

20 June 2016

Agenda Item: 8a

REPORT OF SERVICE DIRECTOR ENVIRONMENT, TRANSPORT & PROPERTY

SUPPORTED LIVING ACCOMMODATION - KINGSBRIDGE WAY, BRAMCOTE

Purpose of the Report

1. To seek approval to negotiations being concluded for the sale of Kingsbridge Way to Progress Housing Group;
2. The transfer is subject to the completion of an agreement between the Council and Progress Housing Group via the Approved Housing Provider List for the development of Kingsbridge Way for Supported Living accommodation with nomination rights for the Council.
3. To seek approval for Corporate Director (Resources), in consultation with the Corporate Director (Adults Social Care, Health and Public Protection) to finalise the arrangements for the sale following negotiations and conclude the relevant legal documentation to give effect to the sale and the Approved Housing Provider List agreement.

Information and Advice

4. This report contains an exempt appendix, which is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended) (Information relating to any individual and the business affairs of a particular person (including the authority holding that information)). The exempt appendix provides details of the terms agreed. Disclosure of this information would prejudice the parties' commercial interests.
5. Kingsbridge Way was a Council owned and run short breaks unit for users with a learning disability. As part of the savings programme a decision was taken to close the service with effect from September 2015. There is therefore an opportunity to consider using the site for an alternative use or to sell the site on the open market.
6. The open market value has been ascertained by independent consultants as set out in the exempt paragraph which assumes that the existing buildings are demolished and up to seven housing plots are developed. The alternative to selling on the open market is to develop the existing buildings to provide a new supported housing scheme.

7. A new Supported Living development would help to meet the Council's obligation under the Care Act and Adult Social Care Strategy by helping service users who are currently in institutional setting such as residential or hospital care to move into independent living with their own tenancies in the community. Enabling adults with care and support needs to access Supported Living accommodation promotes their independence and enables savings and efficiencies by the care support provider.
8. A notice seeking Expressions of Interest from the existing Approved Housing Provider list has resulted in an offer from Progress Housing Group to purchase the property. In accordance with the Approved Housing Provider List, the Council and Progress Housing Group will need to enter into an agreement for this building to be turned into Supported Living accommodation. This agreement sets out the Council's nomination rights and voids responsibility for the supported living units and also covers things like housing tenancies and housing benefit/rent.
9. Due to the proposed Local Housing Allowance (LHA) cap due to be introduced in relation to tenancies taken up from April 2017, there are benefits for this supported living scheme to be up and running with service users in occupation before the end of March 2017. After this date the benefits cap effect on rents will make the project uneconomic for the provider. Despite the tight timetable to deliver these supported living units Progress Housing Group are confident that this development can be delivered by the required deadline.
10. As well as paying the market value for the property, Progress Housing Group will meet all the costs of planning permission and building/development costs to change and remodel the existing building into supported living units for 11 service users.
11. The transfer potentially represents a sale at less than best value, as defined by s123 Local Government Act 1972. Although the agreed sale value matches the independent consultant's valuation by Innes England, commissioned by Corporate Property, there is the potential that in a competitive bidding situation this valuation could be exceeded. Likewise it could be that no bidder is found who is willing to pay this amount. Paragraph 20.3.6.1 of the Council's Financial Regulations provide that, where only one party is interested or is to be invited to submit a signed contract, the Service Director, Transport, Property and Environment, in consultation with the Chairman of Finance and Property Committee shall take a decision after discussing the circumstances with the Group Manager for Legal Services and the Section 151 Officer.
12. The circumstances which permit the Authority to depart from the requirement to achieve best value are contained in the General Consent Order [The Local Government Act 1972: General Disposal Consent (England 2003)]. The Order lays down no specific process, but simply requires that the following matters are considered:-
 - i. The local authority considers that the purpose for which the land is to be disposed is likely to contribute to the achievement of any one or more of the following objects in respect of the whole or any part of its area, or of all or any persons resident or present in its area;
 1. The promotion or improvement of economic well-being;
 2. The promotion or improvement of social well-being; and

3. The promotion or improvement of environmental well-being

- ii. The difference between the unrestricted value of the land to be disposed of and the consideration for the disposal does not exceed £2,000,000 (two million pounds).

13. This proposal satisfies both Paragraphs 7.a.i and 7.a.ii.

Other Options Considered

14. Other options considered include selling the site on the open market. This option would fail to deliver the service benefits associated with Supported Living accommodation. The sale to the housing provider is likely to proceed quicker than selling the property on the open market thereby saving the Council £1,200 per month costs for security and alarms for the vacant property as well as the fees related to the sale.

Reason/s for Recommendation/s

15. To make best use of surplus land by both delivering a capital receipt whilst also meeting pressing service need and discharges the Council's duty to promote people's independence by commissioning Supported Living accommodation.

Statutory and Policy Implications

16. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Crime and Disorder Implications

17. There are no implications in relation to crime and disorder.

Financial Implications

18. The sale is proposed to proceed at the full market value as determined by an independent valuation. The developer is looking for no contribution from the County Council.

Human Resources Implications

19. The sale will not require input from the Council's personnel beyond business as usual activities.

Human Rights Implications

20. The redevelopment of Kingsbridge Way as supported living accommodation will enable 11 people with disabilities to have a home of their own with tenancy rights.

This is in the spirit of the Human Rights Act provisions for respect for privacy and family life as living in a care home does not confer the option to choose who enters the space where a person is living.

Safeguarding of Children and Vulnerable Adults Implications

21. The Council has an existing relationship with Progress Housing Group who has other supported living schemes throughout the County. The supported living accommodation allows vulnerable adults with care and support needs to live independently who would be potentially more vulnerable in general needs housing accommodation.

Implications for Service Users

22. This sale will provide opportunities for service users to have their own tenancies within the proposed development and to live independently in supported living accommodation. It will provide a local service for people living in that area where there is a low level of provision of supported living accommodation.

Implications for Sustainability and the Environment

23. The reuse of the existing buildings at Kingsbridge way for supported living accommodation represents a far better option for the environment than demolishing and clearing the site for a new-build scheme which is the likely alternative, due to the loss of the embedded energy in the existing buildings and the demand on the environment of creating new buildings.

Ways of Working Implications

24. There are no implications in relation to ways of working.

RECOMMENDATION/S

- 1) That approval is given to negotiations being concluded for the sale of Kingsbridge Way to Progress Housing Group as set out in the exempt appendix.
- 2) The transfer is subject to the completion of an agreement between the Council and Progress Housing Group via the Approved Housing Provider List for the development of Kingsbridge Way for Supported Living accommodation with nomination rights for the Council.
- 3) That approval is given to the Corporate Director (Resources), in consultation with the Corporate Director (Adults Social Care, Health and Public Protection) to finalise the arrangements for the sale following negotiations and conclude the relevant legal documentation to give effect to the sale and the Approved Housing Provider List agreement.

Jas Hundal
Service Director – Environment, Transport & Property

For any enquiries about this report please contact: Gerry McKeown 0115 977 3617

Constitutional Comments (CEH 25.05.16)

25. The recommendations fall within the remit of the Finance and Property Committee under its terms of reference. When disposing of its land the Council is required to obtain the best price reasonably obtainable on the open market.

Financial Comments (GB 3.6.16)

26. The financial implications are set out in the report.

Background Papers and Published Documents

27. None.

Electoral Division(s) and Member(s) Affected

28. Ward(s): Chilwell and Toton

Member(s): Councillor John Doddy, Councillor Richard Jackson

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Properties affected: 06256 - Kingsbridge Way Short Break Service
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