

# Record of decision taken under delegated powers by a council officer



Title:	<b>Purchase of a Second new Children’s Home in Camberley</b>
Divisions Affected:	Camberley East
Key Decision:	Yes
Reason Key:	Over £1m
Decision taken under delegation by virtue of:	<p>Cabinet Decision</p> <p>Surrey Homes for Surrey Children: A Strategic Approach to Growing Capacity in Children's Homes in Surrey</p> <ul style="list-style-type: none"> <li>▪ Meeting of Cabinet, Tuesday, 29 November 2022 2.00 pm (Item 180/22)</li> </ul> <p>See Background Documents section for all related information</p>

## Summary

As part of the Surrey Homes for Surrey Children Strategy it was agreed that a programme of purchasing up to 9 homes be established to convert into new Children’s Homes for Surrey children. Cabinet agreed to the proposal and Corporate Programme Panel approved the methodology for managing the programme and purchase of properties.

The programme has been progressing to identify, assess and consider suitable properties across Surrey, and currently there are two homes under offer- in Camberley.

This home will operate as a 3 bed home for children at risk of criminal exploitation.

The appropriate teams have carried out due diligence checks and the decision is to proceed with the purchase of the property identified in Camberley.

During the due diligence process a number of covenants were identified on the Camberley property. This is not uncommon on larger houses in Surrey. At this they relate to not carrying out any trade or business, using as a private dwellinghouse and restricting removal of trees or shrubs. These have been investigated and the risks assessed and mitigated.

There will also be a need to change the planning designation of the property from C3- Dwelling House to C2- Residential Institution. This will require a planning application to be determines. If this application is not successful, the property would need to be re-sold. Although the sale income would revert to the overall programme

there would be some loss to the the council as Stamp Duty Land Tax and fees incurred in the acquisition would not be recoverable.

The assessed risks and mitigations have been considered by CLT and approval given to proceed with the purchase.

### **Decision made**

#### Decision made:

It was AGREED that: the identified property in Camberley

1. be purchased for use as a Children's Home within the Surrey Homes for Surrey Children Strategic Approach

#### Reasons for Decision:

1. the property fulfils the requirements of the need identified within the programme
2. the risks associated with the purchase have been fully considered and are deemed acceptable
3. appropriate mitigations are in place to manage the risks

### **Alternative options considered**

#### **Alternative Option- not to proceed with purchase**

This would have incurred abortive costs and delay to the programme whilst another suitable property could be identified.

As stated above it is not uncommon for larger properties in Surrey to have Covenants, and if the approach would be to only seek properties without covenants that would excessively limit the available properties, whilst still incurring costs in the due diligence process to discover the existence of covenants.

### **Summary of any financial implications**

The costs associated with the purchase of the new children's home are commercially confidential.

### **Declarations of conflicts of interest**

None



### **Consultation/Process Followed**

None required

## Decision

<b>Decision taken by:</b>	Rachael Wardell
<b>Role</b>	Executive Director for Children Families & Lifelong Learning
<b>Decision taken on:</b>	15 November 2024

## Background Information

<p><b>Links to Documents below-</b> please use ctrl+click to follow link</p> <p><b>Cabinet Report- Nov 2022</b></p> <ul style="list-style-type: none"><li>• <a href="#">Final Cabinet Report - Childrens Homes Sufficiency.pdf (surreycc.gov.uk)</a></li></ul> <p><b>Cabinet Decision- Nov 2022</b></p> <ul style="list-style-type: none"><li>• <a href="#">Printed decisions</a>  PDF 430 KB</li></ul> <p><b>Cabinet Minutes – Nov 2022</b></p> <ul style="list-style-type: none"><li>• <a href="#">Printed minutes</a>  PDF 358 KB</li></ul> <p><b>Decision Page on SCC Website</b></p> <ul style="list-style-type: none"><li>• <a href="#">Agenda item - SURREY HOMES FOR SURREY CHILDREN: A STRATEGIC APPROACH TO GROWING CAPACITY IN CHILDREN'S HOMES IN SURREY - Surrey County Council (surreycc.gov.uk)</a></li></ul>	Exempt:
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## **Appendix 1- Due Diligence**

### **Due Diligence Process**

Due diligence to identify a suitable property for purchase is carried out by a group of experts in their fields drawn together as a Project Team. The team makes a collective decision on how to progress from stage to stage (or not) for each property that is identified as potentially suitable for a children's home.

Project Team made up of from the following areas

- CFLL-Commissioning, Transformation, Corporate Parenting
- L&P- Acquisitions & Disposals and Workplace & Facilities

The team consult with appropriate internal and external groups and partners to ensure that as much information as possible is available to inform decisions. These include but are not limited to

- Other internal and external groups
  - Legal/Finance/Supply Chain Partners
- Town Planners
- District & Borough Housing Teams
- Police
- Social Services

### **Stages**

Property Search

- Stage 1 identify potentially suitable properties
- Stage 2- Properties reviewed against suitability factors, including children's needs, location and potential impact on neighbours
- Stage 3- Project Team visit individual property to assess suitability for progression to purchase

Property Evaluation

- Report on title, and the required searches instigated
- High level cost for fit-out
- Legal Negotiations with vendors initiated
- Pre-application advice sought from Town Planners
- Decision to make an offer or not.

Offer Made & Purchase Agreed

- Legal Negotiations
- Change of use planning application developed
- Exchange & Completion

Post Purchase

- Change of use planning application submitted
- Detailed plans for fit-out agreed and tendered
- Begin fit out works

## Appendix 2- Risk Mitigation

Item	Risk	Mitigation
1	<b>Identifying suitable properties</b>	<ul style="list-style-type: none"> <li>• Service Brief detailing requirements and needs for each property issued to Team and supply chain</li> <li>• Properties shortlisted</li> <li>• Team visits individual properties</li> </ul>
2	<b>Change of use planning application</b>	<ul style="list-style-type: none"> <li>• Pre-application advice sought from Town Planners prior to offer being made</li> <li>• Use of professional consultants to advise on pre-application</li> <li>• Use of professional consultants to advise on pre-application</li> </ul>
3	<b>Fit-out costs</b>	<ul style="list-style-type: none"> <li>• Early identification of requirements in initial visits</li> <li>• Detailed briefs and specifications identified and agreed with service for requirements</li> </ul>
4	<b>Offer Valuation</b>	<ul style="list-style-type: none"> <li>• SCC Disposals and Acquisitions team working alongside Supply Chain surveyors/agents</li> </ul>
5	<b>Surveys &amp; Title</b>	<ul style="list-style-type: none"> <li>• Use of Supply Chain surveyors</li> <li>• Use of Indemnity Policy if required</li> </ul>