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|  | <p align="center">Cabinet 15 January 2024</p> |
| | <p align="center">Report from the Corporate Director of Finance and Resources and Corporate Director of Children and Young People</p> |
| | <p align="center">Lead Member – Cabinet Member for Children, Young People & Schools (Councillor Gwen Grahl)</p> |
| <p align="center">Acquisition of a property in Wembley, Middlesex for the Brent Childrens Care Home Project</p> | |

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| Wards Affected: | Barnhill |
| Key or Non-Key Decision: | Key |
| Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small> | Part Exempt – Appendix 1 is exempt as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)" |
| List of Appendices: | One Appendix 1(exempt) Purchase Cost |
| Background Papers: | None |
| Contact Officer(s): <small>(Name, Title, Contact Details)</small> | Jas Yembra, Capital Project Manager 020 8937 2379 Jas.Yembra@brent.gov.uk Michelle Gwyther. Head of Forward Planning, Performance and Partnerships 020 8937 2499 Michelle.Gwyther@brent.gov.uk |

1.0 Executive Summary

- 1.1. This report sets out the recommendation to approve the acquisition of a property (address supplied in exempt appendix) in Wembley, HA9 as part of the Children's Residential Home Project.
- 1.2. The property is a detached house in the Barnhill ward, comprising of six bedrooms with two off street parking spaces and a rear lawned garden. The gross internal area is approximately 191 meters squared.
- 1.3. This report is required because the purchase price of the above property is £50,000 above the threshold for decision making by the Corporate Director of Finance and Resources.

2.0 Recommendation(s)

That Cabinet

- 2.1 Approve the acquisition of the property (as detailed in the exempt appendix) in Wembley HA9 with vacant possession to meet the needs of young people as outlined in the Brent Residential Home Business Case approved in the May 2023 Cabinet report.
- 2.2 Delegate authority to the Corporate Director of Finance and Resources, in consultation with the Corporate Director of Children and Young People, to agree the terms of the purchase and acquire the property subject to financial and legal due diligence, subject to vacant possession and subject to contract.
- 2.3 To note that the completion of the property needs to take place by the end of January 2024 in order to allow sufficient time to renovate the property within the timescales permitted in the grant agreement with the Department for Education (DfE).

3.0 Detail

3.1 Cabinet Member Foreword

- 3.1.1 The development of a Children's Residential home in Brent aligns with two Borough Plan outcomes, firstly Prosperity and Stability in Brent, and secondly The Best Start in Life. Enabling more children and young people to stay in the borough means they will have greater opportunities to participate in and contribute to the Brent community. They will receive local services to enable them to be fully equipped to succeed in adulthood.
- 3.1.2 In line with the Brent Children's Residential Home Business Case approved by Cabinet in May 2023, this report seeks approval for the acquisition of the aforementioned property for renovation to deliver a four bedded children's care home for young people by March 2025. The property will provide four

placements, three permanent and one emergency for the Council to deliver and operate a children's residential home.

3.2 Background

3.2.1 Cabinet approved the Brent Children's Residential Home Business Case in May 2023. The report detailed the needs and objectives for delivering a Children's residential home within the borough.

3.2.2 In summary the project will deliver a four-bed residential step-down home within Brent for looked after adolescents with social, emotional and behavioural needs. It will provide three bedrooms for a step-down provision to prepare young people who are in residential settings away from the borough for a move into a local fostering placement, supported accommodation (if 16+) or to return home. The remaining one bedroom will be allocated for emergency placements to enable a short-term response for young people in crisis.

3.2.3 The Council has sourced a six bedroom residential property within the borough which will be re-modelled. Four of these bedrooms will be for young people and the remaining two bedrooms will provide a staff bedroom(s) and office facilities.

3.2.4 Officers considered several properties across the borough and this property is considered to be the best fit in delivering the objectives agreed within the business plan.

4.0 Stakeholder and ward member consultation and engagement

4.1 The Cabinet Member for Children, Young People and Schools has been kept informed of developments in relation to the sourcing and proposed purchase of the property.

4.2 Officers are in the process of finalising a communications strategy for the purchase, development and opening of the residential home. This will include actions to inform ward members, local residents and other relevant, interested parties as to the development of the children's residential home.

5.0 Financial Considerations

5.1 The purchase cost (shown in Appendix 1 which has been classified as exempt from publication) will be funded by a combination of DfE grant funding and borrowing.

5.2 The project budget is £2.2m, £1.1m funding from the DfE and £1.1m from the Council, and the Council will fund its 50% contribution from borrowing. The borrowing costs for this have been included in the running costs for the children's home as detailed in the business case approved by Cabinet in May 2023.

5.3 The Council has identified and negotiated the acquisition of the property subject to this approval. The property sale price is identified to be at the appropriate

market value for a property of its type and location. Officers have negotiated to achieve the best price possible, and in doing so have ensured the agreed purchase price represents value for money.

- 5.4 The acquisition of the property will help reduce the cost of out of borough placements as outlined in the aforementioned business case.
- 5.5 Acquisition of land and building by non-profit and profit registered providers is exempt from Stamp Duty Land Tax (SDLT) where the purchase is funded with the assistance of a public subsidy. On that basis, it is to be further explored whether this transaction qualifies for SDLT relief.
- 5.6 The capital cost to deliver the children's residential home includes the property purchase, renovation and furnishing etc. as detailed within Table 1 of Appendix 1. These costs will be contained within the available budget envelope as detailed in paragraph 5.2 above.

6.0 Legal Considerations

- 6.1 A children's residential care home run by Brent Council directly supports the LA in delivering a range of statutory duties as laid down the Children Act 1989, the Children Act 2004, the Children Leaving Care Act 2000 and the Children and Social Work Act 2017.
- 6.2 Section 120 of the Local Government Act 1972 provides that for the purposes of (a) any of the Council's functions under this or any other enactment or (b) the benefit, improvement or the development of the Council's area, the Council may acquire any land whether situated inside or outside its area.
- 6.3 Legal Services will be required to undertake the necessary legal due diligence including examining search results and the title for the property. Enquiries before contract will be raised and the purchase will be subject to satisfactory results of the searches, a good and marketable title and a satisfactory survey and valuation result.
- 6.4 The restrictions placed upon such acquisitions or disposals are set out in paragraphs 11.2, 11.3 of the constitution. The Corporate Director, Finance and Resources or the Director of Property and Assets shall refer all other acquisitions and disposals including matters where the disposal or acquisition value or the length of lease are over and above the restrictions set out in paragraphs 11.2, or 11.3 of the constitution but below the amounts set out in section 13 to the Cabinet Member with delegated authority or to the Cabinet.
- 6.5. In accordance with paragraph 11.2 of the Constitution, The Corporate Director, Finance and Resources may dispose of or acquire freehold land or buildings up to a value, in his or her view, of £1m. The Corporate Director, Finance and Resources may acquire or dispose of leases, licences, and easements in respect of land or buildings except where:
 - i. the annual rental value (excluding other outgoings) exceeds £250k

- ii. if acquired or disposed of at a premium the value would, in his or her view, exceed £1m in value or
 - iii. where the leasehold term exceeds 125 years.
- 6.6. In accordance with paragraph 11.3 of the Constitution, where any disposal or acquisition of an interest in land or buildings is, in the view of the Corporate Director, Finance and Resources, of a value over £250k and below £1m, where any leasehold interest has an annual value over £100k or below £250k, or where the lease length is between 50 and 125 years, he or she shall consult with the Lead Member.
- 6.7. In accordance with paragraph 11.9 of the Constitution, in acquiring, selling or disposing of any land or buildings or granting any lease, licence or easement in respect thereof regard shall be had to any relevant Corporate Standards on property acquisitions, management and disposals.

7.0 Equality, Diversity & Inclusion (EDI) Considerations

7.1 The Council must, in the exercise of its functions, have due regard to the need to:

- a) eliminate discrimination, harassment and victimisation
- b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it

pursuant to s149 Equality Act 2010. This is known as the Public Sector Equality Duty.

- 7.2 Under the Public Sector Equality Duty, having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.
- 7.3 The Public Sector Equality Duty covers the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 7.4 There is no prescribed way the Council must exercise its public sector equality duty but having an adequate evidence base for its decision is necessary. The proposals set out in this report aim to ensure that there are sufficient and suitable residential care home placements for all Brent children and that their diverse and special educational needs are met.

8.0 Climate Change and Environmental Considerations

- 8.1 Should the Council need to undertake remedial works to the property once purchased then carbon reducing technologies and materials will be used. These could be enhancements to the property's insulation levels, energy efficient electrical fittings and low carbon heating systems.
- 8.2 Young people will also be encouraged to use green sources of travel, i.e., walk, cycle, scooter etc. Bicycle and scooter storage will be provided as part of the external landscape.

9.0 Human Resources/Property Considerations

- 9.1 The property is purchased on the open market. The Council will be the freeholder of the property.
- 9.2 Brent Council will run the residential home directly under the Children's Homes (England) Regulations, as is the case for the Ade Adepitan Short Break Centre.
- 9.3. New posts will be created to manage and run the children's residential home directly. This includes a Registered Manager, Deputy Manager and Residential Child Care Officers. These are all new posts and will not impact any existing postholders within CYP and therefore the inclusion of these posts will not be subject to any restructure requirements.

10.0 Communication Considerations

- 10.1 Focus groups with young people are planned in early 2024 to establish how they would like to engage with this project. From this activity, further sessions and events will be planned and run to ensure the voice of young people is heard in the development of the residential home. Topics will include but not be limited to what they did and did not like about residential homes they have lived in, facilities/furnishing/colour schemes and the type of support they want the home to provide to young people.

Related document(s) for reference

Brent Childrens Care Home Business Case - Cabinet Report (22 May 2023)

<https://democracy.brent.gov.uk/mglIssueHistoryHome.aspx?Ild=69546>

Report sign off:

Minesh Patel

Corporate Director Finance & Resources

Nigel Chapman

Corporate Director Children & Young People