

**TO: EXECUTIVE
9 MAY 2017**

**DEVELOPMENT OF THE LODGE – LEARNING DISABILITY ACCOMMODATION
Director of Adult Social Care Health and Housing / Director of Corporate Services**

1 PURPOSE OF REPORT

- 1.1 To seek authority to develop The Lodge, Stoney Road site to provide bespoke accommodation for residents with a learning disability in the borough.

2 RECOMMENDATIONS

Executive is asked to agree;

- 2.1 To develop The Lodge site as shown in Appendix 1 to provide bespoke new build accommodation for a minimum of 10 residents with a learning disability in accordance with the specified accommodation needs;**
- 2.2 To seek offers from registered social landlords to undertake the development and provide nominations agreement.**
- 2.3 To exchange contracts and complete sale of the site subject to grant of detailed planning permission**
- 2.4 Details of the terms of disposal to be delegated to the Chief Officer: Property, Chief Officer: Housing, and Executive Members for Transformation & Finance and Adult Social Care, Health & Housing.**

3 REASONS FOR RECOMMENDATIONS

- 3.1 The redevelopment of The Lodge site to provide bespoke accommodation for people with learning disability supports the Adult Social Care, Health and Housing Transformation Programme.
- 3.2 There is insufficient suitable adapted accommodation in the borough for learning disability residents and the sale of The Lodge for redevelopment will help to address this housing need.
- 3.3 The development not only provides good quality accommodation for people with learning disability but also delivers revenue savings in terms of support costs thus demonstrating a clear business case.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The Council could develop The Lodge site itself. The Council would then take the development risk but would retain the freehold. The Council could then lease the development to a specialist registered provider to manage. This approach would not lever resources from the registered providers to part fund the development and as such is not recommended.

- 4.2. The Council could dispose of the site on the open market with a requirement to develop accommodation that meets the specification. This would require a developer to be in a long lease with a specialist registered provider to manage the property. If the development requires social housing grant to be viable then the Council is not able to provide social housing grant to non- registered providers. Thus this option is not recommended.

5 SUPPORTING INFORMATION

- 5.1 The Council owns The Lodge on Stoney Road in Priestwood occupied by a detached house and is currently used to house homeless households. It was purchased from Bracknell Forest Homes in 2015 for £300,000 and the current value is in the region of £350,000. A pre-application enquiry ref. PRE/16/00007 has been submitted for a redevelopment of 4x 2-bed flats on a slightly larger site than the existing curtilage. Feedback has been received from Planning which accepts the principle of development and suggests some minor revisions to the access and layout. A tree survey is required to determine a suitable layout as there are mature trees on the site and further trees and bushes on the larger site.

- 5.2 Potential redevelopment of the site has been soft market tested with a number of Registered Providers. The responses suggest that a grant of about £500,000 would be required to support the development and this could be taken from the Disabled Facilities Grant (community capacity grant) in 2017/18 (or in 2018/19 if required to fund the build cost). Registered Providers will be asked to consider an offer for the land and/or what subsidy would be required e.g. subsidised land value or payment of grant.

- 5.3 Rents should not exceed Local Housing Area (LHA) levels as there will soon be changes to “exempt accommodation” relating to housing benefit for supported housing. Using the LHA will provide a consistent basis for comparing registered provider offers for the specified accommodation. LHA figures at March 2017 for the Reading area (which covers most of Bracknell Forest) are:

| | |
|------------------------|------------------|
| shared accommodation - | £ 78.78 per week |
| 1-bedroom - | £153.02 per week |
| 2-bedroom - | £188.33 per week |

- 5.4 The Learning Disability Team has looked at a potential footprint of a new building on the site which could provide the following bespoke accommodation:

Ground floor – severe LD needs. Wheelchair provision for 4 individuals + 1 bedroom for a carer. Shared kitchen, lounge and bathroom(s).

First floor – moderate LD needs. 4 individuals + 1 bedroom for a carer. Shared kitchen, lounge and bathroom(s).

Second floor – Mild LD needs. 2x 2-bed self-contained flats.

- 5.5 Having purpose-built accommodation located in Bracknell Forest would be convenient for family and friends to visit and allow the LD Team to monitor the effectiveness of care and support being provided.
- 5.6 Based on this configuration there could be annual revenue savings of £147k. This consists of savings on LD care (£169k), offset by costs in respect of the loss of one unit of homelessness accommodation (£22k). This estimate is conservative as it does

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not consider savings that may be achievable by a shared care arrangement for the second floor residents. There will also be one-off costs of approximately £10k (£1k per room) to furnish the property.

- 5.7 There is currently a NHS prospectus available on the Transforming Care Housing Programme which relates to funding for new accommodation for LD and autistic residents. Registered Providers should assess this potential for part-funding development costs when submitting offers to the council.
- 5.8 The Registered Provider will construct and provide the shared accommodation and self-contained flats as unfurnished but will be expected to provide all necessary kitchen units, white goods, bathroom / shower room furniture and floor coverings. BFC will fund the kitting out of bedrooms, communal areas and self-contained flats at £1,000 per resident and carer. This will include necessary furniture, removals and set-up costs.
- 5.9 The site will be marketed to Registered Providers, subject to Planning, and site marketing details are shown in the Appendix 2. Bids will be assessed in terms of the capital offer for the site, how the proposal meets the LD Accommodation Specification, revenue savings and any BFC grant requirement.
- 5.10 An estimate of the stages and timescales below suggests that it would take about 2½ years (to late 2019) for the new building to be constructed and ready for occupation. In the medium term to late 2018, The Lodge will continue to be used as homeless accommodation whilst legal and planning issues are progressed:

| | |
|---|------------------|
| - Executive decision | 9 May 2017 |
| - Marketing of site to RPs (4-6 weeks) | May/June 2017 |
| - RP(s) offer assessed and approved by BFC for land sale and care & support | July 2017 |
| - RP Board approval | August 2017 |
| - Surveys and Legals (BFC & RP) | September 2017 |
| - Exchange land contract subject to Planning etc | September 2017 |
| - Pre-application with Planning (2 months) | Nov/Dec 2017 |
| - Full planning application submitted | January 2018 |
| - Full planning permission granted (3 months) | April 2018 |
| - Judicial review period (6 weeks) | June 2018 |
| - Complete the land contract | June 2018 |
| - RP procures a contractor (2 months) | July/August 2018 |
| - Discharge pre-commencement conditions & lead in (3 mths) | Sept – Nov 2018 |
| - Start on site | December 2018 |
| - Completion and ready for occupation (9 months) | September 2019 |

6 **ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS**

Borough Solicitor

- 6.1 The Local Authority has the legal powers to pursue any of the options set out in the report.

Borough Treasurer

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- 6.2 The savings figures have been calculated based on the assumption that those clients with moderate needs who are currently living in the family home will be living independently in the future.

The Adult Social Care Community Capacity Grant was combined with the Disabled Facilities Grant for the first time in 2016/17 and pooled in the Better Care Fund. However, the grant could still be used for capital schemes related to social care. At the time of writing we have not been notified of the 2017/18 Better Care Fund allocations, or any conditions, but have assumed that the Disabled Facility Grant retains this flexibility and remains at a broadly similar value.

Equalities Impact Assessment

- 6.3 An Equalities Impact Screening will be completed.

Strategic Risk Management Issues

- 6.4 An offer from a registered provider for the land may not provide a capital receipt to the council. If there is no offer forthcoming from any registered provider then the marketing strategy for land disposal will need to be re-considered.

Other Officers

- 6.5 Chief Officer: Property

Comments are contained in the report.

7 CONSULTATION

- 7.1. Not applicable.

Background Papers

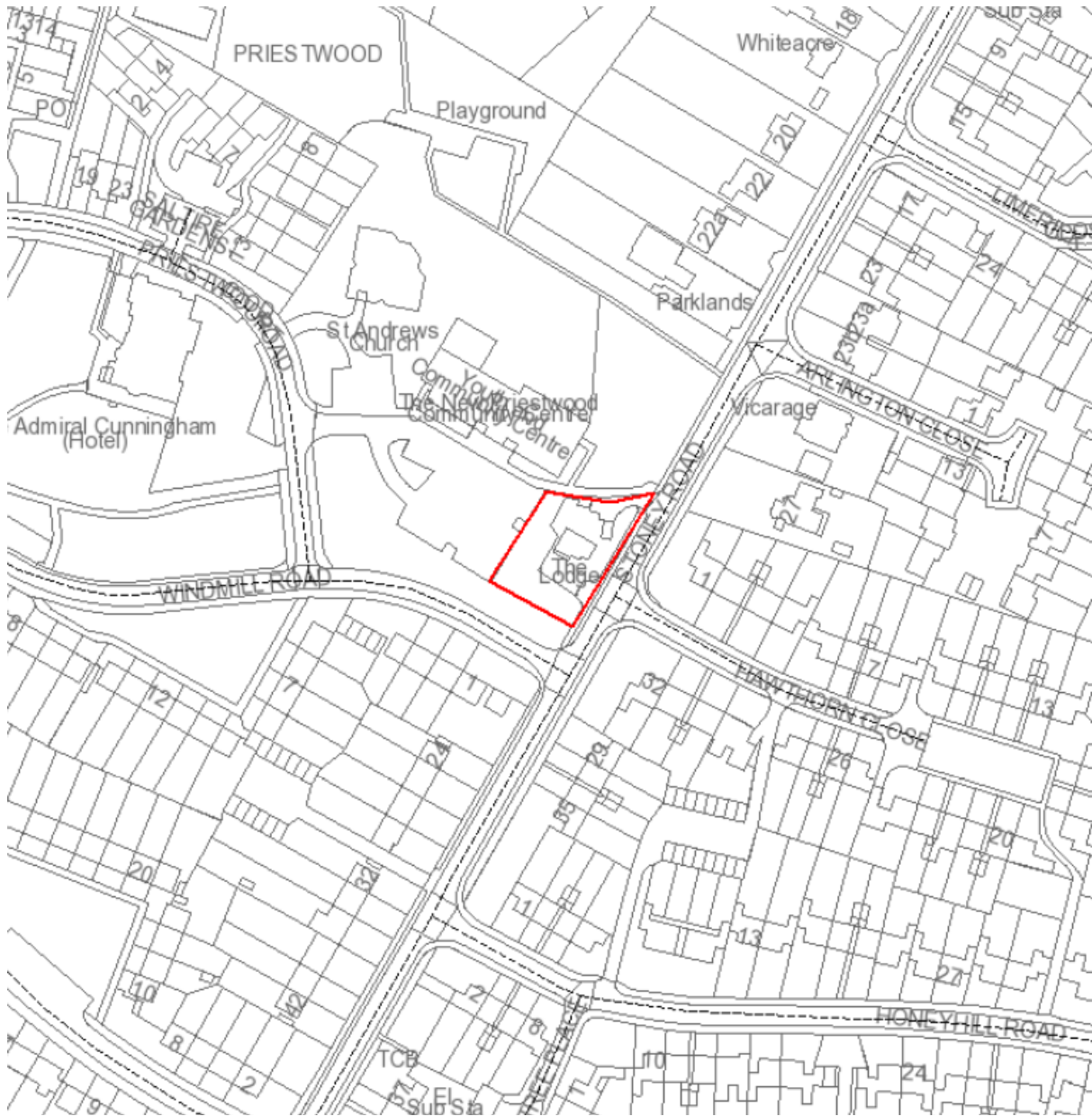
None.

Contact for further information

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Plan of Land to be Disposed



Site Marketing Details for Registered Providers

RP Offer

1. RP to state an offer for the land subject to full planning permission and/or what subsidy would be required e.g. subsidised land value or payment of BFC grant.
2. Any discount off land value or payment of grant will be conditional on the RP signing the Council's Global Nomination Agreement.

Land Disposal & New Building

3. RP to work with OTs and the LD Team to design bespoke accommodation for up to 10 residents and be in accordance with the LD Accommodation Specification, with floor layouts based on:

Ground floor – severe LD needs. Wheelchair provision for 4 individuals + 1 bedroom for a carer. Shared kitchen, lounge and bathroom(s).

Compliant with Building Regs, Part M, Level 3.

To facilitate hoists, there should be conventional ceiling joists or load bearing walls.

First floor – moderate LD needs. 4 individuals + 1 bedroom for a carer. Shared kitchen, lounge and bathroom(s).

Second floor – Mild LD needs. 1 or 2 self-contained flats.

Parking provision can be below the council's parking standards but there should be sufficient spaces for a proportion of the residents, and the carers and visitors.

Space may be needed for a minibus.

4. Rents to be Reading LHA figures at March 2017:

| | |
|------------------------|------------------|
| shared accommodation - | £ 78.78 per week |
| 1-bedroom - | £153.02 per week |
| 2-bedroom - | £188.33 per week |

5. Terms of any LA grant sought by the RP to be confirmed in a Grant Agreement:
40% of LA grant paid at Start on Site
60% of LA grant paid on Completion
6. Plan showing:
 - land to be sold to RP
 - land to be retained by BFC

Other Issues

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7. Development viability to be submitted including land value and any BFC grant.
8. Rooms in the shared accommodation to be let as licences.
Self-contained flats to be let as tenancies.
9. BFC to have 100% nominations for learning disability (LD) and autism spectrum disorder (ASD) households, secured by the Global Nominations Agreement.
10. Assume 3% voids per year.
11. The Global Nomination Agreement will include reference to the necessary care and support for the LD residents, the provision of which would be secured at a later date but prior to completion of the accommodation. The RP will allow access to whoever the council procures to provide this care and support.
12. The RP is permitted to bid for the subsequent care and support tender even if it has already secured acquisition of the land on the above terms.