

Report of the Director of City Development and Director of Adults and Health

Report to Executive Board

Date: 21 November 2018

Subject: Provision of Specialist Accommodation for Working Age Adults on land at Queensway, Yeadon, Leeds, LS19 7RD

Are specific electoral wards affected? If yes, name(s) of ward(s): Guiseley and Rawdon	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: 10.4(3) Appendix number: 1	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Summary of main issues

1. This report is put forward in the context of the Best Council Plan 2019/19 – 2020/21 which puts forward an ambition of being *A Strong Economy and a Compassionate City* by focusing on the Best City Priorities in *Housing, Health and Wellbeing and Safe Strong Communities* to achieve an outcome that people in Leeds can *live with dignity and stay independent for as long as possible*.
2. This report outlines to Members a proposal to sell surplus Council owned land in order to build specialist residential accommodation for working age adults with learning and physical disabilities.
3. Executive Board has previously approved that this land be sold for a specialist residential care use and the proposed privately financed development has the backing of Adults and Health as it supports the Ordinary Lives Project which seeks to address the shortage of such accommodation.
4. In order to realise the development of the land for specialist residential accommodation it is proposed that this surplus land be sold less than the unrestricted market value, as detailed in the attached confidential appendix, which is supported by Adults and Health.

Recommendations

5. Executive Board is recommended to:

- I. Approve the sale of the subject land to the recommended purchaser identified within the attached confidential appendix at a less than best purchase price in order to build specialist residential accommodation for working age adults with learning and physical disabilities.
- II. Agree that the Director of City Development, in consultation with the Executive Member for Regeneration, Transport and Planning, progresses with the disposal of the subject land.
- III. Agree that any subsequent amendments to the terms of the disposal be delegated to the Director of City Development to approve under the scheme of officer delegation, in consultation with the Executive Member for Regeneration, Transport and Planning.

1. Purpose of this report

- 1.1 The purpose of this report is to inform Members of a proposal to sell surplus council owned land to enable the building of specialist residential accommodation for working age adults with learning and physical disabilities in support of the Ordinary Lives Project established by Adults and Health. Approval is sought to sell the land to the recommended bidder identified in the attached confidential appendix at a less than best purchase price.

2. Background information

- 2.1 The Ordinary Lives Project was established in February 2017 by Adults & Health DLT to address the shortage of specialist accommodation for Working Age Adults in Leeds and the over-reliance on residential care. The overall vision for the project is to ensure that everyone with impairment or support needs is, should they desire, able to live in an ordinary home and receive the support they need to live independent, meaningful and purposeful lives.
- 2.2 One of the key challenges is the availability of specialist and supported housing which is failing to keep up with existing and future demand and the speed at which new developments are moving forward. This leaves vulnerable people in accommodation which is not best suited to their needs and does not offer the integrated care and support that could improve their independence
- 2.3 Continuing to develop strategic partnerships with the private sector and helping them to identify land assets and secure the funding necessary for the delivery of Supported Living accommodation is critical to meeting unmet demand in Leeds.
- 2.4 Adults and Health have received a number of approaches from developers who wish to expand their portfolios in Leeds and registered providers who are keen to invest in new supported living and housing with care accommodation in the city including the expression of interest from the recommended purchaser in respect of the subject land in Yeadon.
- 2.5 The subject land comprises the cleared site of the former Kirklands House old persons' home which measures approx. 0.45 ha (1.1 acres).
- 2.6 Executive Board has previously approved that this land should be disposed of for specialist care uses and it has been marketed for this use.
- 2.7 The offers received are detailed in the attached confidential appendix with a recommendation that the offer for development of the land as supported living apartments for adults with physical and learning disabilities be accepted at less than best consideration, which is supported by Adults and Health, as outlined in the report and attached confidential appendix.

3. Main issues

- 3.1 Providing housing of the right quality, type, tenure and affordability in the right places which will support older and vulnerable residents to remain active and independent are recognised as Best City Priorities within the Best Council Plan 2018/19 – 2020/21. This is in addition to the priorities of enabling people with care and support needs to have choice and control and keeping people safe from harm

and protecting the most vulnerable. As an outcome this enables residents in Leeds to be safe and feel safe and live with dignity and stay independent for as long as possible.

- 3.2 The Leeds Core Strategy provides a planning policy framework to guide development across Leeds to 2028 and a current review of the housing element has included the commissioning of a Strategic Housing Market Assessment (SHMA) which has provided an analysis of the housing needs of specific groups of people. The SHMA has noted a mismatch of housing need and dwellings and identified a total of 3,936 households containing people with mobility impairment or other special needs living in unsuitable accommodation.
- 3.3 Adults and Health (have produced a Market Position Statement 2015-2018 (updated in 2017) which shows that the number of adults with a learning disability living in Leeds is estimated to be 15,000 by 2020 of which 3,183 will have a moderate or severe learning disability.
- 3.4 Leeds City Council and local health commissioners in 2015/16 supported 2,400 adults with learning difficulties and it is expected that due to population trends the number of people with moderate or severe learning disabilities will increase by around 7.5% between 2014 and 2020.
- 3.5 Adults and Health breakdown of expenditure by primary presenting need in 2015/16 showed that 37.7% of total expenditure was spent on commissioned and in house services for learning disability support for people in the 18-64 age range.
- 3.6 There are a number of demographic challenges to Adults and Health commissioners, notably the increase in numbers of people with a learning disability. The increased demand has led to people with complex needs being placed out of Leeds even though these individuals represent only a small proportion of the learning disability population. Many people with complex behavioural and/or physical needs are supported in a range of supported living tenancies which is the preferred model rather than residential care and Adults and Health is working with Clinical Commissioning Groups to develop proposals for supporting people with the most complex needs to be supported to live in Leeds.
- 3.7 A recently developed scheme of a similar nature was completed in Seacroft at Cornmill House at Moresdale Lane with input and support from Adults and Health which comprises 16 apartments for supported living.
- 3.8 Support for the sale of the subject land for provision of supported living apartments for adults with physical and learning disabilities will alleviate the identified shortfall in accommodation of this type in support of the work of Adults and Health.
- 3.9 The subject land would be attractive on the open market for private residential development and would be likely to attract a higher offer for this use rather than for the proposed specialist residential care uses. The unrestricted market value of the land is estimated to be around £700,000. Selling the land for specialist care use will result in the Council not achieving best consideration which is why approval for the sale is being sought from Executive Board as this sale will be at a less than best consideration.
- 3.10 Further details on the 'less than best' sale are included in the attached confidential appendix.

4. Corporate considerations

4.1 Consultation and engagement

4.1.1 Guiseley and Rawdon Ward Members were consulted by letter and email on 27 January 2012 and prior to previous Executive Board reports and indicated their support for the proposal to dispose for specialist elderly care use. Further letters were sent on 21 September 2015 updating Ward Members on the disposal. Ward members responded in support of the sale for specialist elderly care on 22 September and 25 September 2015 respectively. Letters informing Ward Members of the intention to re-market the site were sent on 13 May 2016 and responses were received in support of the sale for residential use with a preference for specialist residential care uses.

4.2 Equality and diversity / cohesion and integration

4.2.1 The proposals for the development of the subject land put forward by the recommended purchaser would deliver 1-bed apartments for tenants with Learning Disabilities and for those with Physical disabilities.

4.3 Council policies and best council plan

4.3.1 The sale of the land will generate a capital receipt to support the Council's Capital Programme that covers a wide range of Council Policies and City Priorities.

4.3.2 The sale of the land for a specialist care use will support the Best Council Plan 2018/19 – 2020/21 by satisfying the Best City Priorities of:

- Health and Wellbeing – Supporting self-care, with more people managing their own health conditions in the community, and enabling people with care and support needs to have choice and control.
- Housing – Providing the right housing options to support older and vulnerable residents to remain active and independent.
- Safe, Strong Communities – Keeping people safe from harm, protecting the most vulnerable

4.3.3 The sale of the land for supported living apartments for adults with physical and learning disabilities supports the Ordinary Lives Project established by Adults and Health to address the shortage of such accommodation.

4.4 Resources and value for money

4.4.1 If the land is sold the Council will cease to be responsible for the current and future maintenance liabilities for it.

4.4.2 The sale of the land will generate a capital receipt in support of the Council's Capital Programme.

4.4.3 The provision of specialist residential care may result in savings for Adult Social Care by taking potential occupiers off its waiting lists and into purpose built accommodation where specialist care can be provided in a more cost effective way.

4.4.4 The proposed development is 100% privately financed, with no Social Housing Grant or requirement for subsidy.

4.5 Legal implications, access to information, and call-in

- 4.5.1 The subject land has been declared surplus to operational requirements and no operational reason has been identified to justify its retention. In these circumstances, where recommended, a disposal represents prudent and economic asset management, obviating holding costs associated with managing the land.
- 4.5.2 Under s123 of the Local Government Act 1972 the council may not dispose of land for a consideration less than the best that can be reasonably obtained in the market, except with the express consent of the Secretary of State. This disposal would be permitted by the General Disposal Consent (England) 2003, which permits disposal of any interest in land at less than best consideration where the council considers it will help it to secure the promotion or improvement of the economic social or environmental well-being of its area, subject to the condition that the undervalue (i.e. the difference between the consideration obtained and the best consideration that can reasonably be obtained) does not exceed £2million
- 4.5.3 The information contained in the Confidential Schedule attached to this report details how the above powers and conditions have been considered in relation to the offers received and how such consideration has impacted upon the recommendation to accept the offer of the purchaser named in the Confidential Schedule. That information consequently relates to the financial or business affairs of a particular person, and of the Council. This information is not publicly available from the statutory registers of information kept in respect of certain companies and charities. It is considered that since this information was obtained through inviting of best and final offers for the property/land then it is not in the public interest to disclose this information at this point in time as this could lead to random competing bids which would undermine this method of inviting bids and affect the integrity of disposing of property/land by this process. Also it is considered that the release of such information would or would be likely to prejudice the Council's commercial interests in relation to other similar transactions in that prospective purchasers of other similar properties would have access to information about the nature and level of offers which may prove acceptable to the Council. It is considered that whilst there may be a public interest in disclosure, much of this information will be publicly available from the Land Registry following completion of this transaction and consequently the public interest in maintaining the exemption outweighs the public interest in disclosing this information at this point in time. It is therefore considered that this element of the report should be treated as exempt under Rule 10.4.3 of the Access to Information Procedure

4.6 Risk management

- 4.6.1 The risks associated with the proposed disposals are outlined in the attached confidential appendix.

5. Conclusions

- 5.1 The proposed disposal of the subject land for the provision of a specialist care use in support of the objectives of the Best Council Plan 2018/19-2020/21 represents good asset management and will realise a significant capital receipt for the Council, although it will be considered to be a less than best disposal.
- 5.2 Adults and Health are supportive of a less than best disposal for the subject land and are satisfied that the development proposed by the recommended purchaser

meets both client requirements and the threshold for scheme viability. In terms of unmet need this also represents an effective response to a priority area of strategic housing need and an appropriate response to priority community care target groups:

- 5.3 The current unmet need for supported accommodation/housing with support services for people with a Learning Disability in Leeds is 405 units.
- 5.4 The current unmet need for supported accommodation/housing with support services for people with a Physical and Sensory Impairments in Leeds is 439 units.
- 5.5 There is a significant lack of suitable accommodation in the locality that is adapted for the specific housing requirements of people with learning and physical disabilities. All of the intended tenants for this accommodation will require significant levels of additional care and support.
- 5.6 Following a recent review of the anticipated rents the proposed scheme has been deemed Housing Benefit compliant. The rent and service charge elements are considered reasonable and eligible and the proposed charging structure has received in principle support from a Housing Benefit perspective.

6. Recommendations

- 6.1 Executive Board is requested to:
 - (i) Approve the sale of the subject land to the recommended purchaser identified within the attached confidential appendix at a less than best purchase price in order to build specialist residential accommodation for working age adults with learning and physical disabilities.
 - (ii) Agree that the Director of City Development, in consultation with the Executive Member for Regeneration, Transport and Planning, progresses with the disposal of the subject land.
 - (iii) Agree that any subsequent amendments to the terms of the disposal be delegated to the Director of City Development to approve under the scheme of officer delegation, in consultation with the Executive Member for Regeneration, Transport and Planning.

7. Background documents¹

- 7.1 None.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.