

DECISION-MAKER:	CABINET
SUBJECT:	CHILDREN'S RESIDENTIAL CARE PROJECT – VARIATION OF CONSTRAINT
DATE OF DECISION:	September 13, 2022
REPORT OF:	COUNCILLOR PAFFEY CABINET MEMBER FOR CHILDREN & LEARNING

<u>CONTACT DETAILS</u>			
AUTHOR:	Title	IIC Project Manager	
	Name:	Niall Tyler	Tel: 023 8083 3461
	E-mail:	niall.tyler@southampton.gov.uk	
Director	Title	Executive Director Wellbeing (Children & Learning)	
	Name:	Rob Henderson	Tel: 023 8083 4899
	E-mail:	Robert.henderson@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY

NOT APPLICABLE.

BRIEF SUMMARY

The purchase of properties within Southampton for use as Children's Homes was approved by Council / Cabinet in March 2020. This report requests the extension of the delegation to the Executive Director Wellbeing to purchase properties inside the Southampton City Council administrative area (Section 27 of the Council / Cabinet Report March 2020 – See Appendix 1) to also permit the purchase of properties that are suitable for use / conversion to a Children's Home within adjoining Local Authority areas.

RECOMMENDATIONS:

	(i)	To authorise the Executive Director Wellbeing, following consultation with the Cabinet Member for Children & Learning to approve the purchase of properties for potential Children's Homes as set out in the Business Plan approved in March 2020, subject to an amendment that purchase may be authorised within adjoining Local Authority areas in addition to the Southampton area as originally approved.
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REASONS FOR REPORT RECOMMENDATIONS

1.	The project team is finding that there is a lack of suitable properties, at an acceptable price, within the Southampton City Council (SCC) administrative area. However, the team has identified suitable properties in areas such as Rownhams and Hedge End. The extension to the original delegation is required to give effect to the delivery of Children's Homes project within the wider locality and allow the potential purchase of one or more properties such as these and their subsequent conversion to Children's Homes.
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ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
2.	The option to purchase properties even further away from Southampton, rather than just the adjoining Local Authorities, was rejected as two aims of the project are 1: To bring children closer to Southampton, and 2: keep funds spent on the 'homes within the local economy.
3.	The option of doing nothing will keep the restriction on area of purchase in place, thus making it less likely that the project team can locate and purchase suitable properties for conversion to Children's Homes.
DETAIL (Including consultation carried out)	
4.	<p>The Local Placement Plan – Children's Residential Care Project was approved in March 2020 (see Annexe A), days before the country went into the first lockdown due to COVID-19.</p> <ul style="list-style-type: none"> - The budget given to provide the first 3 homes was £2.311 million. - The first home was due to be in use from March 2022, with the others to follow from March 2023. <p>Since March 2021 the project team has assessed well over 100 properties and has completed 31 physical viewings (as of 27/06/22). So far, the Council has not completed the purchase of any property.</p> <p>One of the key issues the project team is finding is the lack of suitable properties, at an acceptable price, within the Southampton City Council (SCC) administrative area.</p> <p>There are more of these types of properties in the urban areas surrounding Southampton, such as (for example) Rownhams (Test Valley Borough Council), West End, and Hedge End (both Eastleigh Borough Council) but purchase outside of the area was not included within the original project approval.</p> <p>The project team identified a suitable property at Rownhams, Southampton, but the property lies within Test Valley Borough Council's administrative area and, as it stands, we could not complete the purchase of this property.</p> <p>The project team is of the opinion that, by allowing the Council to consider purchasing properties within the adjoining Local Authority areas, it is more likely to find and purchase a suitable property than if it is constrained to within SCCs administrative area.</p> <p>Therefore, it is recommended that Cabinet extends its original approval to also permit purchase of properties that are suitable for use / conversion to a Children's Home in adjoining Local Authority areas.</p>
RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
5.	<p>The price of properties that are suitable for SCC's needs as potential Children's Homes varies across the city; this holds true when looking at property prices outside the SCC area.</p> <p>Because the type of property that SCC is seeking is viewed as a "good-sized family house" they command a premium price.</p> <p>The capital funding is to remain the same as per the previous Cabinet / Council report on the 17th and 18th March 2020 at £2,311,500.</p>

	For revenue, the costs will also remain the same. As per the previous report, it should be noted that the costs will be compared to spends on external placements identifying a net reduced revenue spend.
<u>Property/Other</u>	
6.	<p>Section 14 of the Full Council Report – March 2020 (see Appendix A) states that “In total it is suggested that SCC develop five two bedded children’s homes and one four bedded crisis intervention centre in Southampton.”</p> <p>Due to financial considerations, the project will instead aim to deliver two four bedded children’s homes plus the crisis intervention centre. This is due to the staffing costs per-child of a two bedded children’s home making them uneconomic, whereas a four bedded children’s home has the potential to deliver revenue cost savings to the Council.</p>
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
7.	Section 120 Local Government Act 1972 permits a Council to acquire land by agreement or otherwise, inside or outside of its area, to be used for the purpose of any of the Council’s statutory functions.
8.	Purchase of any property under s.120 above is subject always to an overriding financial duty to ensure that public funds are used for a public purpose and the Council’s wider ‘Best Value’ duties as set out in the Local Government Act 1999, specifically the duty to secure continuous improvement in the way its functions are exercised having regard to a combination of economy, efficiency and effectiveness.
<u>Other Legal Implications:</u>	
9.	Purchasing properties outside of the City boundaries will render section 203 of the Housing and Planning Act 2016 which is a useful tool that allows a local authority to lawfully override any easements, restrictive covenants or other interests affecting land that may be prohibitive in nature to the proposed use of the property, ineffective. Section 203 specifies that the criteria for the benefit of the use of this power is that the authority ‘could acquire the land compulsorily for the purposes of the building and maintenance work’ and any properties falling outside of the City boundaries therefore will not satisfy these criteria.
10.	Any property purchased outside the local authority area will therefor be subject to any covenants or other restrictions imposed within the property title and such matters will only be resolvable by agreement with the benefactors of any rights under those property constraints.
11.	Undertaking due diligence at an early stage in the process will mitigate this risk and legal title to any land or properties identified as being of potential interest to the Council can be checked prior to any offer to purchase being made to assess whether there are any interests in the land that could pose an issue in relation to the use of the property as a children’s home and save time and resources.
RISK MANAGEMENT IMPLICATIONS	
12.	From a reputational perspective, it is recognised that not all residents may necessarily be comfortable with a Children’s Home opening their

	street/area and it could be perceived or alleged that, in widening the area being looked at, the council is seeking to transfer this potential problem out of the city (and not therefore impact on SCC residents).
13.	The project team are very aware of the possibility / likelihood of neighbourhood concern and plan to mitigate this as much as possible by a programme of open and honest communication with residents, Local Councillors, and other interested parties. However, it is not a risk that can be fully mitigated and must be accepted as such.

POLICY FRAMEWORK IMPLICATIONS

14.	The provision of Children’s Homes is included in “ <i>Our Together Plan: Southampton’s Corporate Parenting Strategic Plan 2022/27</i> ”, Priority 1 “ <i>Safe and Trusted Relationships</i> ” – Key deliverables 2: “ <i>Delivery of Southampton Residential Children’s Homes Project so that young people who need care in a children’s home can have this locally.</i> ”
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KEY DECISION?	No
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WARDS/COMMUNITIES AFFECTED:	NONE.
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SUPPORTING DOCUMENTATION

Appendices

1.	Link to Local Placement Plan – Children’s Residential Care: https://www.southampton.gov.uk/modernGov/documents/s45369/Full%20Council%20Report.pdf
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Documents In Members’ Rooms

1.	None
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Equality Impact Assessment

Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	No
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Data Protection Impact Assessment

Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.	No
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Other Background Documents – NONE.

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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1.	None
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