertake the refurbishment works.
- 2.2 The acquisition will be subject the usual due diligence through the conveyance process.
- 2.3 The Council is under a statutory responsibility to provide any looked after child with accommodation, such accommodation being such that it safeguards and promotes the welfare of the child. The Fostering Regulations 2011 and the National Minimum Standards for Fostering 2011 (standard 10) require the fostering service provider to ensure that a suitable physical environment is provided for any foster child. The foster home must be able to comfortably accommodate all who live there. The recognised outcome is that children who live in foster homes are provided with adequate space to a suitable standard.

Personnel

- 3.1 None directly arising from this report

IT

4.1 None directly arising from this report.

Equalities Impact

5.1 The provision of a suitable property will maintain the social sibling group that has been formed

Health and Safety

6.1 None directly arising from this report

Environmental Sustainability

7.1 None directly arising from the report.

Property and Asset Management

8.1 The council will acquire a large property into its' assets which will be managed and maintained by Derby Homes

Risk Management

9.1 None directly arising from this report

Corporate objectives and priorities for change

10.1 Promoting the provision of care within the Community and the reduction of reliance on residential care placements.

10.2 A strong Community.