



Report of the **DIRECTOR OF ADULT SOCIAL SERVICES**

Meeting **Executive Board**

Date: **3rd December 2008**

Subject: **REPROVISION OF WINDLESFORD GREEN HOSTEL FOR PEOPLE WITH LEARNING DISABILITIES**

Electoral Wards Affected:
Rothwell

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Eligible for Call In

Not Eligible for Call In
(Details contained in the report)

EXECUTIVE SUMMARY:

The report provides an update on changes to the scope of the Windlesford Green re-provision project. The change of scope still provides the desired outcomes for customers through the provision of new accommodation built by Accent Foundation and is within the approvals obtained at Executive Board on 22 August 2007 for a then less than best disposal with a value foregone of £455,000.

The re-scoping will see a smaller development which meets the needs of the current residents, requiring a less than best disposal with a value foregone of £315,000, and will result in land which has been valued at £705,000 available for alternative use/redevelopment as appropriate.

1 PURPOSE OF THE REPORT

1.1. The purpose of this report is to provide Members with details as to the change of scope of this project and seeks approval to proceed with the revised project.

2 BACKGROUND

2.1. Windlesford Green is a hostel for adults with Learning Disabilities run by Adult Social Care who currently provide accommodation, care and housing related support to the people that live there.

- 2.2. A project was initiated some 8 years ago jointly by the then Social Services and Housing departments to re-provide services from this hostel as the physical condition of the building was considered unsuitable and the environment did not support people living independent lives. A procurement process was undertaken which led to Accent Foundation Group being chosen as preferred providers to develop the scheme. This project pre-dated the initiation of Independent Living Project.
- 2.3. Various models for the re-provision have been developed over the years with the most recent model approved by Executive Board on 22nd August 2007. The model from 2007 consisted of the sale to Accent at less than best consideration of land at Windlesford Green, with Accent then building flats for current residents on one part of this land and building flats on the other part for general needs lets and for private sale. The receipts generated by Accent through the private sales were to cross subsidise the flats for ASC service users alongside Housing Corporation Grant.

3. **MAIN ISSUES**

- 3.1. It became apparent earlier this year that the scheme outlined at 2.3 of this report was no longer deliverable for a number of reasons not least the changed market conditions which meant that the houses for sale part of the scheme was no longer viable. This in turn meant that the additional rented capacity in the scheme was not affordable without a substantial increase in funding, the amount of which was unlikely to be provided by the Housing Corporation.
- 3.2. The need to re-provide the service from the current hostel provision is increasingly urgent due to both inadequacies in the fabric of the building and the high risk that the present service would be registered as a Care Home under the Care Standards Act. Should the latter occur, there will be significant financial implications for both the Council and for the residents themselves.
- 3.3. Service users and their carers have been awaiting the delivery of this project for 8 years. The current occupants of Windlesford Green have a range of learning disabilities and represent some of the most disadvantaged residents of the City.
- 3.4. Officers from ASC, Development, Neighbourhoods and Environments and Legal Services have worked together to reach a single agreed position on the way forward. Thus, a revised project to deliver a more straight forward re-provision using only part of the site that was to be sold to Accent at less than best consideration has been the focus of the project. The scheme design and mix has been reviewed and significantly changed, to incorporate more recent views of staff, customers and carers including comments made in consultation meetings.
- 3.5. The proposed development will consist of 10 two bedroom flats and 1 three bedroom flat contained within a single building and meets the needs of all current residents. All flats will contain en-suite facilities, will be fully accessible and have been designed to life time home standards. The development will incorporate a staff flat as there will be a need for 24x7 domiciliary support for some residents together with a communal area. As a result of the re-scoping part of the site containing the current hostel footprint (valued at £705,000) will become available for either future development or alternative use.
- 3.6. Accent have been successful in obtaining Housing Corporation Grant to part fund the development and as such land costs cannot exceed £5,000 per dwelling when using Council land which means a less than best consideration is still required for this scheme. The scheme will see a capital receipt of £55,000 with a value foregone of £315,000. The proposed land transfer will therefore be in the form of a 125 year lease,

with a Premium of £55,000 and a " Peppercorn rental", (no reviews).Each party will pay their own legal costs , see appendix A for a map of the land in question.

- 3.7 A financial model has been agreed with Accent which will see the total scheme cost of £1.8M being funded through a combination of Housing Corporation grant (£550,000) subsidy from Accent and rental income. A 25 year contract will be put in place with Accent which will confirm that the cost of voids exceeding 2% will be borne by the Council. The scheme is deliverable by the end of the next financial year.
- 3.8. Consultation has taken place with residents, parents, carers and staff during August of this year. Ward Members have been made aware of the changed scope of the scheme and more recently organised a consultation evening with immediate neighbours. A number of issues were discussed at that meeting in relation to the new proposal and the longer term development of the site. A senior Planning Officer was present at this meeting.
- 3.9. Changes have been made to the both the interior and the exterior to the building in the light of comments made by a range of stakeholders , see Appendix B for the latest drawings of the exterior of the proposed development.
- 3.10. A planning application for the development was submitted in October of this year.

4. **IMPLICATIONS FOR POLICY AND GOVERNANCE**

- 4.1. As stated in the 2007 Executive Board Report, this scheme will lead to a significant improvement in the quality of accommodation for some of the most vulnerable citizens of the City. The development will ensure that such people continue to live in a supported living environment and therefore removes the risk that they could suffer financially should the current building be registered as a care home.

5. **LEGAL AND RESOURCE IMPLICATIONS**

- 5.1. The development requires the Council to dispose of land at less than best consideration for building purposes, and this equates to a value foregone of £315,000.
- 5.2. The Council will fund the cost of voids should they exceed 2% over the lifetime of the project. Given the high demand for and the general shortage of accessible supported living accommodation in the City for people with learning disabilities, this is considered a manageable risk. Additionally, the Council has negotiated a provision with Accent to mitigate void risk further by applying it to the whole scheme rather than to individual units and to benefit from any occupancy level over 98% in any given year.
- 5.3. The development will benefit from Housing Corporation funding of £550,000. This funding is conditional on the scheme starting in the current financial year.
- 5.4 The premium payable on the grant of the lease will be less (by £315,000), than best consideration that can be reasonably expected to be obtained under Section 123 of the Local Government Act 1972
- 5.5 Section 25(1) of the local Government Act 1988 provides that the Council will not provide any person with financial assistance or gratuitous benefit in connection with the provision of privately let housing except in accordance with a consent of the Secretary of State

- 5.6 Whilst general consent for disposals at less than best consideration has been issued pursuant to Section 1223 of the Local Government Act 1972 this does not operate as a consent for the purposes of Section 25(1) of the Local Government Act 1988, and it is necessary to look at the general consents which have been issued.
- 5.7 The General Consent under Section 25 of the Local Government Act 1988 for the disposal of land to registered social landlords allows the Council to provide a registered social landlord with any financial assistance or gratuitous benefit consisting of the disposal to them of land for development as housing consisting of housing accommodation and other facilities which are intended to benefit mainly occupiers of the housing accommodation
- 5.8 It should be noted that there are a number of conditions attached to this consent but the Chief Officer (Legal Licensing and Registration) has confirmed that the proposed terms of the disposal will satisfy those conditions and that the purposed disposal fall within the General Consent under Section 25 of the Local Government Act 1988 for the disposal of land to registered social landlords

6. **CONCLUSIONS**

- 6.1. The revised proposal for the reprovision of Windlesford Green addresses the essential requirements of the scheme which is the availability of fit for purpose accommodation for people with learning disabilities which supports independent living.
- 6.2 A financial model is now in place which means the scheme is affordable and deliverable within the next financial year.

7. **RECOMMENDATIONS**

- 7.1. Members of Executive Board are asked to:-
- (a) note the changes to the scheme which was previously reported in August 2007.
 - (b) approve the revised scheme as detailed in this report.
 - (c) approve the terms of the proposed lease as detailed in this report.

Background Documents referred to in this report :

Executive Board Report - Reprovision of Windlesford Green hostel for people with a learning disability and site disposal at less than best consideration. 22nd August 2007

Appendices

- A Map showing area of land for the proposed development
- B External Views of proposed building