

Title of meeting: Planning, Regeneration and Economic Development

Date of meeting: 8 September 2015

Subject: Purchase of xx Priory Crescent, Milton

Report by: Director of Property and Housing

Key decision: Yes

Full Council decision: No

1. **Purpose of report**

1.1. That the Council acquire xx Priory Crescent for a new Children's Home and retain Skye Close Children's Home for the provision of supported living service for up to nine people with a learning disability.

2. **Recommendations**

2.1. It is recommended that the Cabinet Member for PRED approve the following:

2.1.1. That the Director of Property and Housing be given authority to purchase xx Priory Crescent;

2.1.2. That the City Solicitor be authorised to complete the purchase of xx Priory Crescent;

2.1.3. That the proposed expenditure on Skye Close Children's Home be approved.

3. **Background**

3.1. The number of clients who use the children's home in Skye Close has reduced recently and as a result it is now proving to be uneconomic to run. The service has therefore been reviewed and it has been highlighted that the current home is too large (currently has 8 bedrooms) and is not in the area that is most suitable for the service requirements. The preferred location for service delivery is Southsea.

3.2. Following a property search of the Southsea area a detached house with 3 bedrooms has been located that would be suitable for a children's home subject to some improvement works and addition of a small extension to the rear. The cost of this additional work is £135,000.

3.3. Rather than sell Skye Close it is proposed to use the property for a supported living service for up to nine people with a learning disability. This service is

currently split over three sites in the City and managed by an external service provider at a combined cost of £ 464,000 per annum.

3.4. The current provider has given notice as they are clear that the current Services are not financially viable without additional funding of £31,000 per annum. We have negotiated an extension until 31st March 2016 without incurring additional cost. An alternative has to be available at that point.

3.5. Moving the service will produce an ongoing saving of £75,000 per annum to the Council in addition to the £31,000 cost avoidance.

4. Reasons for recommendations

4.1. The reason for an urgent decision is that that the Council is buying xx Priory Crescent on the open market from a private seller. If the purchase is not completed quickly it will be sold to someone else. It has been difficult to find a detached house in Southsea suitable for a children's home hence it is essential that the purchase is completed quickly. The purchase cannot be delayed until the next ordinary PRED meeting.

4.2. To make maximum budget savings the children's home needs to be relocated before the end of March 2016 to facilitate the relocation of the Adult Social Care Team. If the move is delayed beyond the end of March 2016 the additional cost to the Adult Social Care Team will be £30,000 per annum which has not been included in any budget.

4.3 The relocation of the children's home to Priory Crescent is complicated as it needs some refurbishment before it can be occupied. To allow sufficient time to complete the necessary works programme the purchase of Priory Crescent needs to be completed before the end of September. It will therefore not be possible to wait for the next ordinary PRED meeting for authority to proceed with the scheme.

5. Equality impact assessment (EIA)

5.1. An equality impact assessment is not required as the recommendations do not have a negative impact on any of the protected characteristics as described in the Equality Act 2010.

6. Legal implications

6.1. There are none arising from this report.

7. Finance comments

7.1. The cost of purchasing xx Priory Crescent is £365,000. The cost of the required refurbishment and the purchase is estimated at £508,000. To refurbish Skye Close in order to provide suitable accommodation for Adult Social Care will cost £75,000.

- 7.2. Therefore the total cost of the scheme is estimated to be £583,000.
- 7.3. The relocation of the Adult Social Care to Skye Close delivers ongoing net revenue savings of approximately £100,000 per year.
- 7.4. Relocating the children's home service to xx Priory Crescent is anticipated to deliver £30,000 in addition to annual savings of £279,600 that have already been assumed in the Council's 2015/16 revenue budget; through the reduction to an operational level for a 3 bedroom children's home.
- 7.5. The scheme is anticipated to be funded from the MTRS reserve.

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Signed by:

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by: