

Title of meeting: Housing Cabinet

Date of meeting: 25th February 2019

Subject: Longdean Lodge development for Supported Housing

Report by: James Hill - Director of Housing, Neighbourhood and Building Services

Wards affected: Paulsgrove

Key decision: Yes

Full Council decision: No

1. Purpose of report

- 1.1 To seek approval from Cabinet Member for Housing to instruct Housing, Neighbourhood and Building's Design Team to deliver a new development of 13 flats on the redundant Longdean Lodge site.
- 1.2 To seek approval of the financial appraisal delivering 13 new properties, this in turn delivers new homes for 28 adults with learning disabilities within the Supported Housing Portfolio.
- 1.3 The development could potentially deliver annual savings to the general fund of c. £325,000p.a. Due to the provision of a six month building occupation time. It is estimated that this could be realised in full from November 2021.

2. Recommendations

- 2.1 **That the Cabinet Member for Housing approves Capital Expenditure of £6.6m, to deliver 13 new properties housing 28 adults with Learning disabilities, comprising of five, 4 bed shared flats and eight, 1 bed flats to be held in the Supported Housing Portfolio within the Housing Revenue Account.**
- 2.2 **That the Cabinet Member for Housing delegates authority to the Head of Housing, Neighbourhood and Building Services in consultation with the Head of Finance & S151 Officer to amend the composition and spending profile of the proposed schemes in order to meet planning and design requirements and also to agree the use of either Grant funding or 141 receipts whilst ensuring that the schemes remain financially viable following any necessary changes.**

2.3 That the Cabinet Member for Housing delegates the Director of Housing, Neighbourhood and Building to apply for any grant funding to support the scheme.

2.4 That delegation is given to the Director of Housing, Neighbourhood and Building Services, Director of Regeneration and the Section 151 Officer to agree the value and appropriation of land between the General fund and Housing Revenue Account.

3. Background

3.1 Following the completion of the feasibility study permission is sought to progress the scheme to deliver supported Housing for Adults with learning disabilities. This is supported by the Housing and Support Strategy Implementation Group based at the Kestrel centre. The group consists of Housing, Adult Social Care, Solent NHS Trust.

3.2 A financial appraisal has been completed showing the scheme will deliver savings to the general fund of £325,000 per annum,. The savings are estimated to deliver at 50% in 2021/22 as the supported housing business partner understandably allows a six month building occupation, as it is not viable to move 28 adults simultaneously, will the full savings being realised in 2022/23. The building also generates a yearly rental yield of £176,000 to the Housing Revenue Account.

3.3 The recently approved Housing and Social Care Scrutiny report dated 4th December 2018 supports the delivery of alternative models of accommodation beyond the initial learning and disability group, working with the Director of Adult Social Care and other directors as appropriate.

3.5 The supported housing business partner will seek to secure grant funding from Homes England to support the scheme, it should be noted that this funding cannot be used alongside 141 receipts.

4. Reasons for recommendations

4.1 These homes will provide much needed homes for residents and support Portsmouth City Councils corporate priority 1 " Make Portsmouth a city that works together, enabling communities to thrive and people to live healthy, safe and independent lives".

4.2 The schemes will increase the overall number of homes in the HRA and will improve its viability to allow for continued maintenance and tenant services to residents.

4.3 The scheme will improve the living environment for residents moving in.

4.4 The scheme will allow Adult Social Care to decommission two adult learning disability residential care homes and move clients from homes which are sub-standard.

5. Equality impact assessment

5.1 A Preliminary Equality Impact Assessment has been completed and no adverse equality implications were identified.

6. Legal implications

6.1 The recommendations are within the power of the Cabinet Member for Housing to adopt, and for the City Council to approve, and raise no immediate notable legal implications. The delegations recommended in the report are supportable and focus upon the scheme delivery within the HRA.

7. Director of Finance's comments

7.1 The City Council proposes to build a new facility at the former Longdean Lodge site to accommodate clients with Learning Disabilities. The Cost of the build will be £6.6m and will be funded from a mixture of HRA unsupported borrowing, and either funding from the Homes England or 141 Receipts. If the Council are successful in acquiring external funding it cannot use 141 receipts as well.

7.2 A financial appraisal has been carried out that shows that the financial effect over a 30 year period. The appraisal shows that the rental income exceeds the ongoing cost of borrowing and maintenance of the site within the Housing Revenue Account.

7.3 Additionally the General Fund will make savings in Adult Social Care of around £325,000 per annum from a reduction in care packages from placements. These will only be realised in full in the financial year 2021/22 once the site is fully occupied.

7.4 The estimated annual savings are based on the potential to relocate existing clients within this new accommodation. The estimated annual saving has been calculated by comparing the full year annual cost of existing care packages against the anticipated costs within the new accommodation setting.

7.5 There is a risk that by the time the accommodation becomes available for clients to move into; that the clients and their level of need may have changed. As a consequence of these changes, the level of realisable savings could fluctuate. Additionally, future costs of care within the new accommodation setting are subject to tender.

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Signed by:

Appendices:

A - Preliminary Equality Impact Assessment

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: