



Report of the Director of Adult Social Care Services

To: Executive Board

Date: 13th February 2009

Subject: Design & Cost Report [Department of Health Extra Care Housing Fund Bid: 2008 – 2010 Capital Scheme Number 14915 / 000 / 000]

Electoral Wards Affected:

City and Hunslet

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

In July 2008 notification was received from the Department of Health of the success of a bid for £1.845m from the Extra Care Housing Fund 2008 – 2010. The bid was made to advance a partnership with Methodist Homes Association to develop 45 units of Extra Care housing on the site of Hemingway House, a decommissioned Older People's home in Hunslet. The bid represents 29% of the total capital cost of the scheme, with Methodist Homes Association providing the remaining 71%. The scheme received the support and approval of the Council's Asset Management Group in September 2008 and the Executive Board in October 2008.

The Department of Health has set four milestones to be achieved in order to secure release of equal installments of the fund of £462, 500. The first milestone was the submission to the Department of Health of a Partnership Agreement between Leeds City Council and Methodist Homes Association which will govern the project and protect the interests of both parties. This was due on 21 November 2008. We were advised that, prior to the submission of the agreement, approvals were required for the injection of the £1, 845, 000 into the Capital Programme, and the disbursement to Methodist Homes Association of the first tranche of the fund of £462, 500. Given the timescales involved in meeting the deadline for submission of the agreement, a Design and Cost Report with exemption from call-in was submitted to the Director of Resources on 12/11/2008, which sought and obtained the required approvals. This subsequent report seeks the approval in full of these proposals, from the Executive Board, as required by the Council's Constitution.

1.0 Purpose of this Report

- 1.1 On 12/11/2008 the Director of Resources approved the injection of £1,845K into the Capital Programme and provided the authority to spend £462.5K on the first payment to Methodist Homes. The purpose of this report is to inform Executive Board about the capital scheme, and to seek authority to spend the remaining £1,382.5K of grant, subject to the terms of the Partnership Agreement between the Department of Health, Leeds City Council and Methodist Homes Association.

2.0 Background Information

- 2.1 In 2004, a partnership was initiated between Leeds City Council Social Services and Methodist Homes Association to develop an Extra Care Housing Scheme for older people in South Leeds on the site of a decommissioned Local Authority home for Older People in Hunslet known as Hemingway House.
- 2.2 Since that time, Methodist Homes Association have conducted a detailed needs assessment of local people in South Leeds and developed an Extra Care housing specification designed to meet those needs. They have also secured capital funding for the project of £4,440,000, or 71% of the total required.
- 2.3 In May 2008, Adult Social Services made a successful bid to the Department of Health Extra Care Housing Fund 2008 – 2010 for £1,845,000, or the remaining 29% of capital funds required.
- 2.4 The scheme will deliver 45 units of Extra Care Housing for vulnerable Older People from diverse backgrounds by 2010.
- 2.5 Payment of the grant is by four installments and conditional on four milestones being successfully achieved. The first of these milestones, the submission of a Partnership Agreement between Leeds City Council and Methodist Homes Association covering the scheme was successfully awarded on 21 November 2008.
- 2.6 In 2004, the Council's Executive Board lent its support and endorsement to the outline and principle of the scheme. In September 2008 and October 2008 the Council's Asset Management Board and then the Executive Board gave their support and endorsement to this specific proposal.

3.0 Main Issues

3.1 Design Proposals / Scheme Description

- 3.1.1 The scheme proposes the redevelopment of a decommissioned Local Authority Older Person's home into 45 extra care housing units for older people from diverse backgrounds. South Leeds contains areas of very significant social and economic deprivation and attendant health inequalities. It is also an area of rich ethnic and cultural diversity. There is an acute shortage of rented and affordable extra care-type accommodation. This scheme, which is a product of a partnership between Leeds City Council, NHS Leeds and Methodist Homes Association, attempts to tackle these key local issues and is part of our strategy to create harmonious communities and promote health and well-being through the transformation of our health, housing, care and support services.

- 3.1.2 The proposal also provides the opportunity to deliver a personalised service in which residents will be in control of the resources required to deliver their support and care by means of Individual Budgets and Direct Payments. This should engender greater choice and more personally tailored care packages with a focus on the outcomes desired by individuals instead of uniform provision.
- 3.1.3 The scheme will incorporate state of the art assistive technologies in order to maximize the independence of residents for as long as possible and in line with the ethos of Lifetime Homes.
- 3.1.4 The scheme will be designed and built by Methodist Homes and its associates on behalf of the City Council, with the interests of the Council and Methodist Homes guaranteed and protected in the Partnership Agreement.

3.2 Consultations

- 3.2.1 Extensive consultations have been concluded with representatives of the diverse communities of South Leeds, the Older People's Forum, NHS Leeds, Ward Members and the Executive Member for Adult Social Care, all of whom are supportive of this scheme.
- 3.2.2 Support and endorsement has also been secured from the Council's Asset Management Board and Executive Board.

3.3 Programme

- 3.3.1 A project Board and Project Team have been established to oversee the successful delivery of the project. They are comprised of representatives of Adult Social Services, Environment & Neighbourhoods, Methodist Homes Association, NHS Leeds, Corporate Procurement and service-users.
- 3.3.2 The programme of works is determined by a fixed set of requirements with milestones from the Department of Health:

November 2008: Signed Partnership Agreement in place
March 2009: Full planning permission received
September 2009: Builders working on site
January 2010: Nomination arrangements in place, draft contracts for Social Care and Supporting People grant prepared
- 3.3.3 As a result, it is anticipated that the scheme will be open and operational by the summer of 2010.
- 3.3.4 Once each milestone has been reached, 25% of the grant will be released by the Department of Health to the City Council. This, in turn will then be paid over to Methodist Homes Association, as per the partnership Agreement.

3.3.5 It will be the responsibility of Methodist Homes Association to ensure that all matters related to the procurement of construction and practical completion are executed in line with the Department of Health timetable.

4.0 Implications for Council Policy and Governance

4.1.1 This project is fully coherent with, and will make a positive contribution to, achieving the Council's objectives in relation to the promotion of the health and well-being of Older People in Leeds. Amongst the key documents in which these policy objectives are set out are:

- The Vision for Leeds 2004 – 2020
- A Local Agreement for Leeds 2006 – 2009
- Home Not Alone 2005 – 2010: A Strategy to Meet the Housing and Support Needs of Older People in Leeds

4.1.2 Advice has been secured to ensure that the project is fully compliant with the Council's Financial, Legal, and Constitutional regulations.

4.2 Community Safety

4.2.1 The design and specification of the scheme will ensure that vulnerable Older People will be enabled to live in safe and secure homes, in line with the duty on the Council, prescribed in Section 17 of the Crime and Disorder Act 1998.

5.0 Legal and Resource Implications

5.1 The scheme is fully funded from a £1.845m Department of Health grant.

5.2 Capital Funding and Cash Flow

Previous total Authority to spend on this scheme	TOTAL £000's	TO MARCH 2008 £000's	FORECAST				
			2008/9	2009/10	2010/11	2011/12	2012 on
			£000's	£000's	£000's	£000's	£000's
OTHER COSTS (7)	0.0		462.5				
TOTALS	0.0	0.0	462.5	0.0	0.0	0.0	0.0

Authority to spend required for this Approval	TOTAL £000's	TO MARCH 2008 £000's	FORECAST				
			2008/9	2009/10	2010/11	2011/12	2012 on
			£000's	£000's	£000's	£000's	£000's
OTHER COSTS (7)			462.5	925.0			
TOTALS	0.0		462.5	925.0	0.0	0.0	0.0

Total overall Funding (As per latest Capital Programme)	TOTAL £000's	TO MARCH 2008 £000's	FORECAST				
			2008/9	2009/10	2010/11	2011/12	2012 on
			£000's	£000's	£000's	£000's	£000's
Government Grant	1845.0		925.0	925.0			
Total Funding	1845.0	0.0	925.0	925.0	0.0	0.0	0.0
Balance / Shortfall =	1845.0	0.0	925.0	925.0	0.0	0.0	0.0

Parent Scheme Number: 14915/000/000
Title: Hemingway House Grant

5.3 Revenue Effects

5.3.1 There are no additional revenue effects or implications for the Council associated with the scheme. Existing revenue commitments associated with the cost of Care Management for Older People will be redirected to pay for the cost of care associated with the scheme.

5.4 Risk Assessments

5.4.1 We are advised that Methodist Homes Association have conducted and are monitoring the following areas of risk:

- Design issues
- Cost issues
- Service Delivery issues
- Programme issues

5.4.2 No monies will be paid to Methodist Homes Association except pursuant to the terms of the Partnership Agreement.

5.4.3 Methodist Homes Association is to demolish the existing building at an estimated cost of approximately £43,000 as part of their scheme, but there is a risk that the Council may have to bear this cost if full planning permission is not received by March 2009. The project team will monitor progress closely to manage this risk, but in the absence of the scheme the Council would have been responsible for the demolition on health, safety and security grounds.

6.0 Conclusions

6.1 The proposal offers excellent value for money as a £1.845 million investment by the Department of Health Grant, i.e. at no capital cost to the Authority, will attract an additional £4.480 million investment in services for vulnerable Older People from Methodist Homes Association.

6.2 The scheme will develop the blueprint model for leading edge Extra Care housing schemes which will then be used generally across the city when new schemes are developed. For example, with the Round PFI initiative, if successful.

7.0 Recommendations

- 7.1 That the Executive Board provides authority to spend £1.845 million, in order to allow payment of the grant to Methodist Homes and when installments of the grant are received from the Department of Health.
- 7.2 That the Executive Board approves the Project Brief, as presented.

Background Documents

- Executive Board Extra Care Housing report 2004 – Older People’s Long Term Care Strategy: progress report on the refurbishment and the development of extra care housing (13th October)
- Leeds City Council Adult Social Care Department of Health Extra Care Housing Fund Bid May 2008
- Asset Management Group Report October 2008
- Vision for Leeds 2004 – 2020
- A Local Area Agreement for Leeds 2006 – 2009
- Home Not Alone 2005 – 2010: A strategy to Meet the Housing and Support Needs of Older People in Leeds