

## **CABINET MEMBER DECISION**

**Date of decision – 22 May 2018**

### **Specialised Housing – capital funding for a Supported Living Scheme for people with Profound and Multiple Disabilities at Ledwych Road, Droitwich (the Old Kingfields Day Centre site)**

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#### **Relevant Cabinet Member**

Cabinet Member with Responsibility for Adult Social Care

#### **Relevant Officer**

Director of Adult Services

#### **Local Member(s)**

Mr R Morris

#### **Recommendation**

- 1. The Cabinet Member with Responsibility for Adult Social Care is recommended to:**
  - (a) endorse the proposal to dispose of the old Kingfields Day Centre site, Ledwych Road, Droitwich for the development of two six-bed bungalows for people with profound and multiple disabilities as set out in this report;**
  - (b) agree that the Director of Adult Services contributes capital from the Community Capacity Grant as an investment in such a specialised housing scheme in order to facilitate such development as well as support capital receipts targets, as set out in this report;**
  - (c) authorise the Director of Adult Services to take all necessary steps to give effect to the above; and**
  - (d) request that the Director of Commercial and Commissioning disposes of the site accordingly**

#### **Background Information**

- 2. On 18 July 2013 Cabinet:**
  - approved the allocation of up to £5M of Community Capacity Grant capital funding for investment in specialised housing services for older people and people with learning and physical disabilities; and
  - authorised the Cabinet Member with Responsibility for Adult Social Care, with the agreement of the Director of Adult Services and Health [now the Director of

Adult Services], to determine the use of the Community Capacity Grant funding for investment in specialised housing schemes subject to an appropriate business case.

3. The Council owns a piece of land, the old Kingfields Day Centre site in Ledwych Road Droitwich. There was a Cabinet decision on 23 February 2015 to move the remaining nine people using the day centre/Connect service to the Droitwich Library, The Connect service subsequently moved on a temporary basis to the Wendron Centre in Bromsgrove due to the prohibitive costs of moving to the Library. Following positive feedback about the move from carers, staff and people using services during recent pre-consultation engagement on Learning Disability Day Services, it is likely that a recommendation will be made to Cabinet in June to request approval for formal consultation on a proposal to relocate Droitwich Connect permanently at the Wendron Centre.
4. The Director of Adult Services has identified that the Kingfields site would be highly suited for providing supported housing for people with learning disabilities and has developed a business case (attached as Appendix 1) to sell the land to a housing developer who would build the supported housing to the Council's specification. This proposal has been endorsed by the Integrated Housing Board and the Property Innovation and Asset Strategy (PIAS) Board. The Local Government Association (LGA) Land Release Fund has also awarded the Council funding up to £150k to clear the site to support bringing forward the development of the land. The Council will access the funding and carry out the demolition, if approved.

## **Business Case**

5. The full business case is attached as Appendix 1 to this report. In it the Director of Adult Services has assessed that:
  - The proposed development will meet the needs of Council-funded service users with profound and multiple disabilities; there is no similar development of this kind currently in Worcestershire. The needs assessment developed for the Supported Living Strategy 2017 - 2020 has identified a need for such schemes
  - Such a scheme will mean that fewer service users will need to have their support needs met by moving out of the County and it will widen the types of accommodation available to this service user group
  - The use of the capital funding is to enable the development of land that would otherwise have been sold at a higher value to secure a capital receipt for the Council
  - We can specifically 'shape' and influence this development to best match identified need, location and the most financially viable service model
  - The projected revenue savings outlined in section 9 will be achieved through service users moving into the scheme who would otherwise have entered residential care, resulting in lower costs as hotel costs are covered by the benefit system.
  - The proposed development will improve outcomes for service users who have more control over where they live and are closer to family connections.

## **Financial Implications**

6. It is proposed to sell the land to a specialist supported housing developer to build two six-bed bungalows for people with profound and multiple disabilities. The business case was originally for two five-bed bungalows but when the site was marketed it was clear that the development was only viable to developers at rents that were acceptable to the Council if two bedrooms were added.
7. Due to the specialist nature of the proposed use of the site, the sale value achievable is below the expected open market value for the site. However the gap has been narrowed through market engagement and negotiation and by the Council funding the demolition costs through the LGA grant to reduce development costs to the purchaser. The Director of Adult Services proposes to provide gap funding from the Community Capacity Grant to make up this shortfall. The Purchaser will provide the capital for the development and undertake the building work. The financial details are detailed in the exempt section of this report.
8. It is proposed that the reduction in the capital receipt by providing such a housing scheme and not disposing on the open market still represents best value due to benefits as listed under 4 above, plus the financial benefit to DAS on the savings that will result from the scheme and the allocation rights to all the flats for thirty years which will be granted to the Council. The Council would therefore meet its duties under s123 of the Local Government Act 1972 as the undervalue disposal is justified by the social best value obtained as well as the indirect financial benefits accruing. The land will be sold freehold but a positive covenant will be added to the title register that will require the freehold owner (or a third party which may at a future date acquire the interest) to comply with certain pre-defined obligations – ie that the land must be used for supported housing and all tenants will have to be nominated by the Council. The Council may at any time lift this covenant if it is in our interests to do so.
9. Once the scheme is full the savings to DAS is estimated at £155,000 per annum due to reduced costs as a result of people who are currently living in residential care moving to supported living (hotel costs covered by the benefit system) and from out of county back into Worcestershire. (We have more control over support provider costs.) After thirty years the total revenue savings to the Council is estimated to be £4.6M

## **Equality and Diversity, Public Health and Privacy Implications**

10. An Equality Relevance Screening has been completed in respect of these recommendations. The screening did not identify any potential Equality considerations requiring further consideration during implementation.
11. A Health Impact Assessment in Planning has been considered but is not required as there will be no direct impact on health and health inequalities due to the small size and nature of the development.

12. These proposals have no direct impact on information risk or privacy.

## Supporting Information

- Appendix 1 – Kingfields Business Case Final 18.05.17 redacted
- Appendix 2 – financial information to support Cabinet Member Decision – EXEMPT from publication as relating to financial or business affairs

## Contact Points

### County Council Contact Points

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## Background Papers

In the opinion of the proper officer (in this case the Director of Adult Services) the following are the background papers relating to the subject matter of this report:

- WCC Supported Living Strategy 2017 – 2020.



WCC Supported  
Living\_Strategy 2017