

# HOUSING CABINET MEMBER MEETING

## Agenda Item 83

Brighton & Hove City Council

**Subject:** St Gabriel's 10 year lease  
**Date of Meeting:** 14<sup>th</sup> January 2009  
**Report of:** Director of Adult Social Care and Housing  
**Contact Officer:** Name: Diana Bernhardt Tel: 29-2363  
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**Key Decision:** Yes Forward Plan No. HSG2154  
**Wards Affected:** All

### FOR GENERAL RELEASE

The special circumstances for non-compliance with Council Procedure Rule 23, Access to Information Rule 5 and Section 100B(4) of the Local Government Act as amended (items not considered unless the agenda is open to inspection at least five days in advance of the meeting) are that whilst this is an in principle report as financial negotiations are yet to be commenced with the owner, we felt it was important to adequately consult with various interested departments and this unfortunately coincided with the Christmas holiday season.

#### 1. SUMMARY AND POLICY CONTEXT:

The aim of this report is to seek in principle delegated authority for the Director of Adult Social Care and Housing to enter negotiations with a view to entering into a 10 year lease of St Gabriels, Wellington Road, Brighton. This will provide extra care accommodation for people with learning disabilities and other adult social care client groups for example people with mobility issues.

#### 2. RECOMMENDATIONS:

##### 2.1 That the Cabinet Member:

- (1) Approves in principle to taking a lease of St. Gabriels, Wellington Road, Brighton.
- (2) Delegates to the Director of Adult Social Care & Housing the power to approve the detailed terms of the lease providing the terms are certified by the Valuer to the Council as the best consideration reasonably obtainable.
- (3) Authorises the Head of Law to prepare and execute any documentation necessary to give effect to the above.

#### 3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 The council has been approached by a private developer who wishes to develop the St Gabriel's Wellington Road site to provide 25 units of self contained accommodation which meet life time home standards and include at least 8 units of wheelchair accessible accommodation. The scheme will be developed as extra care type housing whereby residents would have their own flat and receive a

package of care and support depending on their needs from the 24 hour care and support on-site staff team.

- 3.2 The development is currently subject to planning approval that is expected to be considered in January 2009.

### **3.2.1 NEED AND DEMAND**

The draft housing strategy for the city (2008-2013) has identified that there is considerable need for accessible accommodation in the city. 'Brighton & Hove is recognised for having higher levels of physical disability in its general population than the national average. Housing problems are compounded by much of the city being hilly preventing full wheelchair accessibility. Many homes were built in the 19th century and subsequently converted into flats, often with small rooms and narrow stairways making accessibility and adaptation difficult'.

The Learning Disability Commissioning Strategy 2009-2012 identifies the high need for suitable accommodation with 24 hour on-site care and support in Brighton and Hove.

Because of the current lack of suitable accommodation available locally, the council has a higher than average proportion of people in residential care, a higher proportion of people placed outside of the city and a higher than average unit cost, all of which are priorities to address through the new commissioning strategy.

There are also new people who require services each year; young people coming through transitions and people with learning disabilities whose needs are increasing as they become older. The majority of the existing accommodation available locally comprises small shared group homes and these are not always suitable to meet the increasing complexity of people's needs.

Furthermore, the move towards self directed support and increased personalisation of services has also highlighted the need to provide more flexible support options and alternatives to residential care in small group homes.

There is also a need to provide accessible accommodation for people with physical disabilities and so this accommodation would provide for that need.

- 3.2.2 It is therefore proposed to enter into a 10 year lease on the property known as St Gabriel's. The Council will tender the on-site care , support and management and will have 100% nomination rights to this development of self contained extra care and supported living accommodation for people with learning disabilities and those with physical disabilities, who are currently placed or at risk of moving into residential care.

- 3.2.3 The service would be commissioned to be flexible and personalised. Residents in the service would receive the 24 hour core service commissioned by the authority in the traditional way and would have the choice to 'purchase' services to meet their specific requirements either from a menu of additional services provided by the support provider or through making their own arrangements. It is

envisaged that 13 of the 25 units would be for people with learning disabilities with the remainder for people with physical disabilities.

- 3.2.4 These proposals will achieve improved Value for Money by maximising government subsidy through Housing Benefit which is not currently available in registered care homes. The standard and layout of the accommodation will be more appropriate for services users and fit for purpose, and 24 hour staffing levels will benefit from economies of scale.
- 3.2.5 The accommodation would be subject to the cap and threshold Housing Benefit regulations which for 2009/2010 have been set at £218.36 pw. for each occupant. From 2010 the Housing Benefit regime will change although details of this have not yet been released, However, it is thought that it will follow the Local Housing Allowance style with an allowance for Management.

### **3.3 Costs for the service**

#### **Property Costs**

Negotiations have commenced with the freeholder of St Gabriels. The indicative Heads of Terms are for a 10 year lease with a break clause at 5 years notice by either party (5 years).

The landlord will retain the usual landlord repairing obligations which relate to structural repairs including gas/plumbing and electrical systems, and to provide building insurance cover. The cost of the lease is subject to negotiation with the owner and indicative details are circulated separately to Members as it is an exempt item.

#### **Management costs**

In addition to the cost of the lease the following costs would need to be covered: dilapidations, repairs due to tenant damage, voids and bad debts in much the same way as any form of accommodation. These have been allowed for in the indicative financial calculations circulated separately to members as it is an exempt item.

#### **Income**

The above costs would be partly offset by income from Housing Benefit.

#### **Support and care service costs**

The support and care service will be commissioned through competitive tendering to achieve value for money.

There will be a minimal core service commissioned by the authority which would provide a manager and deputy for the scheme and a minimum of 2 staff on site at any one time. The cost of this service is estimated to be £338 per unit pw, based on the current costs of extra care facilities in the city of £19 per hour with provision for a manager and deputy.

Any additional needs of residents would be met through an individualised budget that would reflect the resident's individual need.

## **Value for money**

A breakdown of the indicative total costs of the scheme has been circulated separately to members as it is an exempt item.

It is considered that the proposed scheme will achieve improved Value for Money by maximising government subsidy through Housing Benefit which is not currently available in registered care homes. The standard and layout of the accommodation will be more appropriate for services users and fit for purpose, and 24 hour staffing levels will benefit from economies of scale.

Some initial costings have been developed for potential referrals from residential care for people with the learning disabilities which currently cost on average £1,125 p.w. It is anticipated that under the proposed model the unit cost will reduce, due to the economies of scale and the income provided by Housing Benefit.

Further potential residents are being identified to complete detailed costings and these will form part of the financial appraisal.

## **4. CONSULTATION**

- 4.1 Consultation has been undertaken with the council's Valuers who consider that a lease cost to be a reasonable charge for this type of accommodation.
- 4.2 Consultation regarding the provision of extra care housing for learning disabilities has been undertaken as part of the development of the commissioning strategy. Detailed consultation regarding the drawings for these has commenced with the Learning Disability Partnership Board and sub groups that contains representation from social care, housing, children's services, family carers, people who use services, advocacy organisations and providers of services.

Consultation will be carried out with Adult Social Care regarding provision for other adult social care groups who would benefit from this type of facility.

## **5. FINANCIAL & OTHER IMPLICATIONS:**

### **5.1 Financial Implications:**

The report seeks in principle agreement for taking a 10 year lease, for the development of 25 self contained units suitable for extra care housing. The scheme may be available by the end of 2009/10 by which time the most appropriate and cost effective mix of clients will have been identified. A full business case is required before the financial viability and associated risks of the scheme can be assessed. The expected unit costs of the scheme will represent value for money for learning disability service users but the potential savings for physical disability service users are not expected to be significant. There is a risk that a scheme of this size in addition to the extra care schemes for Patching Lodge and Vernon Gardens would not be able to fill all the units and any unit left empty would be a cost to the Council.

*Finance Officer Consulted: Anne Silley Date: 6<sup>th</sup> January 2009*

Legal Implications:

- 5.2 S. 120 of the Local Government Act 1972 enables the council to take this lease. It is not considered that any individual's Human Rights Act rights will be adversely affected by the recommendations in this report.

Lawyer Consulted: Anna Mackenzie

Date: 15<sup>th</sup> December 2008

Equalities Implications:

- 5.3 The proposal to enter into a lease to provide accessible accommodation will reduce inequality for people with disabilities in the city and supports the commissioning of local personalised and flexible services.

Sustainability Implications:

- 5.4 This proposal will support the commissioning of local services and so reduce the number of people placed out of area, particularly those placed out of Sussex which will reduce the need for review staff in the authority, family and friends to travel long distances to visit placements.

Crime & Disorder Implications:

- 5.5 This proposal will promote social inclusion for people with disabilities through supporting increased access to mainstream services and participation as equal citizens in the community.

Risk and Opportunity Management Implications:

- 5.6 This proposal will meet the council's strategic priorities and reflect the move towards increased personalisation which will feed into the council's self directed support strategy for the city.

Corporate / Citywide Implications:

- 5.7 This proposal will increase the choice of services available locally for people with learning disabilities and so enable them to participate as equal citizens in the city of Brighton & Hove.

**6. EVALUATION OF ANY ALTERNATIVE OPTION(S):**

Alternative options that have been considered include:

- To not enter into a lease for the development and to seek to spot purchase placements according to need.

If the council does not enter into a lease there is a high risk that the developer will proceed and make their own arrangements which could lead to increased 'ordinary residence' claims (whereby people with Learning Disabilities are placed in the city by other authorities and because they have their own tenancy they become the financial responsibility of the host authority). Under this arrangement the council would not have the same influence over the development or the service to be provided.

- To enter into a lease for the development.

This option would ensure that much needed accessible accommodation with facilities for on site support would be available.

## **7. REASONS FOR REPORT RECOMMENDATIONS**

- 7.1 The report is presented to seek the necessary delegated authority for Director of Adult Social Care and Housing to start in principle negotiations with a view to entering into a 10 year lease.
- 7.2 This approval is being sought to provide the council with nomination rights to the development that will provide much needed accommodation for people with physical and learning disabilities in the city.